



## ANMOL INDUSTRIES LIMITED

Our Company was incorporated as Bansal Biscuits Private Limited on November 19, 2009, at Kolkata, as a private limited company under the Companies Act, 1956, pursuant to the certificate of incorporation issued by the Registrar of Companies, West Bengal at Kolkata ("RoC"). Pursuant to a special resolution passed by our Shareholders on May 13, 2016, the name of our Company was changed to Anmol Industries Private Limited and a fresh certificate of incorporation was issued to our Company by the RoC on May 23, 2016. Further, pursuant to a special resolution passed by our Shareholders on March 25, 2017, our Company was converted into a public limited company and the name of our Company was changed to Anmol Industries Limited and a fresh certificate of incorporation was issued to our Company by the RoC on March 30, 2017. For further details in relation to change in name and Registered Office of our Company, see "History and Certain Corporate Matters" beginning on page 128.

**Registered and Corporate Office:** 229, A.J.C. Bose Road, Unit 3A, 3B, 3C & 3D, Crescent Tower, 3<sup>rd</sup> Floor, Kolkata 700 020; **Tel:** (91 33) 2280 1277/78; **Fax:** Not Available

**Contact Person:** Brundaban Behera, Company Secretary and Compliance Officer; **Tel:** (91 33) 2280 1277; **Fax:** Not Available

**E-mail:** investors@anmolindustries.com; **Website:** www.anmolindustries.com; **Corporate Identity Number:** U15412WB2009PLC139597

### OUR PROMOTERS: BIMAL KUMAR CHOUDHARY, GOBIND RAM CHOUDHARY, BISWANATH CHOUDHARY, DILIP KUMAR CHOUDHARY AND BALNATH CHOUDHARY & FAMILY TRUST (REPRESENTED THROUGH ITS TRUSTEES)

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH ("EQUITY SHARES") OF ANMOL INDUSTRIES LIMITED (OUR "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE AGGREGATING UP TO ₹ 7,500.00 MILLION (THE "OFFER") THROUGH AN OFFER FOR SALE OF UP TO [●] EQUITY SHARES BY BALNATH CHOUDHARY & FAMILY TRUST, REPRESENTED THROUGH ITS TRUSTEES (THE "PROMOTER SELLING SHAREHOLDER") AGGREGATING UP TO ₹ 7,204.00 MILLION, UP TO [●] EQUITY SHARES BY SKG LAND DEVELOPERS LLP AGGREGATING UP TO ₹ 225.00 MILLION, UP TO [●] EQUITY SHARES BY DELTA NIRMAL LLP AGGREGATING UP TO ₹ 40.00 MILLION, UP TO [●] EQUITY SHARES BY ANMOL HI-COOL LLP AGGREGATING UP TO ₹ 25.00 MILLION AND UP TO [●] EQUITY SHARES BY PUNEET MERCANTILES LLP AGGREGATING UP TO ₹ 6.00 MILLION (COLLECTIVELY, THE "NON-PROMOTER SELLING SHAREHOLDERS" AND ALONG WITH THE PROMOTER SELLING SHAREHOLDER, THE "SELLING SHAREHOLDERS"), THE OFFER WOULD CONSTITUTE [●] % OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND AND MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS ("BRLMs") AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●], [●] EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITION OF THE BENGALI NEWSPAPER [●] (BENGALI BEING THE REGIONAL LANGUAGE OF WEST BENGAL, WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE AND SHALL BE MADE AVAILABLE TO BSE LIMITED ("BSE") AND NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE"), AND TOGETHER WITH BSE, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

In case of any revision to the Price Band, the Bid/Offer Period will be extended by at least three additional Working Days after such revision in the Price Band, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in the Price Band and the revised Bid/Offer Period, if applicable, will be widely disseminated by notification to BSE and NSE, by issuing a press release, and also by indicating the change on the website of the BRLMs and at the terminals of the Syndicate Members and by intimation to Self-Certified Syndicate Banks ("SCSBs"), the Registered Brokers, Collecting Depository Participants and Registrar and Share Transfer Agents.

This Offer is being made through a Book Building Process in terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") read with Regulation 41 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "ICDR Regulations") and in accordance with Regulation 26(1) of the ICDR Regulations, wherein not more than 50 % of the Offer shall be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60 % of the QIB Portion to Anchor Investors on a discretionary basis ("Anchor Investor Portion") at the Anchor Investor Allocation Price in accordance with the ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds only, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. 5 % of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15 % of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All potential Bidders, other than Anchor Investors, are mandatorily required to participate in the Offer through the Application Supported by Blocked Amount ("ASBA") process, providing details of their respective bank accounts which will be blocked by the Self Certified Syndicate Banks ("SCSBs"). Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" beginning on page 339.

### RISKS IN RELATION TO THE FIRST OFFER

This being the first public issue of our Company, there has been no formal market for the Equity Shares. The face value of the Equity Shares is ₹ 10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Offer Price (determined and justified by our Company and the Selling Shareholders in consultation with the BRLMs as stated under "Basis for Offer Price" beginning on page 77) 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

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares in the Offer have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" beginning on page 14.

### OUR COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company and the Promoter Selling Shareholder, having made all reasonable inquiries, accept responsibility for and confirm that this Draft Red Herring Prospectus contains all information with regard to our Company, the Promoter Selling Shareholder and the Offer, which is material in the context of the Offer, that the information contained in this Draft 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 Draft 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. Further, each Non-Promoter Selling Shareholder accepts responsibility for and confirms only statements specifically confirmed or undertaken by such Non-Promoter Selling Shareholder in this Draft Red Herring Prospectus to the extent that the statements specifically pertain to such Non-Promoter Selling Shareholder and the Equity Shares offered by such Non-Promoter Selling Shareholder under the Offer and confirms that such statements are true and correct in all material aspects and are not misleading in any material respect.

### LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on BSE and NSE. Our Company has received an 'in-principle' approval from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively. For the purposes of the Offer, the Designated Stock Exchange shall be [●].

### BOOK RUNNING LEAD MANAGERS

### REGISTRAR TO THE OFFER



**Edelweiss Financial Services Limited**  
Address: 14<sup>th</sup> Floor, Edelweiss House  
Off. C.S.T. Road, Kalina  
Mumbai 400 098  
Tel: (91 22) 4009 4400  
Fax: (91 22) 4086 3610  
E-mail: anmol.ipo@edelweissfin.com  
Investor grievance e-mail:  
customerservice.mb@edelweissfin.com  
Website: www.edelweissfin.com  
Contact person: Shubham Mehta / Jay Mehta  
SEBI registration number: INM0000010650

**ICICI Securities Limited**  
Address: ICICI Centre, H.T. Parekh Marg  
Churchgate, Mumbai 400 020  
Tel: (91 22) 2288 2460/70  
Fax: (91 22) 2282 6580  
E-mail: anmol.ipo@icicisecurities.com  
Investor grievance e-mail:  
customercare@icicisecurities.com  
Website: www.icicisecurities.com  
Contact person: Arjun A. Mehrotra / Anurag Byas  
SEBI registration number: INM000011179

**Motilal Oswal Investment Advisors Limited**  
Address: Motilal Oswal Tower, Rahimtullah  
Sayani Road, Opposite Parel ST Depot  
Prabhadevi, Mumbai 400 025  
Tel: (91 22) 3846 4380  
Fax: (91 22) 3846 4315  
E-mail: anmol.ipo@motilaloswal.com  
Investor grievance e-mail:  
moipalredressal@motilaloswal.com  
Website: www.motilaloswalgroup.com  
Contact person: Kristina Dias / Subodh Mallya  
SEBI registration number: INM000011005

**Link Intime India Private Limited**  
Address: C-101, 1st Floor, 247 Park  
L.B.S. Marg  
Vikhroli (West), Mumbai 400 083  
Tel: (91 22) 4918 6200  
Fax: (91 22) 4918 6195  
E-mail: anmol.ipo@linkintime.co.in  
Investor grievance e-mail:  
anmol.ipo@linkintime.co.in  
Website: www.linkintime.co.in  
Contact person: Shanti Gopalkrishnan  
SEBI registration number: INR000004058

### BID/OFFER PROGRAMME

**BID/OFFER OPENS ON**

[●]

**BID/OFFER CLOSING ON**

[●]<sup>\*\*</sup>

\* Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the ICDR Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date.

\*\* Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the ICDR Regulations.

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## SECTION I: GENERAL

### DEFINITIONS AND ABBREVIATIONS

*This Draft Red Herring Prospectus uses certain definitions and abbreviations which, unless the context otherwise indicates or implies, shall have the meaning as provided below. References to any legislation, act, regulation, rules, guidelines or policies shall be to such legislation, act, regulation, rules, guidelines or policies as amended from time to time, and any reference to a statutory provision shall include any subordinate legislation made from time to time under that provision.*

*The words and expressions used in this Draft Red Herring Prospectus but not defined herein shall have, to the extent applicable, the meaning ascribed to such terms under the Companies Act, the ICDR Regulations, the SCRA, the Depositories Act, and the rules and regulations made thereunder. Notwithstanding the foregoing, terms used in “Industry”, “Statement of Tax Benefits”, “Financial Statements”, “Outstanding Litigation and Material Developments” and “Main Provisions of Articles of Association” beginning on pages 83, 80, 165, 309 and 380, respectively shall have the meaning ascribed to such terms in such sections.*

*In case of any inconsistency between the definitions given below and the definitions contained in the General Information Document (as defined below), the definitions given below shall prevail.*

#### General terms

Term	Description
“our Company”, “the Company” or “the Issuer”	Anmol Industries Limited, a company incorporated under the Companies Act, 1956 and having its Registered and Corporate Office at 229 A.J.C. Bose Road, Unit 3A, 3B, 3C & 3D, Crescent Tower, 3rd Floor, Kolkata 700 020
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company

#### Company and Selling Shareholders related terms

Term	Description
ABL	Anmol Biscuits Limited
ABPL	Anmol Bakers Private Limited
ACSPL	Anumati Consultancy & Services Private Limited
Actual Installed Capacity	The installed capacity of our Company taking into consideration the various applications for modification of installed capacities at some of our facilities. The Actual Installed Capacity for biscuits is 294,544MTPA and 8,148 MTPA for cakes as of March 31, 2018.
APPL	Anmol Projects Private Limited
Articles of Association	The articles of association of our Company, as amended
ASPL	Anmol Stainless Private Limited
Audit Committee	The audit committee of our Board constituted in accordance with the Companies Act, 2013 and the Listing Regulations
AUPL	Anant Udyog Private Limited
BCF Trust	Bajjnath Choudhary & Family Trust, represented through its Trustees
BHPL	Baid Holdings Private Limited
Board or Board of Directors	The board of directors of our Company or a duly constituted committee thereof
Bonus Issue	Bonus issue of 49,430,832 Equity Shares in the ratio of 4:1 to the existing Shareholders as on the record date being, February 23, 2018
Britannia	Britannia Industries Limited
CMT Division	Corporate Management and Treasury Division
CSR	Corporate Social Responsibility
CSR Policy	Anmol Industries Limited Corporate Social Responsibility Policy
Director(s)	The director(s) of our Company, as appointed from time to time
Elite	Elite Foods Private Limited
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
Executive Director	An executive director of our Company
FS Report	A report titled “India Biscuits and Cakes Market” commissioned by us and prepared and issued by Frost & Sullivan (India) Private Limited dated April 15, 2018
Fortune	Fortune Biscuits Private Limited
Group Companies	The companies which are covered under the applicable accounting standards and also other companies as considered material by our Board, pursuant to a policy on materiality of group companies approved by our Board on February 24, 2018 as identified in “Our Group Companies” beginning on page 157
ITC	ITC Limited
JNPL	J4F Nutriplus Private Limited

Term	Description
Key Management Personnel	The key management personnel of our Company in terms of Regulation 2(1)(s) of the ICDR Regulations, Section 2(51) of the Companies Act, 2013 and as identified in “ <i>Our Management – Key Management Personnel</i> ” on page 146
Independent Director	A non-executive, independent Director as per the Companies Act, 2013 and the Listing Regulations
Individual Promoters	Biswanath Choudhary, Bimal Kumar Choudhary, Dilip Kumar Choudhary and Gobind Ram Choudhary
IPO Committee	The IPO committee of our Board, and as disclosed in “ <i>Our Management</i> ” beginning on page 133
Memorandum of Association	The memorandum of association of our Company, as amended
Monarch	Monarch Shelter Private Limited
Monginis	Monginis Foods Private Limited
NCLT Kolkata Bench	National Company Law Tribunal, Kolkata Bench
Nomination and Remuneration Committee	The nomination and remuneration committee of our Board constituted in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, and as disclosed in “ <i>Our Management</i> ” beginning on page 133
Non-Executive Director	A Director, not being an Executive Director
Non-Promoter Selling Shareholders	SKG Land Developers LLP, Delta Nirman LLP, Anmol Hi-Cool LLP and Puneet Mercantiles LLP
Parle	Parle Products Limited
Prataap	Prataap Snacks Limited
Proforma Financial Statements	The proforma financial results of our Company for the Financial Years ended March 31, 2015 and 2016 extracted from the consolidated financial statements of erstwhile ABL and its subsidiaries and its convergence to Ind AS which has been solely prepared by the management to reflect the financial performance of core business operations for comparative purposes post the implementation of the Scheme of Arrangement
Promoter(s)	Promoter(s) of our Company namely, Bimal Kumar Choudhary, Gobind Ram Choudhary, Biswanath Choudhary, Dilip Kumar Choudhary and Baijnath Choudhary & Family Trust (represented through its Trustees).  For details, see “ <i>Our Promoters and Promoter Group</i> ” beginning on page 150
Promoter Group	The entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the ICDR Regulations. For details, see “ <i>Our Promoters and Promoter Group – Promoter Group</i> ” on page 150
Promoter Selling Shareholder	Baijnath Choudhary & Family Trust, represented through its Trustees
“Registered Office” or “Registered and Corporate Office”	Registered and corporate office of our Company located at 229, A.J.C. Bose Road, Unit 3A, 3B, 3C & 3D, Crescent Tower, 3 <sup>rd</sup> Floor, Kolkata 700 020
“Registrar of Companies” or “RoC”	Registrar of Companies, West Bengal at Kolkata. For further details, see “ <i>General Information</i> ” beginning on page 58
Restated Financial Statements	The restated financial statements of our Company for (i) the Financial Year ended March 31, 2017 and the nine month period ended December 31, 2017 which have been prepared in accordance with Ind AS read with Section 133 of the Companies Act, 2013 (ii) the Financial Years ended March 31, 2015, 2016 which are proforma Ind AS financial statement prepared applying the Principles and provision of Ind AS ; and (iii) the Financial Years ended March 31, 2013 and March 31, 2014 (prepared in accordance with Indian GAAP read with the requirements of the Companies Act) which comprises the restated summary statement of assets & liabilities, the restated statement of profit and loss and the restated statement of changes in equity (wherever applicable) and restated summary statement of cash flows and notes to the restated financial statements of assets and liabilities, profit and loss and cash flows
Scheme of Arrangement	The scheme of arrangement approved by the NCLT, Kolkata Bench through its order dated March 3, 2017 pursuant to which ABL (our erstwhile holding company) and ABPL (an erstwhile subsidiary of ABL) were merged with our Company and the CMT Division of our Company was transferred to AUPL. For further details of the Scheme of Arrangement see “ <i>History and Certain Corporate Matters - Scheme of Arrangement</i> ” on page 131
Selling Shareholders	Collectively, the Non-Promoter Selling Shareholders and the Promoter Selling Shareholder
Shareholders	Holders of Equity Shares of our Company from time to time
Stakeholders’ Relationship Committee	The stakeholders’ relationship committee of our Board constituted in accordance with the provisions of the Companies Act, 2013 and the Listing Regulations, and as disclosed in “ <i>Our Management</i> ” beginning on page 133
“Statutory Auditor” or “Auditor”	Statutory auditor of our Company, namely, Lodha & Co., Chartered Accountants

Term	Description
Trustees	Bajnath Choudhary, Biswanath Choudhary, Dilip Kumar Choudhary, Gobind Ram Choudhary and Bimal Kumar Choudhary

#### Offer Related Terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid cum Application Form
“Allot” or “Allotment” or “Allotted”	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer to the successful Bidders
Allotment Advice	A note or advice or intimation of Allotment sent to the Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the ICDR Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors at the end of the Anchor Investor Bid/Offer Period in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Bid/Offer Period	One Working Day prior to the Bid/Offer Opening Date, on which Bids by Anchor Investors shall be submitted and allocation to Anchor Investors shall be completed
Anchor Investor Offer Price	<p>The final price at which the Equity Shares will be Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which price will be equal to or higher than the Offer Price but not higher than the Cap Price.</p> <p>The Anchor Investor Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs</p>
Anchor Investor Portion	<p>Up to 60 % of the QIB Portion which may be allocated by our Company and the Selling Shareholders in consultation with the BRLMs, to Anchor Investors on a discretionary basis, in accordance with the ICDR Regulations.</p> <p>One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price</p>
“Application Supported by Blocked Amount” or “ASBA”	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorise an SCSB to block the Bid Amount in the ASBA Account
ASBA Account	A bank account maintained with an SCSB and specified in the ASBA Form submitted by ASBA Bidders for blocking the Bid Amount mentioned in the ASBA Form
ASBA Bidders	All Bidders except Anchor Investors
ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
Basis of Allotment	The basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in “Offer Procedure – Part B – General Information Document for Investing in Public Issues – Allotment Procedure and Basis of Allotment” on page 369
Bid	<p>An indication to make an offer during the Bid/Offer Period by ASBA Bidders pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by an Anchor Investor pursuant to submission of the Anchor Investor 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 the ICDR Regulations.</p> <p>The term “Bidding” shall be construed accordingly</p>
Bid/Offer Closing Date	Except in relation to any Bids received from the Anchor Investors, the date after which the Designated Intermediaries will not accept any Bids, which shall be notified in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation.

Term	Description
	Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/ Offer Closing Date in accordance with the ICDR Regulations
Bid/Offer Opening Date	Except in relation to any Bids received from the Anchor Investors, the date on which the Designated Intermediaries shall start accepting Bids, which shall be notified in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to Anchor Investors, the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof
Bid Amount	The highest value of optional Bids indicated in the Bid cum Application Form and payable by the Bidder or blocked in the ASBA Account of the ASBA Bidder, as the case may be, upon submission of the Bid in the Offer
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid Lot	[●] Equity Shares
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form and unless otherwise stated or implied, includes an Anchor Investor
Bidding Centres	The centres at which at 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 CDPs
Book Building Process	Book building process, as provided in Schedule XI of the ICDR Regulations, in terms of which the Offer is being made
“Book Running Lead Managers” or “BRLMs”	The book running lead managers to the Offer namely, Edelweiss, I-Sec and Motilal Oswal
Broker Centres	Broker centres notified by the Stock Exchanges where ASBA Bidders can submit the ASBA Forms to a Registered Broker.  The details of such Broker Centres, along with the names and contact details of the Registered Broker are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
“CAN” or “Confirmation of Allocation Note”	A notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/Offer Period
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price will not be finalised and above which no Bids will be accepted
Cash Escrow Agreement	Agreement to be entered into by our Company, the Non-Promoter Selling Shareholders, the Trustees acting in their capacity as the trustees of the Promoter Selling Shareholder, the Registrar to the Offer, the BRLMs, the Syndicate Member, the Escrow Collection Bank(s), the Public Offer Bank(s) and the Refund Bank(s) for, <i>inter alia</i> , collection of the Bid Amounts from Anchor Investors, transfer of funds to the Public Offer Account and where applicable, refunds of the amounts collected from Bidders, on the terms and conditions thereof
Client ID	The client identification number maintained with one of the Depositories in relation to the demat account
“Collecting Depository Participant” or “CDP”	A depository participant as defined under the Depositories Act, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Offer Price, finalised by our Company and the Selling Shareholders in consultation with the BRLMs.  Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs (including Anchor Investors) and Non-Institutional Investors are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidder’s address, name of the Bidder’s father/husband, investor status, occupation and bank account details
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms.  The details of such Designated CDP Locations, along with names and contact details of the CDPs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	The date on which funds are transferred from the Anchor Investor Escrow Account and instructions are given to the SCSBs to unblock the ASBA Accounts and transfer the amounts blocked by the SCSBs, from the ASBA Accounts, to the Public Offer Account or the Refund

Term	Description
	Account, as appropriate, in terms of the Red Herring Prospectus and the aforesaid transfer and instructions shall be issued only after finalisation of Basis of Allotment in consultation with the Designated Stock Exchange
Designated Intermediaries	The members of the Syndicate, sub-Syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders, in relation to the Offer
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective website of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated SCSB Branches	Such branches of the SCSBs which shall collect the ASBA Forms, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated June 19, 2018, issued in accordance with the ICDR Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Offer
Edelweiss	Edelweiss Financial Services Limited
Eligible FPIs	FPIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or purchase the Equity Shares
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the Bid cum Application Form and the Red Herring Prospectus will constitute an invitation to subscribe to or to purchase the Equity Shares
Escrow Account	The account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS/NACH in respect of the Bid Amount when submitting a Bid
Escrow Collection Bank(s)	Bank(s) which are clearing members and registered with SEBI as bankers to an issue and with whom the Escrow Account will be opened, in this case being [●]
First Bidder	The Bidder whose name shall be mentioned in the Bid cum Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Offer Price and the Anchor Investor Offer Price will be finalised and below which no Bids will be accepted
“General Information Document” or “GID”	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, suitably modified and included in “Offer Procedure – Part B- General Information Document” beginning on page 348
I-Sec	ICICI Securities Limited
Maximum RIB Allottees	Maximum number of Retail Individual Bidders who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to Retail Individual Bidders by the minimum Bid Lot
Motilal Oswal	Motilal Oswal Investment Advisors Limited
Mutual Fund Portion	5 % of the Net QIB Portion, or [●] Equity Shares which shall be available for allocation to Mutual Funds only, subject to valid Bids being received at or above the Offer Price
Net QIB Portion	The QIB Portion less the number of Equity Shares Allotted to the Anchor Investors
Non-Institutional Bidder(s)	All Bidders that are not QIBs or Retail Individual Bidders, who have Bid for Equity Shares for an amount more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Offer being not less than 15 % of the Offer consisting of [●] Equity Shares which shall be available for allocation on a proportionate basis to Non-Institutional Bidders, subject to valid Bids being received at or above the Offer Price
Non-Resident	A person resident outside India, as defined under FEMA and includes NRIs, FPIs and FVCIs
Non- Resident Indian/ NRIs	A non-resident Indian as defined under the FEMA Regulations
Offer	The initial public offering of our Company comprising of an offer for sale of up to [●] Equity Shares by Selling Shareholders for cash at a price of ₹ [●] per Equity Share, aggregating up to ₹ 7,500.00 million
Offer Agreement	The agreement dated June 19, 2018, entered into among our Company, the Trustees acting in their capacity as trustees of the Promoter Selling Shareholder, the Non-Promoter Selling Shareholders and the BRLMs in relation to the Offer

Term	Description
Offer Price	<p>The final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors in terms of the Red Herring Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus.</p> <p>The Offer Price will be decided by our Company and the Selling Shareholders in consultation with the BRLMs on the Pricing Date</p>
Price Band	<p>The price band of a minimum price of ₹ [●] per Equity Share (Floor Price) and the maximum price of ₹ [●] per Equity Share (Cap Price) including any revisions thereof.</p> <p>The Price Band and minimum Bid Lot will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs and will be advertised in [●] editions of English national newspaper [●], [●] editions of Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid / Offer Opening Date</p>
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs will finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the ICDR Regulations containing, <i>inter alia</i> , the Offer Price that is determined at the end of the Book Building Process, the size of the Offer and certain other information, including any addenda or corrigenda thereto
Public Offer Account	‘No-lien’ and ‘non-interest bearing’ bank account opened under Section 40(3) of the Companies Act, 2013, with the Public Offer Account Bank to receive monies from the Escrow Account(s) and ASBA Accounts on the Designated Date
Public Offer Account Bank	The bank(s) with whom the Public Offer Account(s) for collection of Bid Amounts from Escrow Accounts and ASBA Accounts will be maintained, in this case being [●]
QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50 % of the Offer consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors), subject to valid Bids being received at or above the Offer Price
“Qualified Institutional Buyers” or “QIBs” or “QIB Bidders”	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the ICDR Regulations
“Red Herring Prospectus” or “RHP”	<p>The red herring prospectus to be issued by our Company in accordance with Section 32 of the Companies Act, 2013 and the provisions of the ICDR Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Offer, including any addenda or corrigenda thereto.</p> <p>The red herring prospectus will be registered with the RoC at least three days before the Bid/Offer Opening Date and will become the Prospectus upon filing with the RoC after the Pricing Date</p>
Refund Account(s)	The account(s) to be opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Bank(s)	The bank(s) with which the Refund Account(s) shall be maintained, in this case being [●]
Registered Broker(s)	The stock brokers registered with the stock exchanges having nationwide terminals, other than the members of the Syndicate and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar Agreement	The agreement dated June 19, 2018, entered into among our Company, the Trustees acting in their capacity as the trustees of the Promoter Selling Shareholder, the Non-Promoter Selling Shareholders and the Registrar to the Offer in relation to the responsibilities and obligations of the Registrar to the Offer pertaining to the Offer
“Registrar and Share Transfer Agents” or “RTAs”	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
“Registrar to the Offer” or “Registrar”	Link Intime India Private Limited
“Retail Individual Bidder(s)” or “RIB(s)”	Individual Bidders who have Bid for the Equity Shares for an amount not more than ₹ 200,000 in any of the bidding options in the Offer (including HUFs applying through their Karta and Eligible NRIs and does not include NRIs other than Eligible NRIs)
Retail Portion	The portion of the Offer being not less than 35 % of the Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders in accordance with the ICDR Regulations subject to valid Bids being received at or above the Offer Price
Revision Form	The form used by the Bidders to modify the quantity of the Equity Shares or the Bid Amount in any of their ASBA Form(s) or any previous Revision Form(s).



Term	Description
	QIB Bidders and Non-Institutional Bidders are not allowed to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date
“Self Certified Syndicate Bank(s)” or “SCSB(s)”	The banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a> , and updated from time to time
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement, namely, [●]
Share Escrow Agreement	The agreement to be entered into by our Company, the Selling Shareholders and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer by the Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	The Bidding Centres where the Syndicate shall accept ASBA Forms from Bidders
Sub-Syndicate	The sub-syndicate members, if any, appointed by the BRLMs and the Syndicate Members in relation to the collection of the Bid cum Application Forms by the Syndicate
Syndicate	The BRLMs and the Syndicate Member
Syndicate Agreement	The agreement dated [●] entered into amongst the BRLMs, the Syndicate Member, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by the Syndicate
Syndicate Member	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Underwriters	[●]
Underwriting Agreement	The agreement to be entered into among the Underwriters, our Company and the Selling Shareholders on or after the Pricing Date, but prior to filing of the Prospectus with the RoC
Wilful Defaulter	Company or person categorised as a wilful defaulter by any bank or financial institution or consortium thereof, in accordance with the guidelines on wilful defaulters issued by the RBI and includes any company whose director or promoter is categorised as such
Working Day	All days, other than second and fourth Saturday of the month, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/Offer Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Offer Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

#### Technical/Industry Related Terms/Abbreviations

Term	Description
BIS	Bureau of Indian Standards
BPLR	Benchmark Prime Lending Rate
BR	Base Rate
FMCG	Fast Moving Consumer Goods
GMP	Good Manufacturing Practices
HACCP	Hazard Analysis of Critical Control Points
Hz	Hertz
KV	Kilo Volt
KVA	Kilo Volt Ampere
KWh	Kilowatt hour
KWp	Kilowatt peak
MTPA	Metric Tonnes per annum
SKU	Stock Keeping Unit
V	Volt

#### Conventional and General Terms or Abbreviations

Term	Description
₹/Rs./Rupees/INR	Indian Rupees
AGM	Annual general meeting
AIF	Alternative Investment Fund as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012

Term	Description
AIF Regulations	Securities and Exchange Board of India (Alternative Investments Funds) Regulations, 2012
AS / Accounting Standards	The Accounting Standards issued by the Institute of Chartered Accountants in India
Air Act	Air (Prevention and Control of Pollution) Act, 1981
APEDA	Agricultural and Processed Food Products Export Development Authority
APEDA Act	Agricultural and Processed Food Products Export Development Authority Act, 1985
BIS Act	Bureau of Indian Standards Act, 1986
Bn / bn	Billion
BSE	BSE Limited
CAGR	The compound annual growth rate which is the mean annual growth rate of an investment over a specified period of time longer than one year
Calendar Year / CY	Unless stated otherwise, the period of 12 months ending on December 31 of that particular year
Category I AIF	AIFs who are registered as “Category I Alternative Investment Funds” under the SEBI AIF Regulations
Category II AIF	AIFs who are registered as “Category II Alternative Investment Funds” under the SEBI AIF Regulations
Category III AIF	AIFs who are registered as “Category III Alternative Investment Funds” under the SEBI AIF Regulations
Category I FPIs	FPIs who are registered as “Category I foreign portfolio investors” under the FPI Regulations
Category II FPIs	FPIs who are registered as “Category II foreign portfolio investors” under the FPI Regulations
Category III FPIs	FPIs who are registered as “Category III foreign portfolio investors” under the FPI Regulations
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
Companies Act	Companies Act, 1956 and the Companies Act, 2013, as applicable
Companies Act, 1956	Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013) along with the relevant rules made thereunder
Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of the sections of the Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications issued thereunder
Competition Act	Competition Act, 2002
Consolidated FDI Policy	Consolidated Foreign Direct Investment Policy notified by DIPP under D/o IPP F. No. 5(1)/2017-FC-1 dated August 28, 2017, effective from August 28, 2017
COPRA	Consumer Protection Act, 1986
Copyright Act	Copyright Act, 1957
CrPC	Code of Criminal Procedure, 1973
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
DIN	Director identification number
DP ID	Depository Participant identification
DP/Depository Participant	A depository participant as defined under the Depositories Act
DR	Depository receipts
EBIT	Earnings before interest and tax
EBITDA	Earnings before interest, tax, depreciation and amortization
EBITDA Margin	EBITDA divided by total revenue for the year
EGM	Extraordinary general meeting
Environment Act	Environment (Protection) Act, 1986
EPS	Earnings per share
Erstwhile OCB / Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60 % by NRIs including overseas trusts, in which not less than 60 % of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA. OCBs are not allowed to invest in the Offer
ESOP	Employee Stock Option
Euro / €	Currency of the EU
EU	European Union
Factories Act	Factories Act, 1948
FDI	Foreign direct investment
FEMA	Foreign Exchange Management Act, 1999, read with rules and regulations thereunder
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2017

Term	Description
Financial Year/Fiscal/Fiscal Year/FY	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
FIFP	Foreign Investment Facilitation Portal
FPI(s)	Foreign Portfolio Investors as defined under the FPI Regulations
FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FSSA	Food Safety and Standards Act, 2006
FSSAI	Food Safety and Standards Authority of India
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
FVCI	Foreign Venture Capital Investors as defined and registered under the FVCI Regulations
Gazette	Gazette of India
GDP	Gross domestic product
GoI/Government/Central Government	Government of India
GST	Goods and services tax
Hazardous Wastes Rules	Hazardous and Other Wastes (Management and Transboundary Movement) Rules, 2016
HC	Calcutta High Court
HUF	Hindu undivided family
ICAI	The Institute of Chartered Accountants of India
ICDR Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
ICSI	The Institute of Company Secretaries of India
IFRS	International financial reporting standards
Income Tax Act	Income Tax Act, 1961
Ind AS	Indian accounting standards
India	Republic of India
Indian GAAP	Generally accepted accounting principles in India
IPC	Indian Penal Code, 1860
IPO	Initial public offering
IRCTC	Indian Railway Catering and Tourism Corporation
IST	Indian standard time
IT	Information technology
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
LM Act	Legal Metrology Act, 2009
LM Rules	Legal Metrology (Packaged Commodities) Rules, 2011
MCA	Ministry of Corporate Affairs, Government of India
Mn/mn	Million
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
N.A./NA	Not Applicable
NACH	National automated clearing house
NAV	Net asset value
NBFC	Non- Banking Financial Company
NEFT	National electronic fund transfer
NI Act	Negotiable Instruments Act, 1881
NR	Non-resident
NRE Account	Non-resident external account
NRI	Non-resident Indians
NRO Account	Non-resident ordinary account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
p.a.	Per annum
P/E Ratio	Price/earnings ratio
PAN	Permanent account number
PAT	Profit after tax
PAT Margin	PAT divided by total revenue for the year
RBI	Reserve Bank of India
RoE	Return on equity
ROCE	Return on capital employed
RTGS	Real time gross settlement
SCRA	Securities Contracts (Regulation) Act, 1956

<b>Term</b>	<b>Description</b>
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	Securities and Exchange Board of India constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
SICA	The erstwhile Sick Industrial Companies (Special Provisions) Act, 1985
State Government	Government of a state in India
State PCB	Pollution control board of a state in India
Stock Exchanges	BSE and NSE
STT	Securities transaction tax
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
TM Act	Trademarks Act, 1999
U.S./USA/United States	United States of America
U.S. GAAP	Generally accepted accounting principles in the United States of America
U.S. Securities Act	U.S. Securities Act of 1933
USD/US\$	United States dollars
VAT	Value added tax
VCF	Venture Capital Funds as defined in and registered with SEBI under the VCF Regulations
VCF Regulations	Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996
Water Act	Water (Prevention and Control of Pollution) Act, 1974

## CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRIAL AND MARKET DATA

### Certain Conventions

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

Unless stated otherwise, all references to page numbers in this Draft Red Herring Prospectus are to the page numbers of this Draft Red Herring Prospectus.

### Financial Data

Unless stated otherwise or the context requires otherwise, the financial information in this Draft Red Herring Prospectus is derived from our Restated Financial Statements. The Restated Financial Statements have been prepared in accordance with Indian GAAP and Ind AS (as applicable), the Companies Act and restated in accordance with the ICDR Regulations. In addition, we have included in this Draft Red Herring Prospectus, the Proforma Financial Statements prepared by the management in accordance with the requirements of paragraph 23 of item (IX) (B) of Schedule VIII (Part A) (2) of the ICDR Regulations, solely to reflect the results of the core business operations for comparative purposes post the Scheme of Arrangement.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sum of the amounts listed are due to rounding off. All figures in decimals (excluding percentages) have been rounded off to two decimal places and all percentages have been rounded off to one decimal place, and accordingly there may be consequential changes in this Draft Red Herring Prospectus.

Our Company’s financial year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular financial year, unless stated otherwise, are to the 12 month period ended on March 31 of that year. Reference in this Draft Red Herring Prospectus to the terms Fiscal or Fiscal Year or Financial Year is to the 12 month period ended on March 31 of such year, unless otherwise specified.

Our Restated Financial Statements have been prepared in accordance with Indian GAAP and Ind AS, as applicable. There are significant differences between Indian GAAP, Ind AS, U.S. GAAP and IFRS. Our Company does not provide reconciliation of its financial information to IFRS or to U.S. GAAP. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader’s level of familiarity with Indian accounting policies and practices, the Companies Act, the Indian GAAP, Ind AS and the ICDR Regulations. Any reliance by persons not familiar with Indian accounting policies and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. Our annual financial statements for periods subsequent to April 1, 2014, have been prepared and presented in accordance with Ind AS. Given that Ind AS differs in many respects from Indian GAAP, our financial statements prepared and presented in accordance with Ind AS may not be comparable to our historical financial statements prepared under the Indian GAAP. See *“Risk Factors – Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors’ assessment of our financial condition.”* on page 32.

Unless the context otherwise indicates, any percentage amounts, as set forth in *“Risk Factors”*, *“Our Business”*, *“Management’s Discussion and Analysis of Financial Condition and Results of Operations”* beginning on pages 14, 106 and 285, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Statements prepared in accordance with Companies Act, Ind AS and Indian GAAP and restated in accordance with ICDR Regulations.

### Currency and Units of Presentation

All references to:

1. “Rupees” or “₹” or “INR” or “Rs.” are to the Indian Rupee, the official currency of India;
2. “Euro” or “€” are to the Euro, the official currency of the member states of the European Union; and
3. “USD” or “US\$” or “\$” are to the United States Dollar, the official currency of the United States.

Except otherwise specified, our Company has presented certain numerical information in this Draft Red Herring Prospectus in “million”, “billion” and “trillion” units. One million represents 1,000,000, one billion represents 1,000,000,000 and one trillion represents 1,000,000,000,000.

## Exchange Rates

This Draft Red Herring Prospectus contains conversions of certain other currency amounts into Indian Rupees that have been presented solely to comply with the ICDR Regulations. These conversions should not be construed as a representation that these currency amounts could have been, or can be converted into Indian Rupees, at any particular rate or at all.

The following table sets forth, for the periods indicated, information with respect to the exchange rate between the Indian Rupee and other foreign currencies:

Currency	As on March 31, 2018 (₹)	As on December 31, 2017 <sup>(1)</sup> (₹)	As on March 31, 2017 <sup>(2)</sup> (₹)	As on March 31, 2016 <sup>(2)</sup> (₹)	As on March 31, 2015 <sup>(2)</sup> (₹)	As on March 31, 2014 <sup>(2)</sup> (₹)	As on March 31, 2013 <sup>(2)</sup> (₹)
1 USD	65.04	63.92	64.84	66.33	62.59	60.10	54.39
1 Euro	80.62	76.39	69.25	75.10	67.51	82.58	69.54

(Source: RBI reference rate)

<sup>(1)</sup> Exchange rate as on December 29, 2017 as RBI reference rate is not available for December 31, 2017 and December 30, 2017, being a Sunday and Saturday, respectively.

<sup>(2)</sup> In the event that March 31 of any of the respective years is a public holiday, the previous calendar day not being a public holiday has been considered.

## Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from the FS Report and publicly available information as well as other industry publications and sources. The FS Report has been prepared at the request of our Company. For further details, see “*Risk Factors – This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from Frost & Sullivan (India) Private Limited*” on page 29.

Industry publications generally state that the information contained in such publications has been obtained from publicly available documents from various sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Accordingly, no investment decisions should be made based on such information. Although we believe the industry and market data used in this Draft Red Herring Prospectus is reliable, it has not been independently verified by us, our Directors, our Promoters, the Selling Shareholders or the BRLMs or any of their respective affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may also not be comparable. Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in “*Risk Factors*” beginning on page 14.

The extent to which the market and industry data used in this Draft 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 the business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

In accordance with the ICDR Regulations, see “*Basis for Offer Price*” beginning on page 77 includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, our Directors, our Promoters, the Selling Shareholders nor the BRLMs have independently verified such information.

## FORWARD-LOOKING STATEMENTS

This Draft Red Herring Prospectus contains certain “forward-looking statements”. These forward-looking statements generally can be identified by words or phrases such as “aim”, “anticipate”, “believe”, “expect”, “estimate”, “intend”, “objective”, “plan”, “project”, “will”, “will continue”, “will pursue” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans or goals are also forward-looking statements.

All forward-looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement.

Actual results may differ materially from those suggested by the forward-looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industry in which our Company operates and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India and globally which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in laws, regulations and taxes and changes in competition in our industry. Certain important factors that could cause actual results to differ materially from our Company’s expectations include, but are not limited to, the following:

1. inability to successfully implement our growth strategy including expansion of our product portfolio;
2. inability to respond quickly to changing consumer preferences and new trends;
3. any disruption or interruption in the operations of the third parties (with whom we do not have long-term agreements), from whom we procure raw materials, or the failure of adequate and timely delivery of raw materials for biscuits and cakes to our quality standards, or an increase in the prices of the raw materials;
4. instances of food-borne illness, as well as widespread negative publicity regarding food quality, illness, injury or other health concerns;
5. adverse outcome in certain legal proceeding involving our Company, our Directors, our Promoters and our Group Companies;
6. failure to compete effectively with our competitors;
7. labour problems; and
8. shortage or non-availability of electricity, fuel or water or an increase in fuel prices.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, see “*Risk Factors*”, “*Our Business*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 14, 106 and 285, respectively. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual gains or losses could materially differ from those that have been estimated.

We cannot assure investors that the expectations reflected in these forward-looking statements will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements and not to regard such statements as a guarantee of future performance.

Forward-looking statements reflect the current views of our Company as of the date of this Draft Red Herring Prospectus and are not a guarantee of future performance. These statements are based on the management’s beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Neither our Company, our Directors, our Promoters, the Selling Shareholders, the BRLMs, the Syndicate Member(s) nor any of their respective affiliates or advisors 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 the SEBI requirements, our Company and the Promoter Selling Shareholder will ensure that investors in India are informed of material developments from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. In accordance with ICDR Regulations and as prescribed under applicable law, the Non-Promoter Selling Shareholders will ensure (through our Company and the BRLMs) that the investors are informed of material developments in relation to statements specifically confirmed or undertaken by the Non-Promoter Selling Shareholders from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.

## SECTION II: RISK FACTORS

### RISK FACTORS

*An investment in equity shares involves a high degree of risk. The risks and uncertainties described below together with the other information contained in this Draft Red Herring Prospectus should be carefully considered before making an investment decision in the Equity Shares. The risks and uncertainties described below are not the only ones relevant to the country, the industry in which our Company operates, our Company and the Equity Shares. Additional risks and uncertainties, not presently known to our Company or that we currently deem immaterial may also impair our Company's business operations. You should carefully consider all the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in the Equity Shares. You should read this section in conjunction with the sections entitled "Our Business", "Industry" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 106, 83 and 285, respectively, as well as the other information contained in this Draft Red Herring Prospectus. If any one or some combination of the following risks and other risks that are not currently known were to occur, our business, cash flows, results of operations and financial condition could be adversely affected, and the price of the Equity Shares and the value of your investment in the Equity Shares could decline and prospective investors may lose all or part of their investment. Prospective investors should pay particular attention to the fact that our Company is incorporated under the laws of India and is subject to a legal and regulatory environment, which may differ in certain respects from that of other countries. Prior to making an investment decision, prospective investors should carefully consider all the information contained in this Draft Red Herring Prospectus including the Restated Financial Statements beginning on page 165.*

*This Draft Red Herring Prospectus also contains forward-looking statements that involve risks and uncertainties. Our Company's actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Draft Red Herring Prospectus. See "Forward-Looking Statements" beginning on page 13. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks described in this section. Unless otherwise stated or the context otherwise requires, the financial information used in this section is derived from our Restated Financial Statements.*

#### INTERNAL RISK FACTORS

**1. *Our inability to successfully implement our growth strategy including expansion of our product portfolio, on a timely basis, or at all, could adversely affect our business and financial condition.***

Our future success depends, in large part, on our ability to implement our growth strategy of deeper penetration in existing markets and expansion into newer markets, expansion of product portfolio with a focus on "premiumization", deepening and expanding our distribution network to capitalize on growing market opportunities, increasing brand awareness and marketing and use of technology as a differentiator.

Our ability to expand successfully will depend on a number of factors, many of which are beyond our control, including but not limited to, increasing the visibility of our products, customer loyalty, entering into distribution and other strategic arrangements with third-party retailers and other distributors of our products, consumer trends, obtaining and training qualified personnel, availability of financing on suitable terms and identifying suitable supply and delivery resources and general economic conditions.

While implementing our growth strategy of expansion of our product portfolio, we strive to provide differentiated offerings to our customers which is affected by our ability to anticipate changes in consumer preferences, the technical capability of our product development staff in developing and testing such new products, and the success of our management and sales team in introducing and marketing new products. For instance, our Company has failed to expand our product portfolio to include rusk due to certain technical difficulties in the machinery procured from a supplier.

Further, the implementation of these plans may divert management's attention from other aspects of our business and place a strain on our management, operational and financial resources, as well as our information systems.

Consequently, there can be no assurance that we will be able to successfully implement our growth strategy, on a timely basis, or at all. Our sales, operating results and future profitability will be adversely affected if we fail to implement our growth strategy or if we invest our existing resources in a growth strategy that ultimately proves unsuccessful.

**2. *Consumer preferences for our products are difficult to predict and may change, and, if we are unable to respond quickly to new trends, our business may be adversely affected.***

Our business is focused on the development, manufacture, marketing and distribution of a line of branded biscuits and cakes. If consumer demand for our products decreases, our business will be adversely affected. In addition, the biscuits and cakes market is subject to changes in consumer tastes, national, regional and local economic conditions and demographic trends.



While we seek to expand our product portfolio to suit changing consumer preferences, our products may not meet the desired success, or our competitors may respond to such changing consumer preferences more effectively and successfully. Developing and introducing new products can be risky and expensive, and we cannot assure you that our new products will gain market acceptance or meet the particular tastes or requirements of consumers. The success of our new products depends on our ability to accurately anticipate the tastes and dietary habits of consumers and to offer products that appeal to their preferences and fall within a price range acceptable to them. Acceptance of our new product initiatives by consumers may not be as high as we anticipate. Further, our new products or our existing products may fail to appeal to the consumers, either in terms of taste or price. We may not be able to introduce new products that are fast-growing or generate acceptable margins.

We have also sought to diversify our business in the past. We have had unsuccessful launches of Indian ethnic snacks (namkeen) and Target mosquito repellent. We cannot ensure you that if we try to diversify our business in the future and introduce new products, our products will meet the desired success and our business and financial condition may be adversely affected.

If we are unable to adapt our products or develop new products to successfully meet changes in consumer tastes and trends, our business and financial condition may be adversely affected.

**3. *Any disruption or interruption in the operations of the third parties (with whom we do not have long-term agreements), from whom we procure raw materials, or the failure of adequate and timely delivery of raw materials for biscuits and cakes to our quality standards, or an increase in the prices of the raw materials, would have an adverse effect on our business, financial condition and results of operation.***

We do not have any long-term contracts with any third parties and we procure all of our raw materials by way of purchase orders and therefore, are required to pay the market rate for such products. Our top 10 suppliers of raw materials accounted for 31.90 % and 29.79 % of our total supply of raw materials and packaging materials for the Financial Year 2017 and the nine month period ended December 31, 2017, respectively. We anticipate that this concentration of supply among our key suppliers may continue in the future.

Most raw materials used in biscuits and cakes, including flour, sugar, vegetable oil, butter and flavouring agents, are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets, changes in the economy, worldwide production levels, worldwide inventory levels, disruptions in the supply chain and other factors. For the Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017 and, the cost of procuring raw materials and packaging materials accounted for 66.65 %, 54.01 %, 68.17 % and 61.98 %, of our total income respectively. We expect that the cost of certain key raw materials will continue to increase. We have no control over fluctuations in the price and availability of raw materials or variations in products caused by these factors. Additionally, any shortage of raw materials in the market generally could lead to an increase in the cost of raw materials which could result in an increase in prices of our products which may reduce demand or reduce our margins and thereby, have an adverse effect on our business, results of operations and financial condition. The absence of long-term contracts at fixed prices exposes us to volatility in the prices of raw materials that we require and we may be unable to pass these costs onto our customers, which may reduce our profit margins. We also face a risk that one or more of our existing suppliers may discontinue their supplies to us, and any inability on our part to procure raw materials from alternate suppliers in a timely fashion, or on commercially acceptable terms, may adversely affect our operations.

Our operations are dependent on adequate and timely deliveries of quality raw materials. We depend substantially on third-party suppliers for such deliveries and they may be unable to provide us with a sufficient quantity of quality raw materials for us to meet consumer demand for our products. If the quality of our suppliers' raw materials declines, we may not be able to obtain replacement for quality raw materials on commercially agreeable terms in the open market. Further, as we do not have long term contracts and procure all of our raw materials by way of purchase orders, we are not assured of continued supply or exclusive access to raw materials from these sources. If our food quality declines due to the inferior quality of ingredients or due to interruptions in the flow of ingredients and similar factors, our sales may decline and negatively affect our business, results of operations and financial condition.

**4. *We could be adversely affected by instances of food-borne illness, as well as widespread negative publicity regarding food quality, illness, injury or other health concerns.***

The sale of food products for human consumption involves the risk of injury or illness to consumers. Such injuries or illnesses may result from food tampering or product contamination or spoilage. Under certain circumstances, we may be forced to withdraw our products, which may have an adverse effect on our business. Further, if the consumption of any of our products causes, or is alleged to have caused, a health-related illness, we may become subject to negative publicity, claims or litigation proceedings relating to such matters. Even if such a claim or litigation proceeding is unsuccessful, the negative publicity surrounding any such assertion could adversely affect our reputation with existing and potential distributors, retailers and consumers. In particular, any adverse media coverage regarding the raw materials used in our products or in relation to our failure to materially comply with health and safety standards, irrespective of the validity of such claims, could have an adverse effect on the reputation of our brand or any of our product names, and may result in a

reduction of our sales or the discontinuation of one or more of our products. If consumers do not perceive our products to be of high quality, then the value of our brand would be diminished. Any loss of confidence on the part of consumers in the raw materials used in our products or in the safety and quality of our products would be difficult and costly to overcome.

Moreover, such claims or liabilities might not be covered by insurance or by any rights of indemnity or contribution that we may have against others. A judgment against us or market withdrawal could have an adverse effect on our business, reputation and operating results.

Although we seek to implement high safety and sanitary standards and ensure compliance with all regulatory standards, we cannot assure you that our operational controls and employee training will be effective in preventing food-borne illnesses, food tampering and other food safety issues in relation to our products. Furthermore, as we employ third-party distributors to transport our products, from our manufacturing facilities to the retail stores, our super stockists, distributors or our warehouses and we cannot monitor the biscuits and cakes ourselves while they are being transported, our products could be subject to food-borne illnesses or food tampering during transport. Food-borne illness or food tampering incidents could be caused by the consumers, employees or raw material suppliers and distributors and, therefore, could be beyond our control. Any publicity relating to health concerns or the perceived or specific outbreaks of food-borne illnesses, food tampering or other food safety issues attributed to our manufacturing facilities could result in a significant decrease in sales and could have an adverse effect on our reputation, business, results of operations and financial condition.

5. *There are certain material legal and regulatory proceedings involving our Company, our Directors, our Promoters and our Group Companies, pending at different levels of adjudication. An adverse outcome in any such proceedings may adversely affect the concerned entities, which may in turn cause damage to our reputation and otherwise adversely affect our business, result of operations, financial condition and prospects.*

#### *Our Company*

Nature of proceedings	Number of matters	Amount involved to the extent quantifiable (₹ in million)
<b>Litigation against our Company</b>		
<i><b>Tax matters</b></i>		
Direct tax	3	2.96
Indirect tax	30	189.36
<b>Total</b>	<b>33</b>	<b>192.32</b>
<i><b>Other matters</b></i>	<b>5</b>	Not Ascertainable
<i><b>Actions by regulatory/statutory authorities</b></i>	<b>3</b>	Not Ascertainable
<b>Total</b>	<b>41</b>	Not Ascertainable

#### *Our Directors and Promoters*

Particulars	Number of matters	Amount involved to the extent quantifiable (₹ in million)
<b>Litigation against our Directors and Promoters</b>		
<i><b>Bimal Kumar Choudhary</b></i>		
Tax matters	3	54.76
Criminal matters	1	Not Ascertainable
Actions by statutory / regulatory authorities	1	Not Ascertainable
<b>Total</b>	<b>5</b>	<b>Not Ascertainable</b>
<i><b>Biswanath Choudhary</b></i>		
Tax matters	3	11.74
Criminal matters	1	Not Ascertainable
<b>Total</b>	<b>4</b>	<b>Not Ascertainable</b>
<i><b>Gobind Ram Choudhary</b></i>		
Tax matters	3	13.54
Criminal matters	4	Not Ascertainable
<b>Total</b>	<b>7</b>	<b>Not Ascertainable</b>
<i><b>Dilip Kumar Choudhary</b></i>		
Tax matters	3	10.46
Actions by statutory / regulatory authorities	1	Not Ascertainable
<b>Total</b>	<b>4</b>	<b>Not Ascertainable</b>
<i><b>Mamta Binani</b></i>		
Actions by statutory / regulatory authorities	1	Not Ascertainable
<b>Total</b>	<b>1</b>	<b>Not Ascertainable</b>
<i><b>Sumit Malhotra</b></i>		

Particulars	Number of matters	Amount involved to the extent quantifiable (₹ in million)
Actions by statutory / regulatory authorities	1	Not Ascertainable
<b>Total</b>	<b>1</b>	<b>Not Ascertainable</b>

***Our Group Companies***

Particulars	Number of matters	Amount involved to the extent quantifiable* (₹ in million)
<b>Litigation against our Group Companies</b>		
<b>ACSPL</b>		
Tax matters	16	101.05
Actions by statutory / regulatory authorities	2	Not Ascertainable
<b>Total</b>	<b>18</b>	<b>Not Ascertainable</b>
<b>ASPL</b>		
Tax matters	3	27.25*
<b>Total</b>	<b>3</b>	<b>27.25</b>
<b>BHPL</b>		
Tax matters	1	2.19
Actions by statutory / regulatory authorities	1	Not Ascertainable
<b>Total</b>	<b>2</b>	<b>Not Ascertainable</b>
<b>Monarch</b>		
Tax matters	1	0.09
<b>Total</b>	<b>1</b>	<b>0.09</b>

\* This includes the penalty of ₹ 500,000 on the director of ASPL.

The amounts claimed in these proceedings have been disclosed to the extent ascertainable and include amounts claimed jointly and severally. The amounts as ascertained above do not involve claims towards interest or costs of proceedings. We cannot assure you that any of these matters will be decided in favour of our Company, or our Directors or our Promoters or our Group Companies, as the case may be, or that no additional liability or penalties will arise out of these proceedings. Such proceedings could divert management time and attention, and consume financial resources in their defence or prosecution. Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, reputation and results of operations. If any new developments arise, such as a change in Indian law or an adverse judgment in any of these proceedings, individually or in the aggregate, it could result in monetary and/or reputational losses and we may have to make provisions in our financial statements, which could increase our expenses and our liabilities. Further, we may be subject to additional costs even in proceedings initiated by our Company.

Except as disclosed in “*Our Management - Confirmations*” on page 136, none of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on BSE or NSE.

The adverse outcome of any such pending or future legal and regulatory proceedings or claims may cause an adverse effect on our business, results of operations and financial condition of the concerned Promoter and Group Companies, which may in turn divert time and attention from their involvement in or support for our operations, cause damage to our reputation, and otherwise adversely affect our business and prospects. For details, see “*Outstanding Litigation and Material Developments*” beginning on page 309.

**6. *Our Promoters and Directors, Gobind Ram Choudhary, Bimal Kumar Choudhary and Biswanath Choudhary, have been named as respondents in a criminal proceeding. Further, three arrest warrants have been issued against Gobind Ram Choudhary.***

Our Promoters and Directors, Gobind Ram Choudhary, Bimal Kumar Choudhary and Biswanath Choudhary, have been named as respondents in a criminal proceeding for voluntarily causing hurt, rioting, voluntarily causing hurt to deter public servant from his duty and wrongful restraint. Further, three arrest warrants have been issued against Gobind Ram Choudhary for the non maintainence of records, registers, muster rolls, inspection book, attendance register and leave records under Minimum Wages Act, 1948, Maternity Benefits Act, 1961 and Factories Act, 1948. If our Promoters and Directors are convicted in such matters, there will be a material adverse impact on our reputation and business. For further details, see “*Outstanding Litigation and Material Developments-Litigation involving our Promoters-Litigation against our Promoters-Criminal matters*” beginning on page 312.

**7. *We face significant competition from manufacturers of biscuits and cakes in the organized and unorganized sectors. Any failure to compete effectively may have an adverse effect on our business and operations.***

We compete in India against other biscuit manufacturers, including Britannia, Parle and ITC and cake manufacturers, including Britannia, Parle, Elite and Monginis which may have larger operations and significantly more resources than us. We also compete on a broader scale with regional or local bakeries in the unorganized sector. The artisanal cakes market is highly fragmented and the unorganized sector enjoys a substantial market share. The regional bakeries often offer their products at highly competitive prices and many of them are well established in their local markets. Retailers also market competitive products under their own private labels, which are generally sold at lower prices and compete with some of our products. We may in the future experience increased competition from existing or new companies in the biscuits and cakes market. Further, our competitors may have exclusive end points / outlets in addition to the other distributors and may have greater reach and visibility of products.

The biscuits and cakes market is highly competitive with respect to, among other things, product quality and taste, brand recognition and loyalty, product variety, interesting or unique product names, product packaging and package design, shelf space, reputation, price, advertising, promotion and nutritional claims. As a result of competition, we may need to increase our brand awareness and marketing, advertising and promotional spending to protect our existing market share, which may adversely impact our profitability. We may not have the financial resources to increase such spending when necessary. If our competitors increase spending on advertising and promotion, or if the cost of online, television, print or radio advertising increase, or if our advertising funds materially decrease for any reason, or if our advertising and promotion be less effective than our competitors', there will be an adverse effect on our results of operations and financial condition. Due to increased competition, we could experience reduction of prices, lower or absence of demand for our products, reduced margins, an inability to take advantage of new business opportunities and a loss of market share, all of which would have an adverse effect on our business, financial condition and results of operations.

**8. *Labour problems could adversely affect our Company's results of operation and financial condition.***

We are highly dependent upon availability of skilled and semi-skilled labour. As at March 31, 2018, we employed 4,091 persons including contract labourers. Due to rapid economic growth in India and increased competition for skilled and semi-skilled workmen in India, wages in India are increasing at a fast rate. We may need to increase the levels of compensation paid to our workmen more rapidly than in the past to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled workmen that our business requires. We cannot assure you that we will be able to retain these skilled and semi-skilled workmen or find adequate replacements in a timely manner, or at all. We may require a long period of time to hire and train replacement workmen when skilled workmen terminate their employment with our Company, or our contractors, as the case may be.

Further, many of our workmen receive wages that are linked to minimum wage laws in India and any increase in the minimum wage in any state in which we operate could significantly increase our operating costs. In addition, a shortage in the labour pool or other general inflationary pressures or changes will also increase our labour costs. Wage increases in the long-term may reduce our competitiveness and our profitability. Our performance depends largely on the efforts and abilities of skilled manpower for our production processes on account of greater dependence of technology in comparison to our competitors especially the regional / local bakeries.

Further, the activities carried out at our manufacturing facilities may be potentially dangerous to our workmen. While we employ safety procedures in the operation of our manufacturing facilities and maintain insurance against employee fidelity, marine policy, money in safe, fire and special perils, burglary, office package policy, all risk policy, group personal accident insurance, which we believe is in accordance with industry standards, there is a risk that an accident may occur at any of our manufacturing facilities. An accident may result in personal injury to our employees or the labour deployed at our manufacturing facilities, destruction of property or equipment, manufacturing or delivery delays, environmental damage, or may lead to suspension of our operations and/or imposition of liabilities. Any such accident may result in litigation, the outcome of which is difficult to assess or quantify, and the cost to defend such litigation can be significant. As a result, the costs to defend any action or the potential liability resulting from any such accident or death or arising out of any other litigation, and any negative publicity associated therewith, may have a negative effect on our business, financial condition, results of operations, cash flows and prospects. In the past, three people have died due to accidents at our manufacturing facilities and three people have died due to their poor health conditions at our manufacturing facilities. While we have been able to settle five cases, the matter in relation to the death of the workman due to an accident while cleaning at our manufacturing facility at Hajipur in 2016 is ongoing. In addition, on May 29, 2018, we experienced a liquid petroleum gas spillage which led to fire at our manufacturing facility in Hajipur. This incident has caused serious injuries to one of our workmen. For further details, see "*Outstanding Litigation and Material Developments*" beginning on page 309.

**9. *A shortage or non-availability of electricity, fuel or water or an increase in fuel prices may adversely affect our production operations and have an adverse effect on our business, financial condition, margins, results of operations and profitability.***

Our operations require a significant amount and continuous supply of electricity, fuel and water and any shortage or non-availability may adversely affect our operations. We also require substantial electricity for our manufacturing facilities, most of which is sourced from state utilities and our 300 KWp grid solar power plant at our manufacturing facility in Bhubaneswar, Odisha. Further, some of our raw materials and our products, being perishable in nature, are required to be

stored at specific temperatures, supported by continuous supply of electricity and if supply of electricity is not available for any reason, we will need to rely on alternative sources, which may not be able to consistently meet our requirements. The cost of electricity purchased from alternative sources could be significantly higher, thereby adversely affecting our cost of production and profitability. If for any reason such electricity is not available, we may need to shut down our manufacturing facilities until an adequate supply of electricity is restored. Interruptions of electricity supply can also result in production shutdowns, increased costs associated with restarting production and the loss of production in progress.

We currently source our water requirements for our manufacturing processes including dough preparation from deep tube wells and depend on state electricity boards and solar energy for our energy requirements. Although we have diesel generators to meet exigencies at certain of our facilities, we cannot assure you that our facilities will be operational during power failures or that it will be cost effective in the long run.

Our products are baked in ovens which use power and fuel in our manufacturing facilities. Power and fuel prices have steadily increased in India over the last few years which have resulted in increased operating costs. For the Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, we incurred ₹ 99.76 million, ₹ 87.60 million, ₹ 434.44 million and ₹ 327.61 million towards power and fuel expenses which was 3.66 %, 2.98 %, 3.50 % and 3.81 %, respectively of our total income. The factors affecting increase in power and fuel prices are beyond our control and dependant on global economic conditions. We might have to shift to alternative fuels or power sources, which may be costly or require a shift to alternate technology.

Any failure on our part to obtain alternate sources of electricity, fuel or water, in a timely manner, and at an acceptable cost, or any increase in fuel prices or a shift to alternate fuels / technology in the future will result in increased operating costs which may have an adverse effect on our business, financial condition, margins, results of operations and profitability.

**10. *We depend significantly upon sales of our sub-brands, “Butterbake” and “Dreamlite” and a decline in the growth of demand for these products would have a material adverse effect on our operating results and growth prospects.***

In the Financial Year 2017 and the nine month period ended December 31, 2017, revenue from sales of our sub-brands, “Butterbake” and “Dreamlite” contributed towards 50.90 % and 46.60 % of our total income, respectively. We expect to continue to depend upon sales of these products for at least a substantial majority of our income in the foreseeable future. Because we are significantly dependent on the sales of a few products, factors such as changes in consumer preferences may have a disproportionately greater impact on us than if we derive significant income from multiple products. There can be no assurance that our sub-brands, “Butterbake” and “Dreamlite” will hold long-term consumer appeal. If consumer interest in these sub-brands in general declines, we may experience a significant loss of sales, loss of customers, excess inventories, inventory markdowns and deterioration of our brand image, and lower revenues and gross and operating margins as a result of price reductions and may be forced to liquidate excess inventories at a discount, any or all of which would have a material adverse effect on our operating results and growth prospects.

**11. *The loss or delay in commencement of production at our manufacturing facilities or a shut down of any of our manufacturing facility could have an adverse effect on our business, financial condition and results of operations.***

We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. We also outsource manufacturing of our biscuits to Fortune at its manufacturing facility at Sambalpur, Odisha (the “**Fortune facility**”). The Fortune facility has an aggregate installed capacity of 10,200 MTPA for biscuits and its production was 4,401.28 MTPA as at March 31, 2018. As at March 31, 2017 and March 31, 2018, 3.47 % and 2.96 % of our biscuits produced were manufactured by Fortune, respectively. As our revenue is from products manufactured at these manufacturing facilities, any disruption to our manufacturing facilities may result in production loss. Our manufacturing facilities are subject to operating risks, such as loss due to the breakdown or failure of equipment, power supply or processes, performance below expected levels of output or efficiency, adequate utilization rates, obsolescence of equipment, or any other reason, and the need to comply with the directives and regulations of the Government of India and relevant state government authorities. A breakdown of equipment, such as ovens and dough mixing machines, caused due to technical failures or by adverse weather or other conditions would be likely to impact our production capacity. Our inability to minimize these operating risks would severely affect our operations and may cause an underutilization of our capacities, reduction of the overall supply of our products and volume of sales or a total shut down. Our operations involve a significant degree of integration, and our results of operations are dependent on the successful operation of each manufacturing facility. Although we take precautions to minimize the risk of any significant operational problems at our manufacturing facilities, our business, financial condition, results of operations and prospects may be adversely affected by any disruption of operations at our manufacturing facilities.

Additionally, as we continue our growth by expanding our manufacturing facilities and introducing new products, we may encounter regulatory, personnel and other difficulties that may increase our expenses, which could delay our plans or impair our ability to become profitable in these areas. A delay in the construction, commissioning or operation of future product lines, an increase in the cost of construction or future manufacturing facilities not being as efficient as planned could have a material and adverse effect on our business and results of operations. In addition, we may have to make significant investment in upgrading our plant, machinery and other infrastructure at our manufacturing facilities. There can, however, be no assurance that such modernization plans will be successfully implemented or completed or that if completed, they will result in the anticipated growth in our revenues or improvement in the results of operations we anticipate from the implementation of such initiatives.

Further, we have experienced operational problems in the trial stage for production of rusk at our manufacturing facility at Sambalpur, Odisha. This was a result of certain technical difficulties in the machinery procured from a supplier. Accordingly, we have not been able to commence production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. As on December 31, 2017, we have invested approximately ₹ 94.67 million in this manufacturing facility. In addition, on May 29, 2018, we experienced a liquid petroleum gas spillage which led to fire at our manufacturing facility in Hajipur. This incident has caused serious injuries to one of our workmen. We cannot assure you that there will not be any other significant disruptions in our operations in the future. Our inability to effectively respond to such events and rectify any disruption, in a timely manner and at an acceptable cost or at all, could lead to the slowdown or shut-down of our operations or the under-utilization of our manufacturing facilities, which in turn may have an adverse effect on our business, results of operations and financial condition.

**12. *As our products are of a perishable nature, if we do not manage our inventory levels effectively, our operating results may be adversely affected.***

Our products are of a perishable nature and typically have a shelf life of three to six months. Our inventory levels in relation to raw materials and our products are primarily based on forecasts and requirements predicted by our sales team in consultation with our distribution channel. Our inventory days for Financial Years 2016, 2017 and as at December 31, 2017 were 3, 4 and 6, respectively. The forecasts are based on past sales as well as anticipated demand, which is based to a certain extent on the subjective assessment of our sales team. We also monitor our inventory and product mix through daily ageing analysis at all our manufacturing facilities prepared using SAP software. We must continuously monitor our inventory and product mix against forecasted demand or risk having inadequate supplies to meet consumer demand as well as having too much inventory on hand that may reach its expiration date and become unsalable. If we are unable to manage our inventory levels adequately, our operating costs could increase and our profit margins could decrease, which may adversely impact our financial condition leading to an adverse impact on our operating results and future profitability.

**13. *For the Financial Year 2017 and the nine month period ended December 31, 2017, we generated 60.99 % and 60.09 % of our total sale of products, respectively, in Bihar, Uttar Pradesh and Odisha and any adverse developments affecting our operations in this area could have an adverse impact on our revenue and results of operations.***

In the Financial Year 2017, we generated 60.99 % of our total sale of products in Bihar, Uttar Pradesh and Odisha. Similarly, in nine month period ended December 31, 2017, we generated 60.09 % of our total sale of products in Bihar, Uttar Pradesh and Odisha. The concentration of our operations in these regions heightens our exposure to adverse developments related to competition, as well as economic, demographic and other changes in Bihar, Uttar Pradesh and Odisha, which may adversely affect our business prospects, financial conditions and results of operations. Any adverse development that affects our sale of products in Bihar, Uttar Pradesh and Odisha and the performance of the existing manufacturing facilities located in Bihar, Uttar Pradesh and Odisha could have an adverse effect on our business, financial condition and results of operations.

**14. *Delays in the completion of construction of current and future manufacturing facilities could lead to time or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.***

Typically, the setting up of our manufacturing facility is subject to specific completion schedules. The table below provides the total number of manufacturing facilities that have experienced time and cost overruns due to various reasons:

<b>Name of the manufacturing facility</b>	<b>Time / Cost overrun</b>	<b>Reasons for time and cost overrun</b>
Bhubaneswar (biscuits)	Time overrun	Delay in shifting overhead high-tension wire on the site and civil construction
Hajipur (biscuits)	Time and Cost Overrun	Delay due to civil construction of the site and cost escalation due to increase in civil cost as well as site development expenditure
Hajipur (cakes)	Time and Cost Overrun	Delay in allotment of land by Bihar Industrial Area Development Authority by approximately six months as well as site development expenditure.

Name of the manufacturing facility	Time / Cost overrun	Reasons for time and cost overrun
		Further, there was an increase in cost due to an RCC underground construction.
Sambalpur (rusk)	Time and Cost Overrun	Due to technical issues in the machinery procured from a supplier
Dankuni (cookies)	Time and Cost Overrun	Partial delay as delivery of machineries, break down at the time of installation of the machineries, as well as delay in trial run and finalisation of product quality, leading to cost overrun
Dankuni (biscuits)	Time and Cost Overrun	Delay in civil construction

Delays in completion of construction may result in cost overruns, lower or no returns on capital thus impacting the respective manufacturing facility's performance, as well as failure to meet scheduled debt service payment dates and increased interest costs from our financing agreements for the manufacturing facilities. We cannot assure you that similar delays will not occur in the future. Such delays could have an adverse effect on our cash flows, business, results of operations and financial condition.

Timely completion of construction of our projects is subject to various execution risks as well as other matters, including securing financing and receipt of relevant approvals for such manufacturing facilities. We cannot assure you that we will be able to complete the financing for future manufacturing facilities or complete our current and future projects within specified schedules or at all.

**15. *Loss or the disruption or interruption in the operations of our contract manufacturer or our failure to identify timely new contract manufacturers could harm our business and impede our growth.***

We outsource a part of the manufacturing of our products to Fortune at the manufacturing facility Sambalpur, Odisha. As at March 31, 2017 and as at March 31, 2018, 3.47 % and 2.96 %, respectively, of our biscuits produced were manufactured by Fortune. Fortune could seek to alter the terms or terminate its relationship with us. If we need to replace our contract with Fortune, there can be no assurance that additional capacity will be available when required on acceptable terms, or at all, which may result in a decrease of our total production capacity.

In addition, any interruptions to the manufacturing operations of Fortune due to strikes, lock outs, work stoppages or other forms of labour unrest, break down or failure of equipment, floods and other natural disaster as well as accidents could affect our ability to receive an adequate supply of quality products at reasonable prices. Thus, our manufacturing model presents numerous risks to our ability to receive an adequate supply of quality products and meet our customer's demands, which, if we fail to do, would have a negative impact on our business, financial condition and results of operations.

The success of our business depends, in part, on maintaining a strong manufacturing platform. We believe there are a limited number of competent, high-quality contract manufacturers in the industry that meet our quality standards, and if we were required to seek additional or alternative contract manufacturing arrangements in the future, there can be no assurance that we would be able to do so on satisfactory and cost-effective terms, in a timely manner or at all. Therefore, the loss of our contract manufacturer, any disruption or delay by it or any failure to identify and engage contract manufacturers for new products could delay or postpone production of our products, which could have a material adverse effect on our business, results of operations and financial condition.

**16. *Our inability to expand or effectively manage our growing super stockists and distribution network or any disruptions in our supply or distribution infrastructure may have an adverse effect on our business, results of operations and financial condition.***

We rely largely on third-party super stockists and distributors to sell our products to retailers who place our products in the market. For the Financial Year 2017 and the nine month period ended December 31, 2017, sale of products to our principal super stockist and largest customer, Capital Marketing, represented approximately 2.98 % and 3.21 % of our sale of products. We have established an extensive distribution network in northern and eastern India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. (Source: FS Report)

Our ability to expand and grow our product reach significantly depends on the reach and effective management of our distribution network. We continuously seek to increase the penetration of our products by appointing new super stockists to ensure wide distribution network targeted at different consumer groups and regions. We cannot assure you that we will be able to successfully identify or appoint new super stockists or effectively manage our existing distribution network. The super stockists place bulk orders with us after aggregating orders from various distributors. As we sell and distribute our products through such super stockists and distributors, any one of the following events could cause fluctuations or declines in our revenue and could have an adverse effect on our financial condition, cash flows and results of operations:

- failure to maintain relationships with our existing super stockists;
- failure to establish relationships with new super stockists on favourable terms;
- inability to timely identify and appoint additional or replacement super stockists upon the loss of one or more of our super stockists;
- reduction, delay or cancellation of orders from one or more of our super stockists or distributors; and
- disruption in delivering of our products by super stockists and/or distributors.

We also distribute our products through three depots. The agreements for these depots may be terminated in accordance with their respective terms, and any termination or non-renewal of such agreements could adversely affect our operations.

We may not be able to compete successfully against larger and better-funded distribution networks of some of our current or future competitors, especially if these competitors provide their distributors with more favourable arrangements. If the terms offered to such super stockists by our competitors are more favourable than those offered by us, super stockists may decline to distribute our products and terminate their arrangements with us. We cannot assure you that we will not lose any of our super stockists or distributors to our competitors, which could cause us to lose some or all of our favourable arrangements with such super stockists and distributors and may result in the termination of our relationships with other super stockists. Consequently, our financial results may fluctuate significantly from period to period based on the actions of our significant super stockists. Any dispute with our key super stockists may impact our business, and any default in payment from our super-stockists may impact our profits.

Alternately, if our super stockists are not able to maintain a strong network of distributors, our products may not attain as much reach as our competitors in the market and we may lose market share. Further, we may be unable to engage alternative super stockists or our super stockists may be unable to engage alternative distributors in a timely fashion, or at all, which may lead to decline in the sale of our products and adversely affect our business, results of operations, cash flows and financial condition. Any such event may have a material adverse effect on our results of operations.

Additionally, a super stockist may take actions that affect us for reasons that we cannot always anticipate or control, such as their financial condition, changes in their business strategy or operations, the introduction of competing products or the perceived quality of our products. As a result of actual or perceived conflicts resulting from this competition, our super stockists may take actions that negatively affect us. The loss of, or a reduction in sale of products or anticipated sales to, one or more of our most significant super stockists may have a material adverse effect on our business, results of operation and financial condition.

**17. *Our inability to develop and maintain our brand and our inability to implement our marketing and advertising initiatives and brand building exercises, could adversely affect our business and financial condition.***

We believe that developing and maintaining our brand is critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. Our brand-building initiatives involve increasing awareness of our brand, creating and maintaining brand loyalty and increasing the availability of our products. If our brand-building initiatives are unsuccessful, we may be unable to recover the expenses incurred in connection with these efforts, and we may be unable to implement our business strategy and increase our future sales or maintain current sales level. Although we have expended and continue to expend resources on establishing our brand, there can be no assurance that our brand will be effective in attracting and growing our consumer base or that such efforts will be successful and cost effective.

The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers and cultivating a loyal consumer base thereby resulting in an increase in our income. One of the reasons for decrease in our income in the Financial Year 2017 was the change in colour and design of our packaging. Creating and maintaining public awareness of our brand is crucial to our business and accordingly we invest in various marketing and advertising campaigns. For the Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, our expenditure on sales promotion and advertisement was ₹ 61.07 million, ₹ 75.23 million, ₹ 426.57 million and ₹ 430.92 million, respectively, which presented as a percentage of our total income, was 2.24 %, 2.56 %, 3.44 % and 5.02 %, respectively, in such periods. There can be no assurances that we will be able to sustain optimal levels of marketing, advertising and branding initiatives in the future. Failure to do so could adversely affect our business, financial condition and results of operation.



**18. *Our operations could be adversely affected by strikes, suspensions, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

As at March 31, 2018, we employed 4,091 persons including contract labourers across our various facilities in India. We had experienced a strike at our manufacturing facility in Dankuni, West Bengal from July 21, 2009 to July 27, 2009 and were not allowing egress. We had also declared suspension of work on April 7, 2017 at our manufacturing facility at Panchghara due to the reluctance of the workmen to do their scheduled job thereby dislocating the total production process.

Although we have not experienced any major work stoppages due to labour disputes or cessation of work in the recent past, we cannot assure you that we will not experience disruptions in work due to disputes or other problems with our work force, which may adversely affect our ability to continue our business operations. Any labour unrest directed against us, could directly or indirectly prevent or hinder our normal operating activities, and, if not resolved in a timely manner, could lead to disruptions in our operations. These actions are improbable for us to forecast or control and any such event could adversely affect our business, results of operations and financial condition.

Further, most of our employees, other than management, are members of four labour unions situated at Dankuni, Panchghara and Greater Noida. Although our Company works to maintain good relations with its unions, we cannot assure prospective investors that we will not experience labour unrest in the future, which may delay or disrupt our operations. If strikes, work stoppages, work slow-downs or lockouts at our manufacturing facilities occur or continue for a prolonged period of time, our Company's business, results of operations, financial condition and prospects could be adversely affected.

**19. *The loss of certification for quality of our products and manufacturing facilities from independent organizations on which we rely could harm our business.***

We rely on independent certification for our products and our manufacturing facilities and must comply with the requirements of independent organizations or certification authorities including a 'Halal Registration' from the Islahiyah Education Centre, Birbhum, West Bengal, 'Registration cum Membership' from APEDA. We have also received ISO 22000:2005 certification from DNV Business Food Safety System Certificate for manufacture of biscuits and we have also adopted the GMP, HACCP and Good Housekeeping policies at our manufacturing facilities located at Dankuni in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh in order to label our products as such. We are required to conduct a medical test of all our workers once in every six months at our manufacturing facilities and thereafter submit the report to the FSSAI. Certain of our products could lose their certification if our workers become ill or are suffering from contagious or easily communicable diseases. The loss of any certifications from independent organizations, including for reasons outside of our control, could harm our business.






**20. *Failure by our transportation providers to deliver our products on time or at all could result in loss of sales, which may adversely affect our operating results.***

We currently rely upon third-party transportation providers for a significant portion of our product distribution. Our utilization of delivery services for shipments is subject to risks, including increases in fuel prices, which would increase our delivery costs, and transportation or workmen strikes and inclement weather, which may impact the ability of providers to provide delivery services that adequately meet our transportation needs. We rely on a single transportation provider for the transport of products from our manufacturing facility at Hajipur. In the event that our selected transportation providers are unable to perform their services, there is no guarantee that suitable alternative transportation services will be secured at favourable rates. Further, as we do not have long term contracts with our transportation providers and we procure their services by way of purchase orders, we are not assured of continued transport services from these sources. This would have an adverse effect on our financial condition and results of operations. In addition, we could incur costs and expend resources in connection with such change. Moreover, we may not be able to obtain terms as favourable as those we receive from the third-party transportation providers that we currently use, which in turn would increase our costs and thereby adversely affect our operating results.

**21. *We are dependent on a number of key personnel and the loss of such persons, or our inability to attract and retain key personnel in the future, could adversely affect us.***


Our success depends on the continued services and performance of the members of our management team, including Poonam Chandra Tibrewal, our chief financial officer, other key employees and our Promoters. Competition for senior management personnel in the biscuits and cakes industry is intense, and we may not be able to retain our existing senior management personnel, attract senior management personnel of similar capabilities or retain new senior management personnel in the future. The loss of the services of our senior management team or other key personnel could adversely affect our business and our results of operations and financial condition.

**22. *The use of "Anmol" or "Mukkund" or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.***

We believe our continued success is dependent on brand recognition and consumer loyalty based on trust and confidence in the quality of our products. We have registered “Anmol”, “Mukkund”. Further, we have registered or have applied for registration for several trademarks in relation to our product names in India. We are yet to receive registration or final approval for use of some of our trademarks from the Registrar of Trademarks including the new Anmol logo on the cover page. For further information, see “*Our Business - Intellectual Property*” on page 122. We have also filed applications for registration of certain other trademarks including  (Anmol 2 in 1 biscuits),  (Anmol 2 in 1 Snacks),  (Anmol Bakersbix Jeera),  (Anmol Milk Made),  (Anmol Fruit Cake) and copyrights including Veg Munch, Anmol Dream Lite and Anmol Lemon Mazza. The use of “Anmol” or “Mukkund” or similar trade names by third parties may result in confusion among consumers and loss of business. In addition, any adverse experience of consumers of such third parties, or negative publicity attracted by such third parties could adversely affect our reputation and brand and business prospects.

Our products and brand names may be subject to counterfeiting or imitation, which could adversely impact our reputation and lead to loss of consumer confidence, reduced sales and higher administrative costs. As our “Anmol” and “Mukkund” brands are widely recognized brand in the northern and eastern parts of India, we have in the past experienced, and are currently still experiencing, counterfeiting and imitation of our products as well as imitation of our trademarks. Counterfeit products may or may not have the same ingredients as our products.

Counterfeit products are generally sold at lower prices than the authentic products due to their low production costs, and in some cases, are very similar in appearance to the authentic products which can easily cause confusion to consumers. If counterfeit products illegally sold under our brand name result in adverse side effects or injuries to end-users, we may be associated with negative publicity resulting from such incidents. In addition, consumers may buy counterfeit products that are in direct competition with our authentic products, which could have an adverse impact on our reputation, revenue, business and results of operations. Any occurrence or increase of counterfeiting or imitation of our products could negatively affect our reputation and brand name, lead to loss of consumer confidence in our brands, and, as a consequence, adversely affect our revenue and results of operations. Any legal proceedings, including investigations by government authorities, to prosecute counterfeiting or imitation of our products may be expensive and will divert the management’s attention as well as other resources away from our business.

The trademark for our product,  (Romanzo Choco Filled Cookies), the production and sales of which was commenced in April 2018, has not been registered by our Company. We have received a notice to cease and desist the use of this trademark on May 30, 2018. Caveat petitions have been filed by our Company before the HC on June 5, 2018 and before the City Civil Court at Calcutta on June 6, 2018. We cannot assure you that we will continue to have the uninterrupted use and enjoyment of our trademark. This notice may lead to legal proceedings. If such proceedings are not determined in our favour, we will not have the right to use these or prevent others from using them or their variations, which could adversely affect our ability to conduct our business as well as affect our reputation, goodwill, business, prospect and results of operations. We cannot assure you that similar actions will not be initiated against us by others in the future. For further details, see “*Outstanding Litigation and Material Developments - Litigation involving our Company- Litigation against our Company- Notices*” on page 311.

We cannot assure you that the steps we have taken to protect our intellectual property rights are adequate, that our intellectual property rights can be successfully defended and asserted in the future or that third parties will not infringe upon or misappropriate any such rights. In addition, our trademark rights, copyrights and related registrations may be challenged in the future and could be cancelled or narrowed. Failure to protect our trademark rights and copyrights could prevent us in the future from challenging third parties who use names and logos similar to our trademarks and copyrights, which may in turn cause consumer confusion or negatively affect consumers’ perception of our brand and products. Moreover, intellectual property disputes and proceedings and infringement claims may result in a significant distraction for management and significant expense, which may not be recoverable regardless of whether we are successful. Such proceedings may be protracted with no certainty of success, and an adverse outcome could subject us to liabilities, force us to cease use of certain trademarks or other intellectual property. Any one of these occurrences may have an adverse effect on our business, results of operations and financial condition.

**23. *Concerns over obesity or nutritional value of our products may reduce demand for or increase the cost of some of our products.***

There is a growing concern among consumers, public health professionals and government agencies about the health problems associated with obesity. In addition, some researchers, health advocates and dietary guidelines are suggesting that consumption of bakery products is one of the primary causes of increased obesity rates and are encouraging consumers to reduce or eliminate consumption of such products. Increasing public concern about obesity, additional governmental regulations concerning the marketing, labelling, packaging or sale of our products, and negative publicity resulting from actual or threatened legal actions against us or other companies in our industry relating to the marketing, labelling or sale of our biscuits and cakes may reduce demand for or increase the cost of our biscuits and cakes, which could adversely affect our profitability.

**24. *The Proforma Financial Statements included in this Draft Red Herring Prospectus may not accurately reflect our future results of operations, financial position and cash flows.***

This Draft Red Herring Prospectus contains Proforma Financial Statements of our Company as at and for the year ended March 31, 2015 and March 31, 2016 to give a proforma effect to the Scheme of Arrangement. The Proforma Financial Statements have been prepared by the management solely to reflect the results of the core business operations for comparative purposes post the Scheme of Arrangement.

As the Proforma Financial Statements is prepared for illustrative purposes only, it is, by its nature, subject to change and may not give an accurate picture of our actual financial position and results of operations that would have occurred had such transactions been effected by us on the dates they are assumed to have been effected and neither are they a reflection or indicative of any future results.

**25. *We have incurred negative cash flows in Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017. Any negative cash flows in the future will adversely affect our results of operations and financial condition.***

We had negative cash flow as set out below:

	For nine month period ended	For Financial Year ended March 31,		
	December 31, 2017	2017	2016	2015
Net cash generated / (used in) investing activities	(17.51)	(905.67)	(975.31)	(219.01)
Net cash generated / (used in) financing activities	(922.34)	(136.94)	166.24	(216.67)

Any negative cash flow in the future could adversely affect our operations and financial conditions and the trading price of the Equity Shares. We cannot assure you that our net cash flow will be positive in the future. For further details, see – “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 165 and 285, respectively.

**26. *Our ability to pay dividends in the future will depend upon our future earnings and restrictive covenants in our financing arrangements.***

In Financial Years 2015, 2016 and 2017 we have declared a dividend of ₹ 5.00, ₹ 10.00 and ₹ 5.00, per Equity Share, respectively. However, our future ability to pay dividends will depend on our earnings, financial condition and capital requirements of our Company. We may retain all future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realisation of a gain on shareholders investments will depend on the appreciation of the price of the Equity Shares. There is no guarantee that our Equity Shares will appreciate in value.

**27. *Contingent liabilities which have not been provided for could adversely affect our financial conditions.***

Our contingent liabilities as at December 31, 2017 aggregated ₹ 227.45 million. If any or all of these contingent liabilities materialise, it could have an adverse effect on our business, financial condition and results of operation. For further information, see “Financial Statements” beginning on page 165.

As at December 31, 2017, we had the following contingent liabilities:

(in ₹ million)

Contingent Liabilities and Commitment (To the extent not provided for):		As at December 31, 2017
(a)	Guarantees issued by Banks on behalf of the Company to third parties	61.53
<b>Others</b>		
(b)	Certain demands (excluding interest and penalty - to the extent amount not ascertained) relating to income tax, Excise Duty, Entry Tax, Service Tax and vat/sales tax matters pending with various authorities to the extent ascertainable from the records and details available are as follows:	
(i)	Disputed income tax matters pending under appeal	2.01
(ii)	Excise Duty - including various show cause/ Demand Notices pending under appeal	69.34

<b>Contingent Liabilities and Commitment (To the extent not provided for):</b>		<b>As at December 31, 2017</b>
(iii)	Entry Tax - Claimed by Assessing Authorities pending under appeal	-
(iv)	Disputed VAT/sales tax matters under appeal.	68.44
(v)	Service Tax	26.13
<b>Total</b>		<b>227.45</b>

**28. *Our Statutory Auditors have included an emphasis of matter and certain remarks in relation to our Company in the Restated Financial Statements.***

In Financial Year 2017 and the nine month period ended December 31, 2017, an emphasis of matter (but not a qualification) has been included in the examination report issued by our Statutory Auditors with respect to our Restated Financial Statements in relation to the accounting treatment of the Scheme of Arrangement in accordance with the 'Purchase Method' as per Accounting Standard 14 – Accounting for Amalgamations (AS 14) which is different from the method prescribed under Ind AS 103–'Business Combinations' for business combination of entities under common control. Considering that the Scheme has been approved by NCLT and has to be mandatorily followed, no adjustment in this respect has been carried out. For details, see "Financial Statements" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 165 and 285. In addition, there are certain remarks and comments in the Companies (Auditor's Report) Order, 2003 / Companies (Auditor's Report) Order, 2015 / Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India. For details, see "Auditor's Report on Restated Financial Statements" beginning on page 166. There can be no assurance that similar matters will not form part of our financial statements, or that any such matters will not affect our financial condition and results of operations in the future, or result in any regulatory action against our Company or penalties imposed on our Company. Any such remarks in the auditors' report on our financial statements in the future may also adversely affect the trading price of the Equity Shares.

**29. *Some of our properties are not registered in our name and are located on leased premises. There can be no assurance that these lease agreements will be renewed upon termination or that we will be able to obtain other premises on lease on same or similar commercial terms.***

Some of our properties including our manufacturing facilities and warehouse are located on leased premises. Our manufacturing facility at Ghaziabad in Uttar Pradesh and Sambalpur in Odisha and our warehouse at Gauripur in Assam are held by us under an operating lease. The term of these lease agreements ranges from three to 10 years. Our manufacturing facilities at Greater Noida in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha are held by us under long-term lease arrangements. The term of these long-term lease arrangements ranges from 69 to 90 years. These lease agreements may be terminated in accordance with their respective terms, and any termination or non-renewal of such leases could adversely affect our operations. Additionally, the warehouse obtained by us under an operating lease has an annual escalation clause for rent payments. There can be no assurance that we will be able to retain or renew such leases on same or similar terms, or that we will find alternate locations for the existing manufacturing facilities on terms favourable to us, or at all. Failure to identify suitable premises for relocation of existing properties, if required, or in relation to new or proposed properties we may purchase, in time or at all, may have an adverse effect on our production and supply chain, the pace of our projected growth as well as our business and results of operations.

**30. *Some of the agreements entered into by our Company may not be duly registered or may be inadequately stamped, which may adversely affect our operations.***

Some of the agreements entered into by our Company in relation to the lease agreement for our depot at Gauripur, Assam, clearing and forwarding agreements for our depots in Telangana and Andhra Pradesh and our outsourcing agreement with Fortune may not be duly registered or may be inadequately stamped. Unless such documents are adequately stamped or duly registered, such documents may be rendered as inadmissible as evidence in a court in India or attract penalty as prescribed under applicable law, which may result in a material and adverse effect on the continuance of the operations and business of our Company.

**31. *We have entered into certain related party transactions and continue to rely on our Promoter and Group Companies for certain key development and support activities and guarantees.***

We have entered and may continue to enter into a number of related party transactions with our Key Management Personnel, our Promoters, our Group Companies, the relatives of Key Management Personnel and the enterprises over which the Key Management Personnel have significant influence or control. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. The value of related party transactions aggregated to ₹ 566.90 million and ₹ 542.44 million, ₹ 210.24 million, ₹ 147.02 million, ₹ 312.30 million and ₹ 348.70 million, for the nine month period ended December 31, 2017 and in Financial Years 2017, 2016, 2015, 2014 and 2013, respectively. For further information, see "Financial Statements – Note 49 - Related Party Disclosures" on page 224.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

**32. *We require a number of approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them in a timely manner may adversely affect our operations.***

We require certain statutory and regulatory permits and approvals for our business. Additionally, we may need to apply for more approvals in the future including renewal of approvals that may expire from time to time. There can be no assurance that the relevant authorities will issue such permits or approvals in the timeframe anticipated by us or at all. Failure by us to renew, maintain or obtain the required permits or approvals within the requisite time may result in the interruption of our operations and may have an adverse effect on our business, financial condition and results of operations. Further, these permits, licenses and approvals are subject to several conditions, and we cannot assure you that we shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, which may lead to cancellation, revocation or suspension of relevant permits/licenses/approvals. Any such failure or delay in obtaining such approvals, permits and licenses may have an adverse effect on our business and results of operations.

Many of our approvals are in the name of erstwhile ABL or erstwhile ABPL which have been merged into our Company in Financial Year 2017. We have applied to the relevant authorities for the change of name pursuant to the Scheme of Arrangement, however some of these applications are still pending.

While we have obtained a number of required approvals for our operations, certain approvals for which we have submitted applications are still pending. For some of the approvals which may have expired, we may have either made or are in the process of making an application for obtaining the approval or its renewal. In addition, we have not yet commenced production at this manufacturing facility for rusk and we intend to relocate the manufacturing facility from Sambalpur in Odisha. Hence, we have not renewed or applied for certain government approvals at the manufacturing facility for rusk located at Sambalpur. For details of the applications that we have made and are pending receipt of approval, and which are required but have not yet been applied for, see "Government and Other Approvals" beginning on page 316.

Except for the above, we believe that our operations are in material compliance with applicable laws and regulations, regulatory authorities may allege non-compliance and may subject us to regulatory action in the future, including penalties and other legal proceedings. Further, due to the possibility of unanticipated regulatory developments, the amount and timing of future expenditure to comply with these regulatory requirements may vary substantially from those currently in effect.

**33. *Our insurance policies may not protect us against all potential losses, which could harm our business and results of operations.***

While we maintain insurance coverage, in amounts which we believe are commercially appropriate, including insurance against employee fidelity, marine policy, money in safe, fire and special perils, burglary, office package policy, all risk policy, group personal accident insurance, we may not have sufficient insurance coverage to cover all possible economic losses, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Our Company's insurance cover as on the date of December 31, 2017 is approximately ₹ 3,843.53 million in respect of its net block of property, plant and equipment which stood at ₹ 2,823.60 million as at December 31, 2017. Consequently, our Company's insurance cover as a percentage of its net block of property, plant and equipment as at December 31, 2017 was approximately 136.00 %. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

**34. *Our Company's indebtedness could adversely affect our financial condition and results of operations.***

As at April 30, 2018, our Company's indebtedness (including fund based and non-fund based facilities) to banks and financial institutions amounted to ₹ 394.61 million. We have entered into agreements with certain banks and financial institutions for short-term loans and long-term borrowings and to increase our credit limits. Some of these agreements contain requirements to maintain financial ratios and also contain restrictive covenants, such as requiring lender consent

for, among other things, change in our capital structure, making any change in our constitution or composition, change in shareholding of Promoters, availing any fresh borrowings, declaring dividends, or incurring capital expenditures beyond certain limits. There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. For example, such debt could:

- increase our vulnerability to general adverse economic and industry conditions;
- limit our ability to fund future working capital, capital expenditures and other general corporate requirements;
- require us to dedicate a substantial portion of our cash flow from operations to service our debt;
- limit our flexibility to react to changes in our business and in the industry in which we operate;
- place us at a competitive disadvantage with respect to any of our competitors who have less debt;
- require us to meet additional financial covenants;
- limit, along with other restrictive covenants, among other things, our ability to borrow additional funds; and
- lead to circumstances that result in an event of default, if not waived or cured. A default under one debt instrument may also trigger cross-defaults under other debt instruments.

Any of these developments could adversely affect our business, financial condition and results of operations. For details, see “*Financial Indebtedness*” beginning on page 283.

We cannot provide any assurance that our business will generate profits in an amount sufficient to enable us to service our debt or to fund our other liquidity needs as they come due. In addition, we may need to refinance all or a portion of our debt on or before maturity. We cannot provide any assurance that we will be able to refinance any of our debt on commercially reasonable terms, or at all. If we are unable to repay or refinance our outstanding indebtedness, or if we are unable to obtain additional financings on terms acceptable to us, our business, financial condition and results of operations may be adversely affected.

**35. *Our market share and business position may be adversely affected by economic, political and market factors, some of which are beyond our control.***

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, change in regulatory framework, inflation, deflation, foreign exchange fluctuations, consumer credit availability, consumer debt levels, unemployment trends, terrorist threats and activities, worldwide military and domestic disturbances and conflicts, and other matters that influence consumer confidence, and spending.

Many factors affect the level of consumer spending in the overall fast-moving consumer goods market and the biscuits and cakes market, including recession, inflation, deflation, political uncertainty, the availability of consumer credit, taxation, stock market performance, unemployment and other matters that influence consumer confidence. Our performance may decline during recessionary periods or in other periods where one or more macro-economic factors, or potential macro-economic factors, negatively affect the level of consumer spending or the amount that consumers spend on eating out. Slow economic growth in India, the global credit crisis, declining consumer and business confidence and other challenges currently affecting the general economy, could lead to lower consumer spending on food products generally.

**36. *Our operations are highly regulated in the areas of health and food safety and we may be subject to the risk of incurring compliance costs and the risk of potential claims and regulatory actions.***

Our Company is subject to various regulations and policies. For details see “*Regulations and Policies*” beginning on page 124. These regulations directly affect our day-to-day operations, and violations of these laws and regulations can result in substantial fines or penalties, which may significantly harm our business, results of operations and financial condition. Health, safety and environmental regulation in India may become more stringent, and the scope and extent of new regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in health, safety or environmental regulations, we may be required to incur significant amounts on, among other things, health, safety and environmental audits and monitoring, pollution control equipment and emissions management. Further, certain of our products could lose their certification if our workers become ill or are suffering from contagious or easily communicate diseases. The loss of any certifications from independent organizations, including for reasons outside of our control, could harm our business. We could also be subject to substantial civil and criminal liability and other regulatory consequences

in the event that a health or environmental hazard was to be found at any of our sites, or if any of our operations result in contamination of the environment, including the spread of any infection or disease. We may be the subject of public interest litigation in India relating to allegations of such contamination, as well as in cases having potential criminal and civil liability filed by regulatory authorities. If such cases are determined against us, there could be an adverse effect on our business and operations.

37. ***Our Promoters will continue to retain majority shareholding in us after the Offer, which will allow them to exercise significant influence over us. We cannot assure you that our Promoters will always act in the Company's or your best interest.***

The majority of our issued and outstanding Equity Shares are currently beneficially owned by our Promoters. Upon completion of the Offer, our Promoters will own [●] Equity Shares, or [●] % of our post-Offer Equity Share capital, assuming full subscription of the Offer. Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our Company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoters as our Company's controlling shareholders could conflict with our Company's interests or the interests of its other shareholders. We cannot assure you that our Promoters will act to resolve any conflicts of interest in our Company's or your favour.

38. ***Our failure to protect proprietary information about our products, recipes, pricing or launch information could adversely affect our competitive position.***

We seek to maintain the confidentiality of the recipe of our products through our agreements. Any failure to protect such confidential information including the recipe of our products, proposed pricing, and or any launch information due to leakage of information may harm our competitive position in the biscuits and cakes market. Although we attempt to protect our trade secrets, we may not effectively prevent disclosure of our proprietary information and may not provide an adequate remedy in the event of unauthorized disclosure of such information.

39. ***This Draft Red Herring Prospectus contains information from an industry report which we have commissioned from Frost & Sullivan (India) Private Limited.***

This Draft Red Herring Prospectus includes information that is derived from the FS Report, pursuant to an engagement with our Company. We commissioned this report for the purpose of confirming our understanding of the packaged foods industry in India. Neither we (except as otherwise indicated), the Selling Shareholders, the Book Running Lead Managers, nor any other person connected with the Offer has verified the information in such report. The FS Report also highlights certain industry and market data, which may be subject to assumptions. There are no standard data gathering methodologies in the industry in which we conduct our business, and methodologies and assumptions vary widely among different industry sources. Further, such assumptions may change based on various factors. We cannot assure you that assumptions set out in the FS Report are correct or will not change and, accordingly, our position in the market may differ from that presented in this Draft Red Herring Prospectus. Further, the commissioned report is not a recommendation to invest or disinvest in our Company.

40. ***Any inability to successfully develop or procure technology or failure or disruption of our information technology systems may adversely affect our business, financial condition, results of operations, and prospects.***

Technological advances from time to time may result in our systems, methods or manufacturing facilities becoming obsolete. Failure to keep up to date with such changes could result in our competitors having an advantage over us, which could impact negatively upon both our financial performance and our reputation. Any significant upgrade to or replacement of our systems could require considerable capital expenditure, which could affect our results of operations and financial condition.

41. ***Information relating to the estimated production capacities of our manufacturing facilities included in this Draft Red Herring Prospectus are based on various assumptions and estimates. Actual production rate may vary from such estimated production capacity information and historical capacity utilization rates.***

The information relating to the estimated production capacities of our manufacturing facilities included in this Draft Red Herring Prospectus is based on various assumptions and estimates of our management, including assumptions relating to potential facility capacity, facility operating hours and potential operational days. Capacity additions to our manufacturing facilities have been made on an incremental basis, including through expansion of our manufacturing facilities, improving material handling and other operational efficiencies in the production process and addition of equipment or production lines from time to time. Actual production levels and future capacity utilization rates may vary significantly from the

estimated production capacities of our manufacturing facilities and historical capacity utilization rates. In addition, capacity utilization is calculated differently in different countries, industries and for the different kinds of products we manufacture.

In relation to our utilized capacity, certain assumptions have been made in the calculation of the Actual Installed Capacities of our manufacturing facilities included in this Draft Red Herring Prospectus (as certified by a chartered engineer). Actual production levels and utilization may however vary due to seasonality in demand from the computed installed capacities of our manufacturing facilities. Undue reliance should therefore not be placed on the production capacity information for our existing manufacturing facilities and any additional capacity information proposed or the historical capacity utilization rate information included in this Draft Red Herring Prospectus. For more details, see “*Our Business – Manufacturing Facilities*” on page 118.

**42. *Our Promoters and Group Companies have unsecured loans, which may be recalled at any time. Any recall of such loans may have an adverse effect on our business, prospects, financial condition and results of operations.***

Our Individual Promoters and our Group Companies, Monarch, JNPL, ACSPL, and ASPL, have currently availed unsecured loans which may be recalled by the lenders at any time. In the event that any lender seeks a repayment of any such loan, such Individual Promoters and Group Companies would need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. Such Individual Promoters and Group Companies may not have adequate working capital to undertake new projects or complete the ongoing projects. As a result, any such demand may affect our business, cash flows, financial condition and results of operations.

**43. *We have issued Equity Shares at prices that may be lower than the Offer Price in the last 12 months.***

We have issued Equity Shares in the last 12 months at a price that may be lower than the Offer Price, as set out in the table below:

Name of allottees	Date of allotment	No. of Equity Shares allotted	Offer price (₹)	Reason	Promoters and members of Promoter Group
All existing Shareholders of our Company as on the record date being February 23, 2018	February 24, 2018	49,430,832	-	Bonus issue in the ratio of 4:1 (Four Equity Shares for every one Equity Share held by our Shareholders) as on the record date being February 23, 2018.	BCF Trust, Monarch, SKG Land Developer LLP, APPL, Delta Nirman LLP, Anmol Hi-Cool LLP, JNPL, Puneet Mercantiles LLP

The Offer Price is not indicative of the market price following the listing of the Equity Shares. For details, see “*Capital Structure*” beginning on page 66.

**44. *We will not receive any proceeds from the Offer. Our Selling Shareholders will receive the entire proceeds from the Offer.***

This Offer comprises of an offer for sale of up to [●] Equity Shares of our Company for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ 7,500.00 million through an offer for sale of up to [●] Equity Shares by the Promoter Selling Shareholder aggregating up to ₹ 7,204.00 million, up to [●] Equity Shares by SKG Land Developers LLP aggregating up to ₹ 225.00 million, up to [●] Equity Shares by Delta Nirman LLP aggregating up to ₹ 40.00 million, [●] Equity Shares by Anmol Hi-Cool LLP aggregating up to ₹ 25.00 million and up to [●] Equity Shares by Puneet Mercantiles LLP aggregating up to ₹ 6.00 million. The entire proceeds from the Offer will be paid to the Selling Shareholders. We will not receive any proceeds from the Offer. For details, see “*Objects of the Offer*” beginning on page 75.

**45. *Certain Directors and Key Management Personnel do not have any documents evidencing certain information in relation to their past experience and educational qualifications.***

Certain Directors and Key Management Personnel do not have any documents evidencing certain information in relation to their past experience and educational qualifications. Some of our Non-Executive, Independent Directors, including Mamta Binani, Sunil Kumar Agarwal, and Debanjan Mandal, do not have any documents evidencing their past experience



included in their biography under the section “*Our Management – Brief Biographies of Directors*” on page 135. Further, one of our Key Management Personnel, Avik Mukherjee does not have any documents evidencing his educational qualifications included in his biography under the section “*Our Management – Key Management Personnel*” on page 146. Accordingly, in making such disclosures, we have relied on affidavits executed by Mamta Binani, Sunil Kumar Agarwal, Debanjan Mandal and Avik Mukherjee. We cannot assure you that such disclosure is true and accurate and that it does not have any inadvertent errors or omissions.

**46. *Our Group Companies, ACSPL and BHPL, have been categorized as ‘High Risk Financial Institution by the Financial Intelligence Unit-India’.***

Our Group Companies, ACSPL and BHPL, have been categorized as ‘High Risk Financial Institution by the Financial Intelligence Unit-India (the “FIU – India”), Ministry of Finance Government of India for failure to register a principal officer with the Director, FIU – India, under the Prevention of Money-Laundering Act, 2002 (the “PMLA Act”) and the rules thereunder. For further details, see “*Outstanding Litigation and Material Developments – Litigation against our Group Companies -Actions by statutory and regulatory authorities – ACSPL and BHPL*” on page 314.

We cannot assure you that no action will be taken or penalty imposed against our Group Companies for such non-compliance. Any action or penalty against our Group Companies could have a material adverse effect on our reputation, business and operations.

**47. *One of our Group Company, APPL has incurred losses in the preceding Financial Year and may incur losses in the future.***

One of our Group Companies, APPL, has incurred losses during the preceding Financial Year. For further details of the loss-making Group Companies, see “*Our Group Companies*”, beginning on page 157. There can be no assurance that the Group Companies will not incur losses in the future or that there will not be an adverse effect on our Company’s reputation or business as a result of such losses.

## **EXTERNAL RISK FACTORS**

**48. *Any changes in the regulatory framework could adversely affect our operations and growth prospects.***

Our Company is subject to various regulations and policies. For details see “*Regulations and Policies*” beginning on page 124. Our business and prospects could be materially adversely affected by changes in any of these regulations and policies, including the introduction of new laws, policies or regulations or changes in the interpretation or application of existing laws, policies and regulations. There can be no assurance that our Company will succeed in obtaining all requisite regulatory approvals in the future for our operations or that compliance issues will not be raised in respect of our operations, either of which could have an adverse effect on our business, financial condition and results of operations.

**49. *There could be political, economic or other factors that are beyond our control but may have an adverse impact on our business and results of operations should they materialize.***

Our Company is incorporated in India. Our Registered and Corporate Office, and all of our management, is located in India. As a result, we are highly dependent on prevailing economic, political and other prevailing conditions in India, and our results of operations are significantly affected by the following factors, among others:

- (a) the macroeconomic climate, including any increase in Indian interest rates or inflation;
- (b) changes in Government policies which may adversely affect India’s competitive advantage;
- (c) any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency;
- (d) any scarcity of credit or other financing in India, resulting in an adverse impact on economic conditions in India and scarcity of financing for our expansions;
- (e) prevailing income conditions among Indian corporations;
- (f) volatility in, and actual or perceived trends in trading activity on, India’s principal stock exchanges;
- (g) changes in India’s tax, trade, fiscal or monetary policies;
- (h) political instability, terrorism or military conflict in India or in countries in the region or globally, including in India’s various neighbouring countries;

- (i) occurrence of natural or man-made disasters;
- (j) prevailing regional or global economic conditions, including in India's principal export markets;
- (k) other significant regulatory or economic developments in or affecting India or its liquid seaborne logistics industry;
- (l) international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- (m) logistical and communications challenges;
- (n) being subject to the jurisdiction of foreign courts, including uncertainty of judicial processes and difficulty enforcing contractual agreements or judgments in foreign legal systems or incurring additional costs to do so;
- (o) any downgrading of India's debt rating by a domestic or international rating agency; and
- (p) instability in financial markets.

If any of the above risks materialize, our business, results of operations, financial condition and the price of the Equity Shares could be adversely affected.

**50. *Significant differences exist between Ind AS and other accounting principles, such as Indian GAAP, IFRS and U.S. GAAP, which may be material to investors' assessment of our financial condition.***

Our restated financial statements as of and for the Financial Year 2017, and for the nine month period ended December 31, 2017 included in this Draft Red Herring Prospectus have been prepared under Ind AS notified under the Companies (Indian Accounting Standards) Rules, 2015 read with Section 133 of the Companies Act, 2013 except to the extent of departure of accounting of Business Combinations as per the provisions of Ind AS-103 "*Business Combinations*" due to the Scheme of Arrangement.

The date of transition to Ind AS as required in terms of notification dated February 16, 2015 issued by MCA is April 1, 2016. In order to comply with the provisions of notification no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 issued by SEBI, financial statements for Financial Years 2015 and 2016 included in this Draft Red Herring Prospectus, have also been restated on proforma basis by applying the principals and provisions of Ind AS and thereby, the transition date for this limited purpose has been assumed to be April 1, 2014. The restated proforma financial statements for the Financial Years 2015 and 2016 are subject to change and may not give an accurate picture of our actual financial position and results of operations that would have occurred had such transactions by us been affected on the dates they are assumed to have been affected.

Our restated financial statements as of and for the Financials Years 2014 and 2013 included in this Draft Red Herring Prospectus have been prepared under Ind GAAP. See "*Restated Financial Statements*" beginning on page 165.

Except as otherwise provided in the Restated Financial Statements with respect to Indian GAAP, no attempt has been made to reconcile any of the information given in this Draft Red Herring Prospectus to any other principles or to base the information on any other standards. Ind AS differs from other accounting principles with which prospective investors may be familiar, such as Indian GAAP, IFRS and U.S. GAAP. Accordingly, the degree to which the financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Ind AS. Persons not familiar with Ind AS should limit their reliance on the financial disclosures presented in this Draft Red Herring Prospectus.

In addition, our Restated Financial Statements may be subject to change if new or amended Ind AS accounting standards are issued in the future or if we revise our elections or selected exemptions in respect of the relevant regulations for the implementation of Ind AS.

**51. *If more stringent labour laws or other industry standards in India become applicable to us, our profitability may be adversely affected.***

We are subject to a number of stringent labour laws. India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for dispute resolution and employee removal and legislation that imposes financial obligations on employers upon retrenchment. Our employees are also organised in unions. If labour laws become more stringent or are more strictly enforced, it may become difficult for us to maintain flexible human resource policies, discharge employees or downsize, any of which could have an adverse effect on our business, results of operations, financial condition and cash flows.

**52. *An active trading market for the Equity Shares may not develop and the price of the Equity Shares may be volatile.***

Prior to the Offer, there has been no public market for the Equity Shares. An active public trading market for the Equity Shares may not develop or, if it develops, may not be maintained after the Offer. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, will determine the Offer Price. The Offer Price may be higher than the trading price of the Equity Shares following the Offer. As a result, investors may not be able to sell their Equity Shares at or above the Offer Price or at the time that they would like to sell. The trading price of the Equity Shares after the Offer may be subject to significant fluctuations and be influenced by many factors, including:

- (a) quarterly variations in our results of operations;
- (b) results of operations that vary from the expectations of securities analysts and investors;
- (c) results of operations that vary from those of our competitors;
- (d) any large losses on investments made on our own account;
- (e) changes in expectations as to our future financial performance, including financial estimates by research analysts and investors;
- (f) a change in research analysts' recommendations;
- (g) announcements by us or our competitors of significant acquisitions, strategic alliances, joint operations or capital commitments;
- (h) announcements by third parties of significant claims or proceedings against us;
- (i) new laws and government regulations applicable to the industries we operate in;
- (j) additions or departures of key management personnel;
- (k) changes in interest rates;
- (l) fluctuations in stock market trading volume; and
- (m) general economic and stock market conditions.

There can be no assurances that the prices at which the Equity Shares are initially traded will correspond to the prices at which the Equity Shares will trade in the market subsequently. In addition, the Indian stock market has from time to time experienced significant price and volume fluctuations that have affected the market prices for the securities of Indian companies. As a result, investors in the Equity Shares may experience a decrease in the value of the Equity Shares regardless of our operating performance or prospects.

**53. *There is no guarantee that the Equity Shares will be listed on BSE and NSE in a timely manner or at all.***

In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Offer will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on BSE and NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

**54. *Future issuances or sales of the Equity Shares by any existing shareholders could significantly affect the trading price of the Equity Shares.***

The Equity Shares offered in the Offer will be freely tradable without restriction in the public market. The existing shareholders will be entitled to dispose of their Equity Shares following the expiration of a one year "lock-in" period, other than the minimum promoters' contribution of 20 % of the Equity Shares of our Promoters that will be locked in for three years. Any future equity issuances by us, including pursuant to any employee stock option plans that we may have, or sales of the Equity Shares by our Promoters may adversely affect the trading price of the Equity Shares. In addition, any perception by potential investors that such issuances or sales might occur could also affect the trading price of the Equity Shares.

Furthermore, the market price of the Equity Shares could decline if some of our existing Shareholders sell a substantial number of Equity Shares subsequent to listing or the perception that such sales or distributions could occur. This, in turn, could make it difficult for you to sell Equity Shares in the future at a time and at a price that you deem appropriate.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investor's reactions to developments in one country may have adverse effects on the market price of securities of companies situated in other countries, including India. For instance, the recent financial crisis in the United States and European countries led to a global financial and economic crisis that adversely affected the market prices in the securities markets around the world, including Indian securities markets. Negative economic developments, such as rising fiscal or trade deficits, or a default on national debt, in other emerging market countries may affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

The Indian stock exchanges have experienced temporary exchange closures, broker defaults, settlement delays and strikes by brokerage firm employees. In addition, the governing bodies of the Indian stock exchanges have from time to time imposed restrictions on trading in certain securities, limitations on price movements and margin requirements. Furthermore, from time to time, disputes have occurred between listed companies and stock exchanges and other regulatory bodies, which in some cases may have had a negative effect on market sentiment.

**56. *Our ability to raise capital outside India may be constrained by Indian law, which may adversely affect our financial condition, results of operations and prospects.***

We are subject to exchange controls in India that regulate borrowing in foreign currencies. Such regulatory restrictions limit our sources of financing our operations and hence could constrain our ability to obtain financing arrangements on competitive terms. In addition, we cannot assure you that any required regulatory approvals for borrowing in foreign currencies will be granted to us without onerous conditions, or at all.

Limitations on foreign debt may constrain our ability to raise cost effective funding for implementing asset purchases, refinancing existing indebtedness, or financing acquisitions and other strategic transactions may have an adverse effect on our business growth, financial condition and results of operations.

**57. *Changes in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have a material adverse effect on our financial position, business and results of operations.***

Any change in Indian tax laws, including the upward revision to the currently applicable normal corporate tax rate of 30 % along with applicable surcharge and cess, could affect our tax burden. Other benefits such as exemption for income earned by way of dividend from investments in other domestic companies and units of mutual funds, exemption for interest received in respect of tax-free bonds and long-term capital gains on equity shares, if withdrawn by the statute in the future, may no longer be available to us. Any adverse order passed by the appellate authorities/tribunals/courts would have an impact on our profitability.

For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of certain goods and services for all of India. However, given the recent introduction of the GST in India, there is no established practice regarding the implementation of, and compliance with, GST. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the introduction of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST, as it is implemented.

Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licenses from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

The Government has enacted the GAAR which have come into effect from April 1, 2017. The tax consequences of the GAAR provisions being applied to an arrangement could result in denial of tax benefit amongst other consequences. In the absence of any precedents on the subject, the application of these provisions is uncertain. If the GAAR provisions are made applicable to our Company, it may have an adverse tax impact on us. We cannot predict whether any tax laws or regulations impacting our products will be enacted, what the nature and impact of the specific terms of any such laws or regulations will be or whether, if at all, any laws or regulations would have a material adverse effect on our business, financial condition and results of operations. Additionally, in view of individual nature of tax consequences and the changing tax laws, each prospective investor is advised to consult their own tax consultant with respect to the specific tax implications arising out of their participation in the Offer.

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

Under current Indian tax laws, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. However, any gain realized on the sale of listed equity shares on or before March 31, 2018 on a stock exchange held for more than 12 months will not be subject to long term capital gains tax in India if Securities Transaction Tax (“STT”) is paid on the sale transaction and additionally, as stipulated by the Finance Act, 2017, STT had been paid at the time of acquisition of such equity shares on or after October 1, 2004, except in the case of such acquisitions of equity shares which are not subject to STT, as notified by the Central Government under notification no. 43/2017/F. No. 370142/09/2017-TPL on June 5, 2017. However, the Finance Act, 2018, has now levied taxes on such long term capital gains exceeding ₹ 100,000 arising from sale of Equity Shares on or after April 1, 2018, while continuing to exempt the unrealised capital gains earned up to January 31, 2018 on such Equity Shares subject to specific conditions. Accordingly, you may be subject to payment of long term capital gains tax in India, in addition to payment of STT, on the sale of any Equity Shares held for more than 12 months. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold.

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 in India. 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.

**59. *QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid.***

Pursuant to the ICDR Regulations, QIBs and Non-Institutional Bidders are not permitted to withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after submitting a Bid. Retail Individual Bidders can revise their Bids during the Bid/Offer Period and withdraw their Bids until Bid/Offer Closing Date. While we are required to complete Allotment, listing and commencement of trading pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date, events affecting the Bidders’ decision to invest in our Equity Shares, including adverse changes in international or national monetary policy, financial, political or economic conditions, our business, results of operation or financial condition may arise between the date of submission of the Bid and Allotment, listing and commencement of trading. We may complete the Allotment, listing and commencement of trading of our Equity Shares even if such events occur, and such events may limit the Bidders’ ability to sell our Equity Shares Allotted pursuant to the Offer or may cause the trading price of our Equity Shares to decline on listing.

**Prominent Notes:**

- Initial public offering of up to [●] Equity Shares of our Company for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ 7,500.00 million through an offer for sale of up to [●] Equity Shares by the Promoter Selling Shareholder aggregating up to ₹ 7,204.00 million, up to [●] Equity Shares by SKG Land Developers LLP aggregating up to ₹ 225.00 million, up to [●] Equity Shares by Delta Nirman LLP aggregating up to ₹ 40.00 million, [●] Equity Shares by Anmol Hi-Cool LLP aggregating up to ₹ 25.00 million and up to [●] Equity Shares by Puneet Mercantiles LLP aggregating up to ₹ 6.00 million. The Offer would constitute [●] % of our post-Offer paid-up Equity Share capital.
- Bidders may contact the Book Running Lead Managers, who have submitted the due diligence certificate to SEBI and the Registrar to the Offer for any complaints pertaining to the Offer. For details of contact information of the Book Running Lead Managers, please see the section entitled “General Information” beginning on page 58.
- The net worth of our Company as at March 31, 2017 and as at December 31, 2017, as per our restated financial statements included in this Draft Red Herring Prospectus was ₹ 1,829.30 million and ₹ 2,373.94 million, respectively. For more information, see “Financial Statements” beginning on page 165.
- The net asset value per Equity Share as at March 31, 2017 and as at December 31, 2017, as per our Restated Financial Statements included in this Draft Red Herring Prospectus was ₹ 148.03 and ₹ 192.10, respectively.
- The average cost of acquisition per Equity Share by our Promoters and the Selling Shareholders is:

Name of Promoter / Selling Shareholders	Number of Equity Shares held	Average cost of acquisition (In ₹)
<b>Promoters</b>		
Bimal Kumar Choudhary	-	Not Applicable
Biswanath Choudhary	-	Not Applicable
Gobind Ram Choudhary	-	Not Applicable

Name of Promoter / Selling Shareholders	Number of Equity Shares held	Average cost of acquisition (In ₹)
Dilip Kumar Choudhary	-	Not Applicable
Baijnath Choudhary and Family Trust	51,132,585	0.005
<b>Non-Promoter Selling Shareholders</b>		
Anmol Hi-Cool LLP	177,860	4.73
Delta Nirman LLP	279,995	0.00
Puneet Mercantiles LLP	41,995	7.14
SKG Land Developers LLP	1,598,620	0.39
<b>Total</b>	<b>53,231,055</b>	<b>-</b>

As certified by our Auditors by their certificate dated June 19, 2018.

- For details of transactions by our Company with our Group Companies during the last Financial Year including the nature and cumulative value of the transactions, see “*Financial Statements – Note 49 – Related Party Disclosure*” on page 224.
- There has been no financing arrangement whereby the members of the Promoter Group, our Directors, or any of their respective relatives have financed the purchase by any other person of securities of our Company other than in the normal course of the business of the financing entity during the six months period preceding the date of the Draft Red Herring Prospectus.
- None of our Group Companies have any business or other interest in our Company, except as stated in “*Financial Statements – Note 49 – Related Party Disclosure*” on page 224 and “*Our Group Companies*” beginning on page 157.
- The name of our Company was changed from “Bansal Biscuits Private Limited” to “Anmol Industries Private Limited” as our Company was engaged in the manufacturing activities of bakery products in the brand name of Anmol and a fresh certificate of incorporation was issued on May 23, 2016. Further, pursuant to a resolution passed by our shareholders on March 25, 2017, our Company was converted in to a public limited company, following which our name changed to “Anmol Industries Limited”, and a fresh certificate of incorporation was issued on March 30, 2017. Pursuant to the changes in the name of our Company, no changes were made in the objects clause of the Memorandum of Association. For further details, see “*History and Certain Corporate Matters*” beginning on page 128.

## SECTION III: INTRODUCTION

### SUMMARY OF INDUSTRY

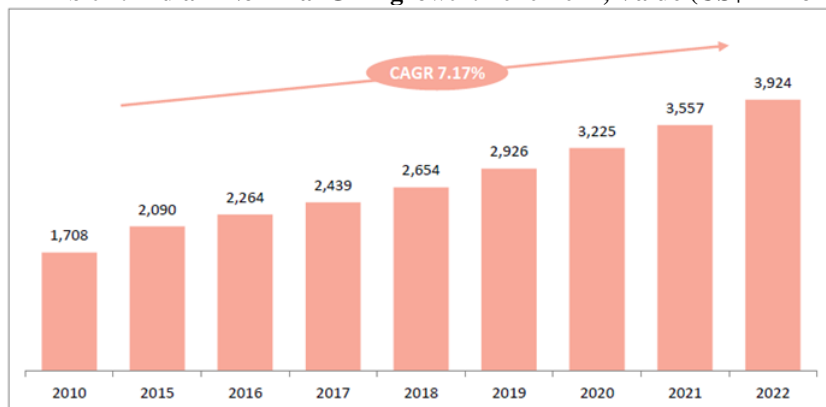
*The information contained in this section is derived from the FS Report which was commissioned by our Company and certain publicly available sources. Neither we, nor any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends.*

*Investors should note that this is only a summary of the industry in which we operate and does not contain all information that should be considered before investing in the Equity Shares. Before deciding to invest in the Equity Shares, prospective investors should read this Draft Red Herring Prospectus, including the information in “Industry”, “Our Business” and “Financial Information” beginning on pages 83, 106 and 165, respectively. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 14.*

### India’s Growth Story

#### India Macro-Economic Indicators

**Exhibit 1: India – Nominal GDP growth: 2010-2022, Value (US\$ Billion)**



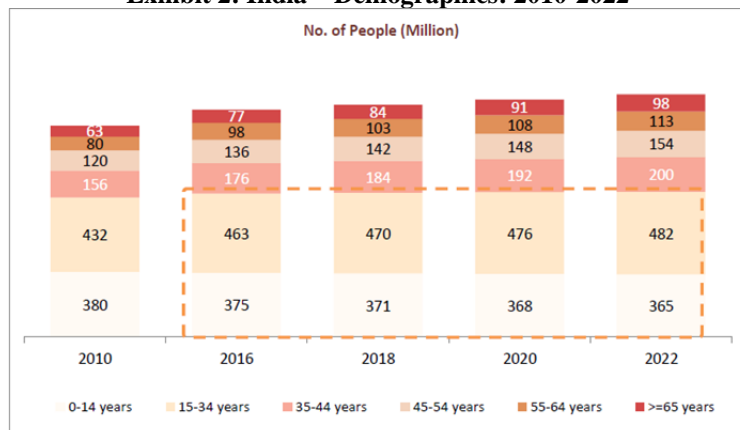
Source: International Monetary Fund

India was one of the few countries that continued to see brisk growth despite the global economic slowdown during 2014-2016. According to Reserve Bank of India (RBI), a 6.5% growth in real GDP and an improvement in the Gross Value Added (GVA) growth in FY-2018 is expected as crucial sectors are poised to revive from the disruptions caused by GST implementation and demonetisation. According to RBI, lower-than-expected inflation in 2017-18 pulled down the nominal GDP growth to about 9.5% as against the budgeted 11%-11.5% while the estimated GVA growth at 6.7% also fell short of expectation. The recovery in India’s GDP growth will be relatively gradual, preventing price pressures from rebounding and allowing the RBI to keep rates on hold.

With changing lifestyle and rising disposable income, the food market in India sees substantial investments. According to Ministry of Commerce and Industry, Indian organized packaged foods market is estimated at ₹ 2,450 billion and is expected to grow at Compound Annual Growth Rate (CAGR) of 12% in the next five years. According to the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India received around US\$ 727 million worth of Foreign Direct Investment (FDI) during FY 2016-17. This is expected to increase in the coming years with FDI policy and procedure having been simplified and liberalized in key sectors like food processing, defence manufacturing, telecommunications, agriculture, pharmaceuticals, civil aviation, space, private security agencies, railways, and insurance etc.

Of the total food market in India, the share of food processing industry is about 32%. Contribution of food processing industry to the GDP is about 14%. This sector also accounts for about 6% of the total industrial investment. The per capita food consumption in India is almost one-third of developed economies. The low per capita consumption and shortage of food in particular pockets offer tremendous opportunities for food companies. This has been recognized by many companies, including the global multinationals increasingly investing in India.

**Exhibit 2: India – Demographics: 2010-2022**

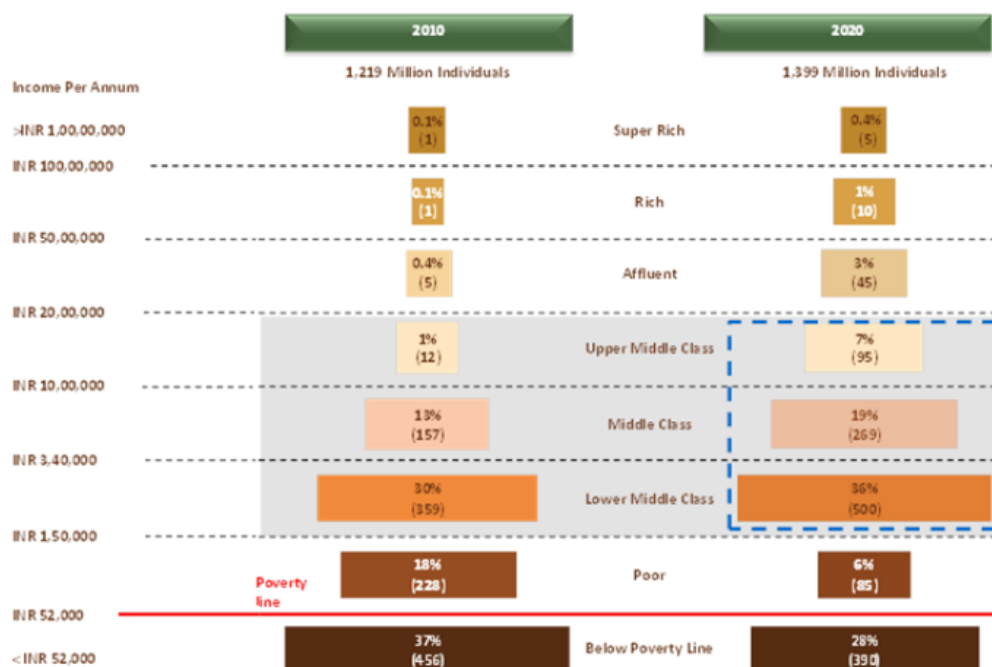


Source: Health Nutrition and Population Statistics

India's population is expected to continue to grow at a stable rate of 1.1% over the next five years. The share of young people in the total population — 63% in 2016 — is of crucial importance and highlights an enormous potential for growth as youth population is the primary demand driver for various products, including foods in general and packaged foods in particular. A large percentage of youth population implies availability of a potentially large future workforce with the ability to spend more money. Increasing disposable income, availability of easy credit options are some of the critical factors influencing the spending. As compared to other emerging and developed economies India stands out with a higher share of young population. The percentage of youth population of other emerging economies is as mentioned: China--59%, Russia-51%, Brazil—53%, South Africa-56%, while in developed economies it is: UK—49%, USA—50 %.

### Burgeoning Middle Class

**Exhibit 3: India – Split by Economic Class: 2010-2020**



**Note: Figures in the brackets represent million individuals. Poverty Line is as defined by the Planning Commission of India. The definition of poverty – ₹ 4,365 per month per household**

Source: National Council for Applied Economic Research (NCAER), and Frost & Sullivan

The middle class plays a vital role in the country's growth. Increasing from 44% of the total population in 2010 to an estimated 62% by 2020, the middle class is the primary propeller of demand across all sectors including food, consumer products, and realty to name a few. The economic liberalization of the early 1990s kick-started growth in the Indian market; attracted by this growth, a large talent pool, and cheaper labour costs, global companies entered India, unleashing multiple employment avenues, and thereby

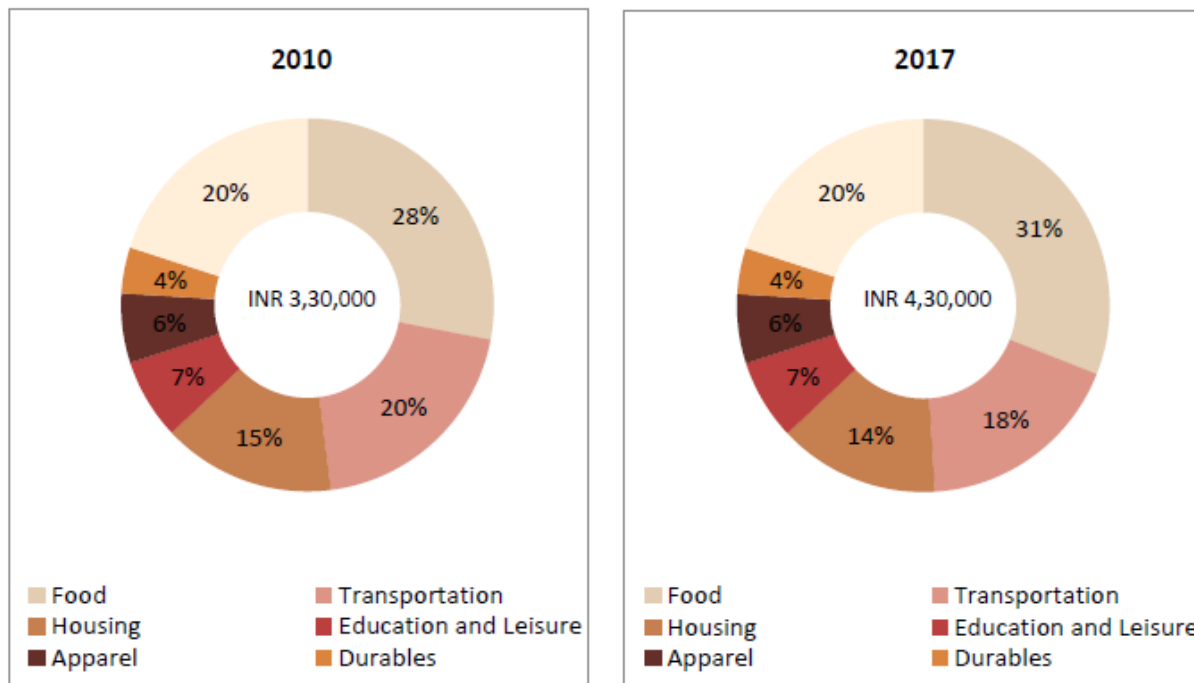


creating a more robust middle class.

Most companies target the middle class because of the sheer number of people in this bracket. With incomes to spend, being upwardly mobile, and influenced by global trends, the middle class has increased the share of wallet for food, especially packaged foods, while experimenting with tastes, cuisines, flavours, and products. Companies have started basing their strategies on the behavioural traits of the Indian middle class.

#### Share of Wallet – Indian Consumers

**Exhibit 4: India Middle-Class Consumer Expenditure Split by Type**



Source: Frost & Sullivan Analysis

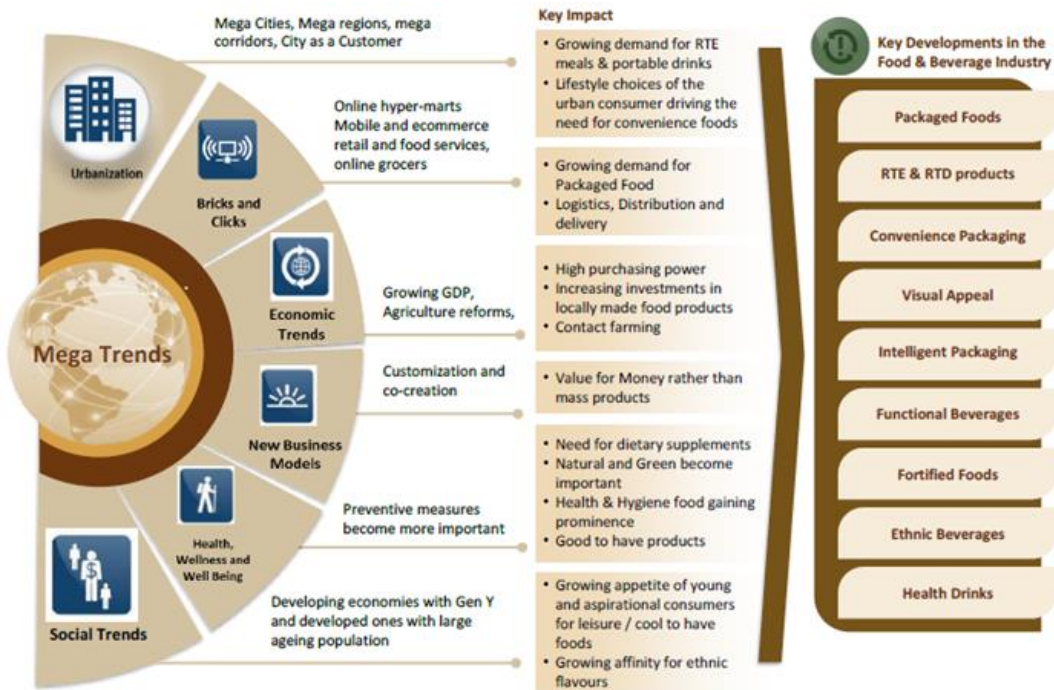
The figure mentioned indicates typical annual expenditure of an Indian middle class family

A look at the consumption pattern of the typical middle class or upper-middle class families in India indicates that about 31% of their total expenditure is on food. While this can be partially attributed to the increasing prices of essential food ingredients, the effect of packaged foods cannot be ignored. The large variety, ease of use, convenience, and instant options that are offered by packaged foods are very attractive to consumers, especially in cases where both the spouses are working, and there is not enough time to cook regular meals. Options ranging from packaged salads, snacks, ready-to-cook meat products and ready-to-eat meals are becoming an integral part of the Indian kitchen. With a variety of snacking options being available to the consumers, biscuits and cakes are also coming up with a variety of flavours and healthy snacking options to retain share of snacking items of the consumer. This trend is expected to continue as consumers, especially in large cities, face constraints for time due to long, uncertain working hours and lengthy travel times. Food companies have identified this trend and are innovating to deliver foods that offer taste and required nutrition with minimum effort and in the shortest possible time to the consumers. These needs for packaged foods will continue to drive the growth of the Indian food market over the next 5 to 10 years.

The major macroeconomic parameters like urbanization and increasing share of young population etc. highlights the potential and growth that can be expected in the food industry over the next ten years. Of this, the packaged foods market is of particular interest, as it is expected to witness double-digit growth over the next 5 to 10 years.

Megatrends are large social, economic, political, environmental or technological changes that occur gradually over a period and influence a wide range of activities, processes, and perceptions for extended periods. These trends are increasingly playing a critical role in driving growth and are significant for strategy development. Exhibit 5 showcases some of the key mega trends in India and their impact on the food industry.

## Exhibit 5: Mega Trends – Impact on Food Industries

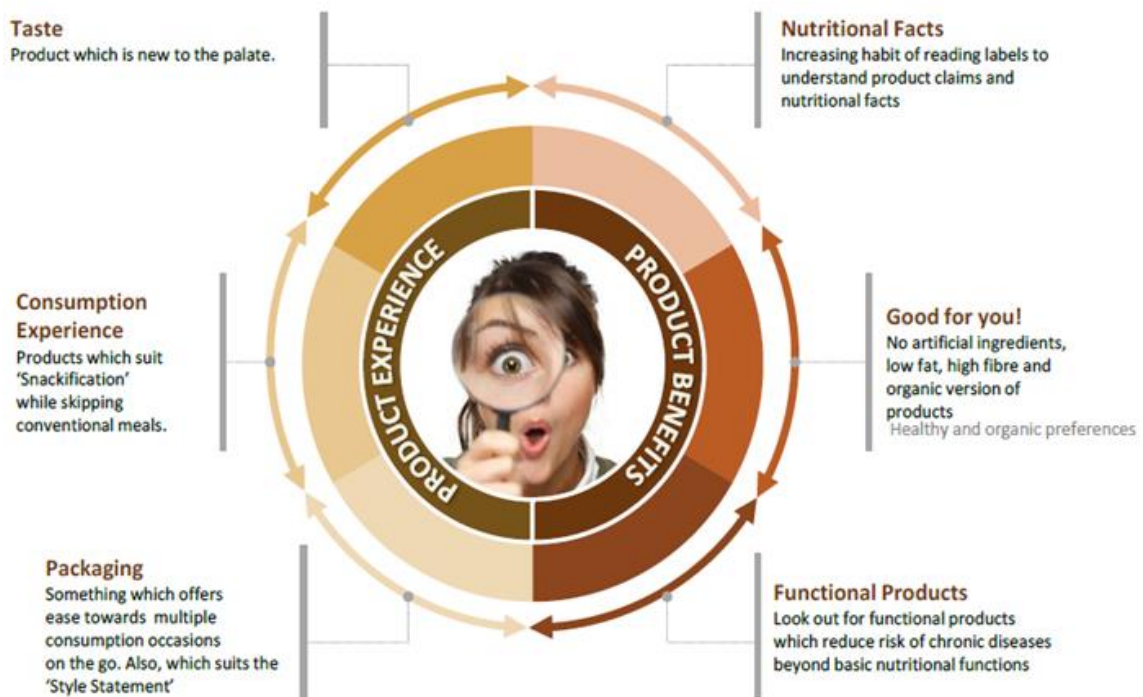


Source: Frost & Sullivan Analysis

With a trend towards urbanization and brick-and-click (online purchases), the demand for packaged foods will increase. Add to this the increasing awareness about health and wellness; consumers are looking for packaged foods that undergo minimal processing and are deemed healthy. Labelling of nutrition details and listing the ingredients are other significant outcomes of health and wellness. Social trends, with increasing penetration of the Internet and media, are resulting in consumers trying new cuisines, driving the demand for global flavours.

Some of the key product segments that will evolve based on the megatrends include Ready-to-Eat (RTE) and Ready-to-Drink (RTD) segments, fortified foods and functional beverages, intelligent packaging, ethnic and global tastes, etc. Some of the major consumer trends in the food industry as a result of megatrends are outlined in Exhibit 6.

## Exhibit 6: Key Consumer Trends in the Indian Food Industry



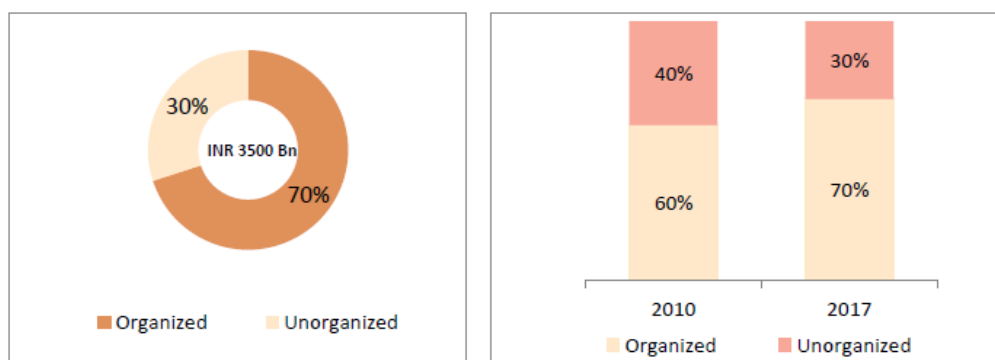
Source: Frost & Sullivan Analysis

## Overview of the Packaged Food Market in India

### Packaged Foods Market

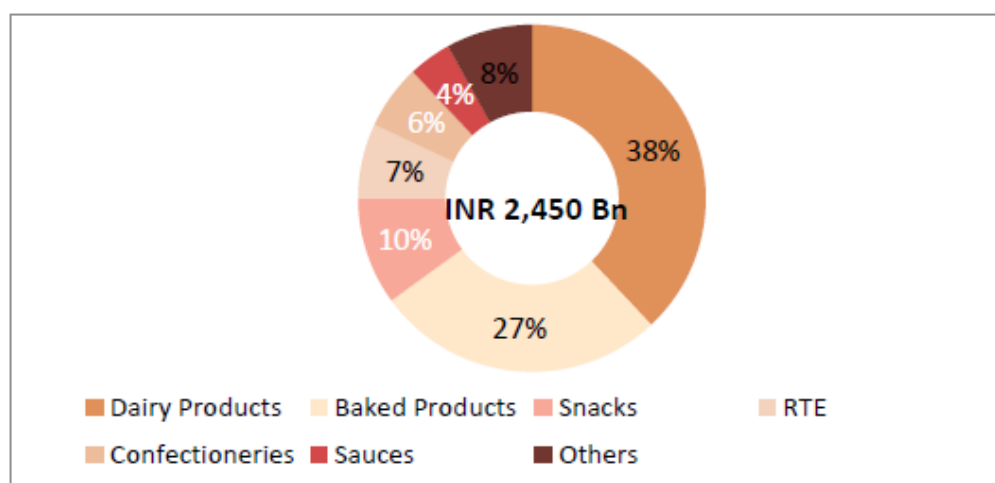
Packaged foods include ready-to-eat / ready-to-cook foods that are packed and sold to consumers. They are primarily aimed at convenience and usually undergo a certain degree of processing to increase shelf life, taste, stability, etc.

**Exhibit 7: India Total Packaged Foods Market – Split by Type, 2017**



- The total packaged food market is estimated to be about ₹ 3500 billion in 2017 with organized having a share of about 70% (2450 bn) and unorganized about 30% (1050 bn).
- In last 7-8 years, the preference for established brands of packaged food products have increased thus increasing the share of the organized market.

**Exhibit 8: India Organized Packaged Foods Market – Split by Product Type, 2017**



\* Others include packaged soups, canned foods, chilled and frozen foods, etc.

Source: Frost & Sullivan Analysis

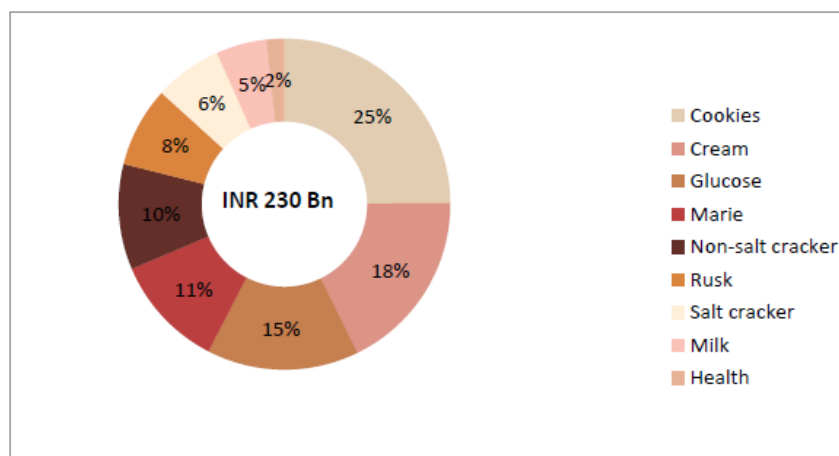
- Lifestyle changes, increasing affordability, urbanization, and fast-paced lifestyle are some of the critical factors that have boosted demand for packaged foods. Over the last four to five years, the market for organized packaged foods has grown at about 20-25%.
- Packaged foods include bakery products, canned/dried processed food, frozen processed food, meal replacement products, dairy products, snacks, confectioneries, beverages, etc. While many of these segments were traditionally present, emerging categories are processed dairy products, frozen ready-to-eat foods, diet snacks, processed meat, probiotic drinks and so on.
- Increasing product and packaging innovation, emphasis on healthy foods and growing demand for convenience foods will continue to drive the demand for packaged foods at over 30% over the next few years, as well.

## Indian Packaged Biscuits Market

Biscuit is one of the dominant segments of the Indian bakery market, accounting for 35% market share. The market is valued at ₹ 230 Bn in 2017 grew at a CAGR of 9.0% from 2010 to 2017. Further, it is expected to reach ₹ 340 Bn by 2022 growing at a CAGR of 8.2% between 2019 and 2022.

The biscuit market can be segregated into several parts including cookies, cream, glucose, marie, non-salt cracker, salt cracker, milk biscuits, health biscuits and rusks. Cookies represent the most popular biscuit type accounting for 25% of the Indian packaged biscuit market in 2017. It was followed by cream (18%), glucose (15%), marie (11%), non-salt cracker (10%), rusk (8%), salt cracker (6%), milk (5%) and health biscuit (2%).

**Exhibit 10: India Overall Biscuits Market – Market Share by Type, 2017**



Source: Frost & Sullivan Analysis

Cream biscuit, health-based digestive biscuit, non-salt cracker and marie biscuits are the most attractive sub-segments that are expected to grow rapidly (CAGR 9-11%) in the next five years. Demand for health and marie biscuits are mainly driven by growing health awareness among the consumers whereas cream biscuits are popular among kids and teenagers.

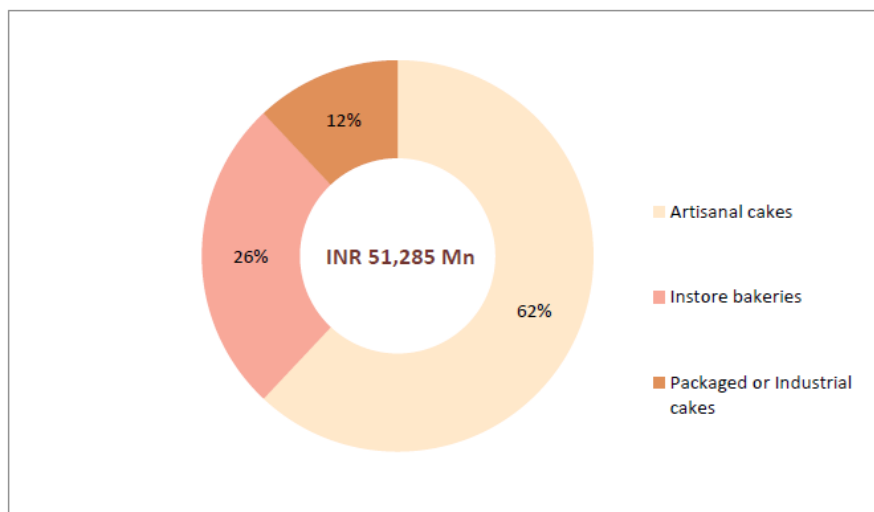
Demand for glucose and milk based biscuits are saturated as consumers are looking for new variants and flavours over the traditional biscuits subtype. Hence, this biscuit subtype is expected to have considerably slower growth rate (CAGR 4-6%) in the next five years.

## Indian Cakes and Pastries Market

The Indian bakery industry is one of the biggest sections in the country's processed food industry. The bakery market is mainly segmented into various product categories like bread, biscuits, pastries, cakes, buns and rusks. The cakes and pastries segment has the third highest share in the overall bakery market in India with 12.2% share in 2017. The cakes and pastries market has grown at a CAGR of 16.8% from 2010 to 2017 to reach ₹ 51,285 million from ₹ 17,420 million. Further, it is expected to reach ₹ 106,800 million by 2022 growing at a CAGR of 15.1% between 2019 and 2022.

Companies such as Britannia have launched single portion packs, which has boosted the sale of packed cakes.

**Exhibit 26: India Cakes and Pastries Market – Market Share by Type, 2017**



*Source: Frost & Sullivan Analysis*

## SUMMARY OF BUSINESS

*Investors should note that this is only a summary of our business in which we operate and does not contain all information that should be considered before investing in the Equity Shares. You should carefully consider all the information in this Draft Red Herring Prospectus, including this section, “Risk Factors”, “Industry”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 14, 83, 165 and 285, respectively, before making an investment in the Equity Shares. In this section, references to “we”, “our” and “us” are to our Company. An investment in the Equity Shares involves a high degree of risk. For a discussion of certain risks in connection with an investment in the Equity Shares, see “Risk Factors” beginning on page 14.*

*The following discussion contains forward-looking statements that reflect our plans, estimates and beliefs. Our actual results could differ materially from those discussed in the forward-looking statements. See “Forward Looking Statements” and “Risk Factors” beginning on pages 13 and 14, respectively for factors that could cause or contribute to these differences. Unless otherwise stated or the context otherwise requires, the financial information presented in this section is derived from the Restated Financial Statements.*

### Overview

We are a branded packaged food company focused on biscuits and cakes and “Anmol” is our flagship brand. We have over the years leveraged our established brand presence in northern and eastern India, strategic supply chain for an extensive distribution network, diversified product portfolio and consequent value proposition for consumers, strategically located manufacturing facilities and experienced promoters and senior management team to establish the Anmol brand into a leading presence across India. We are the fourth largest biscuit brand and the fifth largest cake brand in India in terms of revenue for Calendar Year 2017. In the eastern parts of India, we rank third across the biscuits segment and fourth across the cakes segment in terms of revenue for Calendar Year 2017. (Source: FS Report)

Our diversified product portfolio contains more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich cakes and cup-cakes. Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments. We have products in the premium as well as mass market categories, which makes our products less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product category. In addition, we also manufacture and export more than 20 varieties of biscuits for other companies from time to time.

We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. We also outsource manufacturing of our biscuits to Fortune at its manufacturing facility at Sambalpur, Odisha. The Fortune facility has an aggregate installed capacity of 10,200 MTPA for biscuits and its production was 4,401.28 MTPA as at March 31, 2018. Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, which accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from where we get our raw material supplies. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality and freshness of our products, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third-party contractor, namely Fortune, to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

Based on the FS Report, the biscuits market accounted for 35 % of the bakery products segment in India in Financial Year 2017. The biscuits market was valued at ₹ 230 billion in Financial Year 2017, and has grown at a CAGR of 9 % from Financial Years 2010 to 2017. The biscuits market is expected to grow at a CAGR of 8.2 % from Financial Years 2019 to 2022. (Source: FS Report) The cakes and pastries market was valued at ₹ 51.29 billion in Financial Year 2017, and has grown at a CAGR of 16.8 % from Financial Year 2010 to 2017. The cakes and pastries market is expected to grow at a CAGR of 15.1 % from Financial Years 2019 to 2022. (Source: FS Report)

For the Financial Year 2017 and the nine month period ended December 31, 2017, our RoE was 33.05 % and 26.06 %, respectively, and our ROCE was 34.99 % and 35.35 %, respectively. Further, we recorded EBITDA of ₹ 1,196.42 million and ₹ 1,264.75 million, respectively, for the Financial Year 2017 and the nine month period ended December 31, 2017 and our EBITDA margin was 9.68 % of our operating income for Financial Year 2017 and 14.74 % of our operating income for the nine month period ended December 31, 2017. Our PAT was ₹ 604.57 million for Financial Year 2017 and ₹ 618.70 million for the nine month period ended December

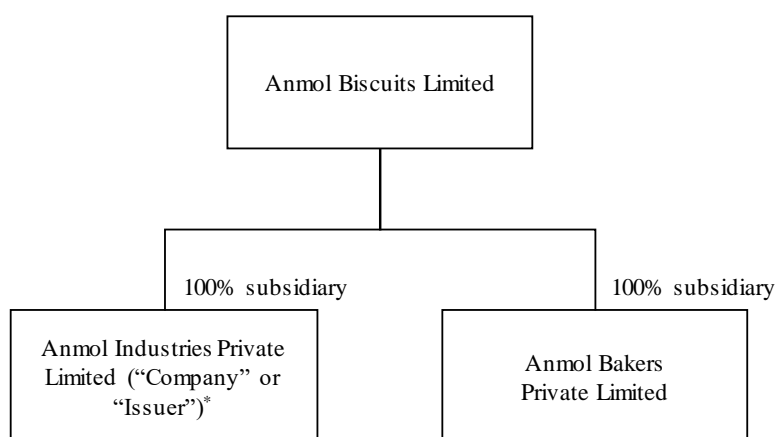
31, 2017 and our *PAT margin* was 4.89 % for Financial Year 2017 and 7.21 % for the nine month period ended December 31, 2017.

We were awarded the “*ET Bengal Corporate Awards*” by the Economic Times in the Financial Year 2015 for being the fastest growing company, and in the Financial Year 2017 for the being the best financial performance company above ₹ 10 billion. For further details see “*History and Certain Corporate Matters- Awards and Accreditations*” on page 130.

## Corporate restructuring

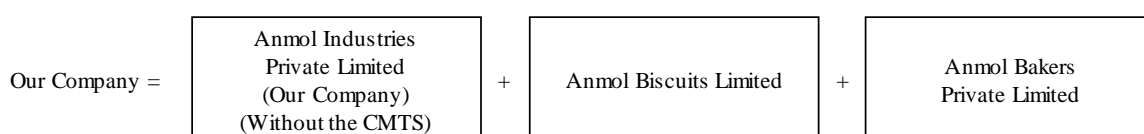
Our erstwhile holding company, ABL, started operations in 1994 with a manufacturing facility at Dankuni, West Bengal. We started our operations in 2011 with a manufacturing facility at Hajipur, Bihar. In Financial Year 2017, our erstwhile holding company, ABL and its subsidiary, ABPL merged with our Company in order to expand and increase our presence in the biscuits and cakes business as well as provide operational synergies. In addition, pursuant to the Scheme of Arrangement the CMT Division of our Company demerged into AUPL. The effect on our corporate structure of the Scheme of Arrangement is represented diagrammatically below:

### Pre - Scheme of Arrangement



\* Including the Corporate Management and Treasury Division (“CMTS”)

### Post – Scheme of Arrangement



For further details in relation to the Scheme of Arrangement, see “*History and Certain Corporate Matters – Scheme of Arrangement*” on page 131.

## Our Competitive Strengths

### *Established brand with leading presence in northern and eastern India*

Over the 24 year combined history of our Company and the erstwhile ABL, we have developed “*Anmol*” biscuits as a strong brand and with a leading presence in northern and eastern India. In the eastern states of India, we are ranked third and fourth respectively in the biscuits and cakes markets in terms of revenue for Calendar Year 2017 and in the northern states of India, we are ranked fourth and fifth respectively in the biscuits and cakes markets in terms of revenue for Calendar Year 2017. (Source: *FS Report*) We believe that our focus on quality, product range and pricing have enabled us to develop strong brand recognition and customer loyalty in these markets. We currently have a presence in over 17 states in India and overall, we are the fourth largest biscuit brand and fifth largest cake brand in India in terms of revenue for Calendar Year 2017. (Source: *FS Report*) We aim to continually improve our products to cater to the changing consumer preferences, focusing on product tastes and packaging.

### *Diversified product portfolio and value proposition for consumers*

We have a diverse product portfolio comprising of a variety of biscuits and cakes. Our products are available in a wide variety of flavours and SKUs. As at December 31, 2017, we have more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich

cakes and cup-cakes in the market and have launched several sub-brands such as “*Dream Lite*”, “*Butter Bake*”, “*Lemon Mazza*”, “*BakersBix*”, “*Veg Munch*”, “*Coconutty*” and “*Marie Plus*” under our flagship brand “*Anmol*”. We have a large variety of SKUs ranging from (i) SKUs by price from ₹ 5 to ₹ 185 for biscuits and ₹ 3 to ₹ 10 for cakes; and (ii) SKUs by weight from 35 grams to 1,500 grams for biscuits and 15 grams to 50 grams for cakes. Our diverse line up of biscuit flavours, differentiated packaging and pricing strategies, have allowed us to capture a broader consumer base by targeting consumers across different income groups and catering to different tastes and preferences. We continuously evaluate our existing products for quality, taste, nutritional value and cost and make adjustments where required, for our customers.

We maintain an active new product pipeline and this enables us to efficiently introduce new products. We have successfully launched “*Anmol Marie Plus*”, “*Nutra Marie Plus*”, “*Anmol Top Magic*” and “*Lovey Dovey Cakes*” since the beginning of the Financial Year 2016. For the nine month period ended December 31, 2017, we estimate that 6.01 % of our sale of products were generated by products introduced since the beginning of the Financial Year 2016. Keeping in mind the changing consumer preferences we have also introduced new products to appeal to health-conscious consumers such as our zero sugar crackers, digestive and marie biscuits with zero trans fat and essential nutrients.

#### ***Strategically located manufacturing facilities leading to quality products and operational efficiency***

We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an aggregate Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production as at March 31, 2018 was 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha.

Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, and are also close to locations from where we source raw materials. Our key markets accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from where we get our raw material supplies. For instance, our Company set up a manufacturing facility at Bhubaneswar, Odisha to cater to the southern markets in India. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third-party contractor, Fortune to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

We aim to manufacture our products while conforming with stringent global standards of quality using modern technology. We have adopted the GMP, HACCP and Good Housekeeping Policies at our manufacturing facilities located at Dankuni in West Bengal and Greater Noida and Ghaziabad in Uttar Pradesh. We also have a stringent internal quality control policy to ensure that our products manufactured across all our units are of consistent quality. Our manufacturing facility in Bhubaneswar set up in March 2017, is equipped with the latest plant and machinery which facilitates in manufacturing uniform quality products. This enables us to maintain high standards of quality. We believe our modern manufacturing facilities enable us to manufacture quality products with greater operational efficiencies and effectively compete with some of our larger competitors.

#### ***Strategic supply chain for an extensive distribution network***

We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) The retail segment of India comprises of small shops / petty shops, independent small grocers, convenience stores, supermarkets, hypermarkets, vending machines, and internet retailing. (Source: FS Report)

Our in-house team of more than 400 personnel manage our distribution network. We use technology to increase productivity of the super stockists and distributors by enabling them with access to critical information of sales and products and strategic information about sales trends, on a real-time basis. Our wide network of super stockists and distributors is supported by our team of personnel that manage our distribution network and arrangements with various modern retail outlets. This extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes. The lower number inventory days leads to freshness of our products which is a key factor in our consumers’ choice.

#### ***Strong financial profile and established track record***

We have an established track record of strong financial performance and delivering returns to shareholders.



Particulars*	For the nine month period ended December 31, 2017	Financial Year 2017	Financial Year 2016	Financial Year 2015	Financial Year 2014	Financial Year 2013
Total Income (₹ million)	8,588.81	12,408.16	2,937.38	2,726.11	2,373.48	1,300.25
Debt / Equity ratio	0.30	0.81	0.24	0.09	0.55	1.59
Working capital cycle (days)	NIL <sup>#</sup>	NIL <sup>#</sup>	86	17	NIL <sup>#</sup>	NIL <sup>#</sup>
ROE (%)	26.06	33.05	131.82	60.07	51.66	68.90
ROCE <sup>##</sup> %	35.35	34.99	61.51	53.40	40.69	39.75
Cash flow from operations (₹ million)	959.66	989.13	838.49	461.32	255.97	107.79
PAT Margin (%)	7.21	4.89	20.32	14.84	9.83	11.68
EBITDA Margin (%)	14.74	9.68	34.30	19.82	13.49	18.29

\* All figures are calculated using the result of Continuing Operations.

<sup>#</sup> Negative working capital taken as Nil.

<sup>##</sup> Capital employed has been computed considering the Share Capital, Other Equity, Long term borrowings (including current maturities) and excluding goodwill arising on amalgamation to be adjusted against securities premium.

\*\* Figures for the Financial Year 2013 and 2014 are as per previous Indian GAAP.

\*\*\* Figures for the Financial Year 2015, 2016, 2017 and for the nine month period ended December 31, 2017 are as per Ind AS.

For a detailed discussion in relation to our financial condition and results of operations, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 285.

We believe that we have been able to maintain our financial performance due to our experienced management team, efficient capital management, extensive distribution network, our diversified product portfolio and our large base of customers in northern and eastern India.

### ***Experienced Promoters and senior management team***

Our Promoters have been involved in the biscuits and cakes business in India for more than two decades and have extensive experience in this field. We believe that through their knowledge and expertise in this industry, our Promoters, and our honorary Chairman-Emeritus, Baijnath Choudhary have been the catalysts for our success that started with a single oven facility in 1994 with an installed capacity of 1,350 MTPA to our present aggregate Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes. Their relationships with our suppliers, distributors and other industry participants have been instrumental in establishing our strong market presence. Further, members of our management team have a deep understanding of both the technology as well as the operation of the processed food industry. We believe that our qualified and experienced management team provides us a significant competitive advantage and enables us to function effectively and efficiently. Further, we believe that our Promoters and Key Management Personnel enable us to conceptualize and develop new products, effectively market our products, and develop and maintain relationships with our customers as well as distributors and stockists. For further information relating to our Promoters and Key Management Personnel, see “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 150 and 133.

### **Our Strategies**

#### ***Deeper penetration in existing markets and expansion into newer markets***

We believe that we have a substantial presence in the eastern states of West Bengal, Bihar, Odisha, Jharkhand, Mizoram and Chhattisgarh and the northern states of Uttar Pradesh, Uttaranchal, Delhi, Haryana, Punjab and Jammu and Kashmir in India and plan to expand into newer markets by focusing on the southern and western states of India. From August 2017, we started selling our products in Andhra Pradesh and Telangana and also plan to expand into other southern states. Further, we currently export our products to certain countries in Asia, Africa, Middle East, Europe and Caribbean Islands. Currently revenue from exports account for an aggregate 0.36 % and 0.65 % of our total sale of products for the Financial Year 2017 and the nine month period ended December 31, 2017, respectively. We intend to increase our exports and seek to expand the market for our products in these regions by expanding our sales and distribution networks, by increasing our product offerings in various SKUs and increasing our customer base through marketing arrangements with local retail or wholesale establishments. We may enhance our market presence either organically or through strategic acquisitions, partnerships or investments. We expect that increasing our presence in these markets will continue to fuel sales growth of our Company and expand our product reach across India and overseas. Increased sales would allow us to achieve further economies of scale. We seek to be one of the leading organised players in the biscuits and cakes industry and venturing into these markets will provide us with a platform to establish a well-known presence in India and overseas.

#### ***Expansion of product portfolio with a focus on “premiumization”***

As a part of our growth strategy, we will continue to expand our product portfolio and strive to provide differentiated offerings to

our customers, including products for health-conscious consumers. As consumer preferences evolve, we will continue to launch new products and diversify our product portfolio by creating new varieties of existing product lines and introducing new products. We will leverage our extensive experience and knowledge in biscuits and cakes to solidify our industry position in India. We propose to introduce a wide range of biscuits as a part of our service offerings including “*Bourbon*” as well as cakes including “*Veg Cake*” in order to increase our market share and margins. We currently have certain premium varieties of biscuits and cakes including “*Mellizo Chequered cookies*”, “*Mellizo butter cookies*” and “*Mellizo coconut cookies*” which were introduced in 2014 and we also intend to introduce premium varieties of biscuits and cakes in order to increase our average selling price and gross margins. As at March 31, 2018, our capacity utilisation for biscuits was 48.84 % of the Actual Installed Capacity for biscuits and our capacity utilisation for cakes was 30.5 % of the Actual Installed Capacity for cakes. Accordingly, we have the headroom to introduce new products and expand without any substantial requirements to increase our production capacity or capital expenditure.

#### ***Deepen and expand our distribution network to capitalize on growing market opportunities***

We believe that deeper penetration and continuous expansion of our distribution network will further consolidate our position in the Indian biscuits and cakes market. Our distribution network in India is designed to be more scalable and cost-efficient. We seek to continue to deepen and grow our distribution network, in order to capitalise on the growing market opportunity in the Indian biscuits and cakes market. We plan to focus on building long term relationships with our distributors and intend to grow the depth and breadth of our distribution network pan India. In order to broaden our reach to retail customers, we plan to continue to expand the density as well as the geographic reach of our existing distribution network. We also intend to increasingly utilize modern trade channels including distribution through online channels. We are partnering with several multi-brand outlets including Big Basket, Spencer’s Retail and Reliance Retail. We also sell our products that have been enrolled with IRCTC to specified vendors and IRCTC. In addition, we plan to continue to focus on developing and strengthening relationships with distributors and multi - brand retail outlets by offering them attractive margins on our products to incentivize and motivate them to distribute our product line. Our sales force was 470 as on March 31, 2018 which has increased by more than 23 % since March 31, 2017 and we plan to add more strength to our sales force to cater to existing markets and newer markets. For further details in relation to appointment of Key Management Personnel in the sales team, see “*Our Management*” on page 133.

#### ***Increase Brand awareness and Marketing***

We believe that developing and maintaining our brands “*Anmol*” and “*Mukkund*” and our products is critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. Our brand-building initiatives involve increasing awareness of our brand, creating and maintaining brand loyalty and increasing the availability of our products. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers.

We seek to continuously allocate significant resources to establish “*Anmol*” and “*Mukkund*” as India’s leading biscuits and cakes brands. Our marketing plan comprises advertising in print media, digital advertising, television campaigns, social media marketing and endorsement by famous Indian personalities who participate in our marketing campaigns, and sponsorship of prominent sporting and corporate events in India. We have also engaged an actor in the Hindi cinema industry for the promotion of “*Anmol*” for a period of two years.

We are currently leveraging existing social media platforms to build brand loyalty for “*Anmol*” and “*Mukkund*” and we are in the process of building our own platforms to drive community engagement. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

Going forward, we will continue to develop “*Anmol*” and “*Mukkund*” through our extensive distribution network as well as through innovative sales channels. We seek to achieve brand awareness through targeted marketing initiatives and innovative promotional campaigns.

#### ***Use of technology as a differentiator***

As an integral part of our continuing efforts targeted at ensuring cost efficiencies, we continue to undertake initiatives to introduce advanced technologies in order to improve our quality assurance procedures, operational efficiencies and work processes in our operations. We have introduced automation of sales force and tracking of distribution network which increases transparency. Our Company has entered into a SAP software license agreement with SAP India Private Limited for the provision of SAP Enterprise Support to the Company. This helps us to follow data driven approach where we have an opportunity to revisit the growth achieved against the level and the effectiveness of the expenditure. We also make use of technology through which our sales team can take orders directly from the customers.

## SUMMARY OF FINANCIAL INFORMATION

*The following tables set forth the summary financial information derived from the Restated Financial Statements.*

*The Restated Financial Statements are presented under the “Financial Statements” beginning on page 165. The summary financial information presented below should be read in conjunction with the Restated Financial Statements, the notes thereto and “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 165 and 285 respectively.*

*[THE REST OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]*

## RESTATED STATEMENTS OF ASSETS & LIABILITIES

For the nine month period ended December 31, 2017 and Financial Years 2017, 2016 and 2015:

(₹ in Millions)

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>ASSETS</b>				
<b>Non-current assets</b>				
(a) Property, Plant and Equipment	3,447.23	3,568.09	634.67	692.93
(b) Capital work-in-progress	108.67	97.02	-	0.29
(c) Goodwill on Amalgamation	3,867.55	4,760.06	-	-
(d) Other Intangible assets	1.08	1.37	0.00	0.01
(e) Financial Assets				
(i) Investments	44.05	44.05	33.83	-
(ii) Loans	3.06	1.38	-	-
(iii) Other financial assets	114.48	131.34	43.74	58.18
(f) Deferred tax assets(net)	-	-	-	43.05
(g) Other non-current assets	4.51	9.59	12.00	20.98
	<b>7,590.63</b>	<b>8,612.90</b>	<b>724.24</b>	<b>815.44</b>
<b>Current assets</b>				
(a) Inventories	382.09	335.50	58.38	65.74
(b) Financial Assets				
(i) Investments	-	-	805.72	87.24
(ii) Trade receivables	43.62	30.58	7.10	10.40
(iii) Cash and cash equivalents	49.45	29.64	60.91	31.49
(iv) Bank balances (other than (iii) above)	60.79	114.82	201.00	-
(v) Loans	8.31	2.56	47.73	52.64
(vi) Other financial assets	191.80	67.44	70.65	53.40
(c) Other current assets	148.68	159.83	15.42	14.93
	<b>884.74</b>	<b>740.37</b>	<b>1,266.91</b>	<b>315.84</b>
<b>Total Assets</b>	<b>8,475.37</b>	<b>9,353.27</b>	<b>1,991.15</b>	<b>1,131.28</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
(a) Equity Share capital	123.58	123.58	46.60	46.60
(b) Other Equity	6,165.99	6,514.59	1,357.64	825.17
	<b>6,289.57</b>	<b>6,638.17</b>	<b>1,404.24</b>	<b>871.77</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	316.11	538.37	72.44	33.05
(ii) Other financial liabilities	-	-	0.15	0.05
(b) Government Grants	37.44	51.94	45.30	59.62
(c) Provisions	27.52	29.23	1.61	1.05
(d) Deferred tax liabilities (Net)	324.39	275.48	44.62	-
(e) Other non-current liabilities	-	1.27	-	-
	<b>705.46</b>	<b>896.29</b>	<b>164.12</b>	<b>93.77</b>
<b>Current liabilities</b>				
(a) Financial Liabilities				
(i) Borrowings	201.85	707.52	208.20	29.09
(ii) Trade payables	497.13	407.09	61.64	69.57
(iii) Other financial liabilities	303.16	339.04	48.25	19.09
(b) Other current liabilities	277.05	249.30	26.77	15.81
(c) Government Grants	17.60	15.34	14.32	14.32
(d) Provisions	98.09	92.74	0.05	0.04
(e) Current Tax Liabilities (Net)	85.46	7.78	63.56	17.82
	<b>1,480.34</b>	<b>1,818.81</b>	<b>422.79</b>	<b>165.74</b>
<b>Total Equity and Liabilities</b>	<b>8,475.37</b>	<b>9,353.27</b>	<b>1,991.15</b>	<b>1,131.28</b>

# RESTATED STATEMENT OF PROFIT AND LOSS

(₹ in Millions)

Particulars	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>REVENUE</b>				
Revenue From Operations	8,579.18	12,363.31	2,929.32	2,720.01
Other Income	9.63	44.85	8.06	6.10
<b>Total income</b>	<b>8,588.81</b>	<b>12,408.16</b>	<b>2,937.38</b>	<b>2,726.11</b>
<b>EXPENSES</b>				
Cost of materials consumed	5,304.30	8,465.30	1,595.02	1,804.67
Purchases of stock-in-trade	1.97	5.05	30.71	22.22
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(25.75)	3.55	(6.78)	13.06
Excise Duty on sale of goods	86.69	95.02	5.15	36.82
Employee benefits expense	465.52	528.22	34.85	28.17
Finance costs	71.86	81.59	25.85	13.79
Depreciation and amortisation expense	208.03	219.44	59.20	44.12
Other expenses	1,491.33	1,910.41	273.68	281.99
<b>Total expenses</b>	<b>7,603.95</b>	<b>11,308.58</b>	<b>2,017.68</b>	<b>2,244.84</b>
Profit before Tax and Exceptional Items	984.86	1,099.58	919.70	481.27
Exceptional Items	-	204.19	-	-
<b>Profit before tax from continuing operations</b>	<b>984.86</b>	<b>895.39</b>	<b>919.70</b>	<b>481.27</b>
Tax expense:				
Current tax	317.02	318.94	233.71	109.69
Deferred tax	49.14	(28.12)	90.65	(32.14)
	366.16	290.82	324.36	77.55
<b>Profit after Tax from continuing operations</b>	<b>618.70</b>	<b>604.57</b>	<b>595.34</b>	<b>403.72</b>
Profit from discontinuing operations	-	127.70	(8.24)	4.99
Tax expense of discontinuing operations	-	15.38	(1.44)	1.60
<b>Profit after Tax from discontinuing operations</b>	<b>-</b>	<b>112.32</b>	<b>(6.80)</b>	<b>3.39</b>
<b>Profit for the year</b>	<b>618.70</b>	<b>716.89</b>	<b>588.54</b>	<b>407.11</b>
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit or loss				
Remeasurement of defined benefit plan	(0.65)	3.57	0.05	0.02
Income tax on above	(0.23)	1.24	0.02	0.01
<b>Other Comprehensive Income for the year</b>	<b>(0.42)</b>	<b>2.33</b>	<b>0.03</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year</b>	<b>618.28</b>	<b>719.22</b>	<b>588.57</b>	<b>407.12</b>
<b>Earnings per equity share</b>				
Equity Share of face value of Rs. 10/- each				
Basic and Diluted (From Continuing Operations)	10.01	9.78	127.75	86.63
Basic and Diluted (From Discontinuing Operations)	-	1.82	(1.46)	0.73
Basic and Diluted (Total)	10.01	11.60	126.29	87.36

**RESTATED CASH FLOW STATEMENT**

(₹ in Millions)

Particulars	For the Period ended 31st December, 2017		For the Year ended 31st March, 2017		For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	Restated Ind AS				Restated Proforma Ind AS			
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>								
<b>Net Profit before taxes</b>		<b>984.86</b>		<b>1,023.09</b>		<b>911.46</b>		<b>486.26</b>
<b>Adjustments for:</b>								
Depreciation and amortisation expenses	208.03		220.73		59.20		44.12	
Provision for Doubtful Debt	-		1.20		-		-	
Provision for Slow Moving Materials	0.73		1.28		-		-	
Provision For Doubtful Advances	-		2.20		-		-	
Provision for Indirect taxes	-		89.79		-		-	
Bad Debt	-		0.26		-		-	
(Profit) / Loss on Sale / Discard of Fixed Assets	0.46		0.01		(0)		(0.17)	
Interest Credited	(6.06)		(66.19)		(12.83)		(3.35)	
Finance Costs	71.86		83.55		25.85		13.79	
Profit on sale of Investment	-		(76.19)		(2.48)		(0.12)	
Net Gain on Fair Value Measurement	-		-		-		(2.12)	
Provision written back on current investment	(0.73)		-		-		-	
Liability no longer required written back	-		(0.30)		-		-	
Vat Subsidy	-		-		-		-	
Dividend Income	-	274.29	(10.23)	246.11	(7.09)	62.65	-	52.15
<b>Operating Profit before Working Capital Changes</b>		<b>1,259.15</b>		<b>1,269.20</b>		<b>974.11</b>		<b>538.41</b>
<b>Adjustments for Changes in Working Capital:</b>								
(Increase)/ Decrease in Trade and Other Receivables	(134.07)		(0.54)		10.90		26.10	
(Increase)/ Decrease in Inventories	(45.87)		15.06		7.36		7.71	
Increase/ (Decrease) in Other Current Liabilities	26.17		162.74		11.25		3.02	
Increase/ (Decrease) in Trade Payables and Provisions	93.67	(60.10)	(69.56)	107.70	24.40	53.91	(4.41)	32.42
<b>Cash Generated from Operations</b>		<b>1,199.05</b>		<b>1,376.90</b>		<b>1,028.02</b>		<b>570.83</b>
<b>Taxes paid (net)</b>		<b>(239.39)</b>		<b>(387.77)</b>		<b>(189.53)</b>		<b>(109.51)</b>
<b>Net Cash from Operating Activities</b>		<b>959.66</b>		<b>989.13</b>		<b>838.49</b>		<b>461.32</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>								
Purchase of Fixed Assets/ movements in Capital work-in-progress/Capital Advances	(98.78)		(454.12)		(23.82)		(138.54)	
Sale of Fixed Assets	3.93		8.89		0.14		1.18	

Particulars	For the Period ended 31st December, 2017		For the Year ended 31st March, 2017		For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	Restated Ind AS				Restated Proforma Ind AS			
(Purchase)/ Sale of Investments	-		(699.42)		(775.55)		(85.00)	
Loan (given) / Recovered to / from body Corporate	-		(187.23)		5.00			
Fixed Deposit Matured / (Taken)	71.28		333.60		(201.00)			
Interest Received	6.06		82.38		12.83		3.35	
Dividend Received	-	(17.51)	10.23	(905.67)	7.09	(975.31)	-	(219.01)
Net Cash Used in Investing Activities		(17.51)		(905.67)		(975.31)		(219.01)
C: CASH FLOW FROM FINANCING ACTIVITIES:								
Proceeds from Borrowings	(786.51)		14.46		248.42		(174.56)	
Buyback of shares	-		(65.38)					
Interest Paid	(61.46)		(86.02)		(26.08)		(14.86)	
Dividend Paid	(61.79)		-		(46.60)		(23.30)	
Tax on Dividend	(12.58)	(922.34)	-	(136.94)	(9.50)	166.24	(3.95)	(216.67)
Net Cash from / (Used) in Financing Activities		(922.34)		(136.94)		166.24		(216.67)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		19.81		(53.48)		29.42		25.64
Opening Balance of Cash and Cash Equivalents (Refer Note 15)		29.64		60.91		31.49		5.85
Opening Balance of Cash and Cash Equivalents acquired on account of Scheme of arrangement (Refer Note: 56A)		-		22.21				
Closing Balance of Cash and Cash Equivalents (Refer Note 15)		49.45		29.64		60.91		31.49

# **RESTATED STATEMENT OF ASSETS & LIABILITIES**

For Financial Years 2014 and 2013:

(₹ In Millions)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Indian GAAP	Indian GAAP
<b>EQUITY AND LIABILITIES</b>		
<b>Shareholder's Funds</b>		
Share Capital	46.60	46.60
Reserves and Surplus	449.99	221.94
<b>Non-Current Liabilities</b>		
Long-term borrowings	96.69	143.48
Deferred tax liabilities (Net)	33.72	23.27
Other Long term liabilities	0.03	0.03
Long term provisions	0.71	0.33
<b>Current Liabilities</b>		
Short-term borrowings	52.12	134.00
Trade Payables	73.91	33.20
Other current liabilities	122.61	92.16
Short-term provisions	16.74	13.22
<b>Total</b>	<b>893.12</b>	<b>708.23</b>
<b>ASSETS</b>		
<b>Non-current assets</b>		
Fixed assets		
Tangible assets	434.26	472.06
Capital work-in-progress	130.89	5.59
Long term loans and advances	80.49	38.92
Other non-current assets	5.27	-
<b>Current assets</b>		
Inventories	73.44	68.72
Trade receivables	10.42	0.39
Cash and cash equivalents	5.85	6.65
Short-term loans and advances	105.95	20.46
Other current assets	46.55	95.44
<b>Total</b>	<b>893.12</b>	<b>708.23</b>



# **RESTATED STATEMENT OF PROFIT AND LOSS**

(₹ In Millions)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Indian GAAP	Indian GAAP
<b>REVENUE</b>		
Revenue from operations	2,371.89	1,298.59
Less: Excise Duty	-	-
Revenue from Operations (Net)	2,371.89	1,298.59
Other Income	1.59	1.66
<b>Total Revenue</b>	<b>2,373.48</b>	<b>1,300.25</b>
<b>EXPENSES</b>		
Cost of materials consumed	1,790.58	883.50
Purchases of Stock-in-trade	4.37	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(4.51)	(17.80)
Employee benefit expenses	21.17	14.87
Finance Costs	26.50	42.92
Depreciation and amortization expense	29.54	28.77
Other expenses	241.89	182.15
<b>Total Expenses</b>	<b>2,109.54</b>	<b>1,134.41</b>
<b>Profit before tax from Continuing Operations</b>	<b>263.94</b>	<b>165.84</b>
<b>Tax expense:</b>		
Income Tax	59.29	23.21
Deferred tax	10.45	14.13
MAT Credit Entitlement	(38.85)	(23.20)
	<b>30.89</b>	<b>14.14</b>
<b>Profit for the year from Continuing operations</b>	<b>233.05</b>	<b>151.70</b>
<b>Profit from discontinuing operations</b>	-	-
<b>Tax expense of discontinuing operations</b>	-	-
<b>Profit after Tax from discontinuing operations</b>		
<b>Profit for the year</b>	<b>233.05</b>	<b>151.70</b>
<b>Earning per equity share:</b>		
Equity Share of par value of Rs. 10/- each		
Basic and Diluted (From Continuing Operations)	50.01	32.55
Basic and Diluted (Total)	50.01	32.55

# **RESTATED CASH FLOW STATEMENT**

(₹ In Millions)

Particulars	For the Year ended 31.03.2014		For the Year ended 31.03.2013	
	Indian GAAP		Indian GAAP	
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>				
<b>Net Profit before taxes</b>		<b>263.94</b>		<b>165.84</b>
Adjustments for:				
Depreciation and amortisation expenses	29.54		28.77	
(Profit) / Loss on Sale / Discard of Fixed Assets	(0.29)		(0.05)	
Interest Credited	(0.56)		(0.42)	
Finance Costs	26.50		42.92	
Liabilities no longer required written back	(0.07)		(1.11)	
Provision for Employees benefit	-		0.15	
Subsidy Income	-		14.59	
		<b>55.12</b>		<b>84.86</b>
<b>Operating Profit before Working Capital Changes</b>		<b>319.06</b>		<b>250.70</b>
Adjustments for Changes in Working Capital:				
(Increase)/ Decrease in Trade and Other Receivables	(54.60)		(112.62)	
(Increase)/ Decrease in Inventories	(4.74)		(51.11)	
Increase/ (Decrease) in Other Current Liabilities	10.84		26.23	
Increase/ (Decrease) in Trade Payables and Other Liabilities	41.21		4.63	
		<b>(7.29)</b>		<b>(132.87)</b>
<b>Cash Generated from Operations</b>		<b>311.77</b>		<b>117.82</b>
<b>Taxes paid (net)</b>		<b>55.80</b>		<b>10.03</b>
<b>Net Cash from Operating Activities</b>		<b>255.97</b>		<b>107.79</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets/ movements in Capital work-in-progress/Capital Advances	(136.30)		(27.16)	
Capital Investment Subsidy Received	3.21		15.00	
EPCG Refund	7.50		3.31	
Sale of Fixed Assets	3.85		0.05	
Preliminary Expenses	-		0.22	
Interest Received	0.56	<b>(121.18)</b>	0.42	<b>(8.16)</b>
<b>Net Cash Used in Investing Activities</b>		<b>(121.18)</b>		<b>(8.16)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds/ (Repayments) of Borrowings	(108.36)		(45.45)	
Movement of Long Term Loans and Advances /Liabilities	-		0.03	
Finance Costs	(27.23)		(42.92)	
Refund of Long Term Loans and Advances	-		(11.13)	
		<b>(135.59)</b>		<b>(99.47)</b>
<b>Net Cash Used in Financing Activities</b>		<b>(135.59)</b>		<b>(99.47)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(0.80)</b>		<b>0.16</b>
<b>Opening Balance of Cash and Cash Equivalents [Refer Note 17]</b>		<b>6.65</b>		<b>6.49</b>
<b>Closing Balance of Cash and Cash Equivalents [Refer Note.17]</b>		<b>5.85</b>		<b>6.65</b>

## THE OFFER

The following table summarises the Offer details:

<b>Offer of Equity Shares<sup>(1)</sup></b>	Up to [●] Equity Shares aggregating up to ₹ 7,500.00 million
<i>Of which:</i>	
<b>QIB Portion<sup>(2)(3)</sup></b>	Not more than [●] Equity Shares
<i>Of which:</i>	
<b>Anchor Investor Portion</b>	Up to [●] Equity Shares
<b>Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)</b>	[●] Equity Shares
<i>of which:</i>	
<b>Available for allocation to Mutual Funds only (5% of the Net QIB Portion)</b>	[●] Equity Shares
<b>Balance for all QIBs including Mutual Funds</b>	[●] Equity Shares
<b>Non-Institutional Portion<sup>(3)</sup></b>	Not less than [●] Equity Shares
<b>Retail Portion<sup>(3)</sup></b>	Not less than [●] Equity Shares
<b>Equity Shares pre and post Offer</b>	
<b>Equity Shares outstanding prior to the Offer</b>	61,788,540 Equity Shares
<b>Equity Shares outstanding after the Offer</b>	61,788,540 Equity Shares

- (1) The Offer has been authorised by our Board pursuant to the resolutions dated September 12, 2017 and April 23, 2018. The Selling Shareholders have, severally and not jointly specifically confirmed that the Equity Shares proposed to be offered and sold by each of them in the Offer have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the ICDR Regulations and are eligible for being offered for sale in the Offer. The Offer has been authorized by the Selling Shareholders as follows: (a) up to [●] Equity Shares offered by the Promoter Selling Shareholder, represented through its Trustees, aggregating up to ₹ 7,204.00 million, pursuant to a resolution passed by the board of Trustees of the Promoter Selling Shareholder at a meeting held on April 2, 2018 read with the consent letter dated April 3, 2018; (b) up to [●] Equity Shares offered by SKG Land Developers LLP aggregating up to ₹ 225.00 million pursuant to a resolution passed by the partners of SKG Land Developers LLP at the meeting held on April 2, 2018 read with consent letter dated April 3, 2018; (c) up to [●] Equity Shares offered by Delta Nirman LLP aggregating up to ₹ 40.00 million pursuant to a resolution passed by the partners of Delta Nirman LLP at the meeting held on April 2, 2018 read with consent letter dated April 3, 2018; (d) up to [●] Equity Shares offered by Anmol Hi-Cool LLP aggregating up to ₹ 25 million pursuant to a resolution passed by the partners of Anmol Hi-Cool LLP at the meeting held on April 2, 2018 read with consent letter dated April 3, 2018; and (e) up to [●] Equity Shares offered by Puneet Mercantiles LLP aggregating up to ₹ 6.00 million pursuant to a resolution passed by the partners of Puneet Mercantiles LLP at the meeting held on April 2, 2018 read with consent letter dated April 3, 2018.
- (2) Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis, in accordance with the ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. In the event of an under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the Net QIB Portion. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Any unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion and allocated proportionately to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” beginning on page 339. Allocation to all categories shall be made in accordance with the ICDR Regulations.
- (3) Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange on a proportionate basis, subject to applicable laws. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or combination of categories.

Allocation to Bidders in all categories, except the Anchor Investor Portion, if any, and the Retail Portion, shall be made on a proportionate basis, subject to valid Bids being received at or above the Offer Price. The allocation to each Retail Individual Bidder shall not be less than the minimum Bid Lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allocated on a proportionate basis. For further details, see “Offer Procedure - Allotment Procedure and Basis of Allotment” on page 369. For details of the terms of the Offer, see “Terms of the Offer” beginning on page 333. For details of the Offer procedure, including the grounds for rejection of Bids, see “Offer Procedure” beginning on page 339.

## GENERAL INFORMATION

Our Company was incorporated as Bansal Biscuits Private Limited on November 19, 2009 at Kolkata as a private limited company under the provisions of the Companies Act, 1956, pursuant to the certificate of incorporation issued by the RoC. Considering the fact that our Company was engaged in the manufacturing activities of bakery products in the brand name of Anmol, the name of our Company was changed to Anmol Industries Private Limited pursuant to a special resolution passed by our Shareholders on May 13, 2016. Pursuant to the change of name, a fresh certificate of incorporation was issued to our Company by the RoC on May 23, 2016. Pursuant to a scheme of arrangement approved by the NCLT, Kolkata Bench through its order dated March 3, 2017, ABL, our erstwhile holding company and ABPL, (a subsidiary of ABL) were merged with our Company and the CMT Division of our Company was transferred to AUPL. For further details of the Scheme of Arrangement see “*History and Certain Corporate Matters - Scheme of Arrangement*” on page 131. Thereafter, pursuant to a special resolution passed by our Shareholders on March 25, 2017, our Company was converted into a public limited company and its name was changed to Anmol Industries Limited. The RoC issued a fresh certificate of incorporation consequent upon conversion from a private limited company to a public limited company on March 30, 2017.

For details of the business of our Company see “*Our Business*” beginning on page 106.

### Registered Office

#### Anmol Industries Limited

229, A.J.C. Bose Road  
Unit 3A, 3B, 3C & 3D  
Crescent Tower, 3<sup>rd</sup> Floor  
Kolkata 700 020  
Tel: (91 33) 2280 1277/78  
Fax: Not Available  
Website: [www.anmolindustries.com](http://www.anmolindustries.com)  
E-mail: [investors@anmolindustries.com](mailto:investors@anmolindustries.com)

CIN: U15412WB2009PLC139597

Registration Number: 139597

### Address of the RoC

Our Company is registered with the RoC situated at the following address:

#### Registrar of Companies

Nizam Palace, 2<sup>nd</sup> MSO Building  
2<sup>nd</sup> Floor, 234/4, A.J.C. Bose Road  
Kolkata 700 020  
West Bengal, India

### Our Board

The details of our Board as on the date of filing of this Draft Red Herring Prospectus, are as follows:

Name	Designation	DIN	Address
Biswanath Choudhary	Chairman and Whole-time Director	00331136	37A, Block - B, New Alipore, Kolkata 700 053
Dilip Kumar Choudhary	Vice-Chairman and Whole-time Director	00331211	37A, Block - B, New Alipore, Kolkata 700 053
Bimal Kumar Choudhary	Managing Director	00331194	31, Nalini Ranjan Avenue, Block-F, Kolkata 700 053
Gobind Ram Choudhary	Managing Director	01104704	C-558, New Friends Colony, Gurudwara Gunanak Satsang, New Delhi 110 025
Mamta Binani	Non-Executive, Independent Director	00462925	Flat C-203, Suncity Complex, 105/1 Bidhannagar Road, Kolkata 700 067
Sumit Malhotra	Non-Executive, Independent Director	02183825	5A, Regency Park A, Eden Woods, Pokhran Road 2, Thane 400 610
Sunil Kumar Agarwal	Non-Executive, Independent Director	02223525	House No. 2/16, 1 <sup>st</sup> Floor, Right Side, Nehru Enclave, Kalkaji Extension, New Delhi 100 019
Debanjan Mandal	Additional Non-Executive, Independent Director	00469622	93/3A/2, Acharya Prafulla Chandra Road, Kolkata 700 009

For further details of our Directors, see “*Our Management*” beginning on page 133.

### **Company Secretary and Compliance Officer**

#### **Brundaban Behera**

Anmol Industries Limited  
Crescent Tower, 3rd Floor  
Unit 3A, 3B, 3C & 3D  
229, A.J.C. Bose Road  
Kolkata 700 020  
Tel: (91 33) 2280 1277  
Fax: Not Available  
E-mail: cs@anmolindustries.com

**Investors can contact the Company Secretary and Compliance Officer, the BRLMs or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems, such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund orders and non-receipt of funds by electronic mode.**

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or First Bidder, ASBA Form number, Bidder’s DP ID, Client ID, PAN, date of submission of the ASBA Form, address of the Bidder, number of Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Bidder.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidder’s DP ID, Client ID, PAN, date of submission of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on the submission of the Anchor Investor Application Form and the name and address of the relevant BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip received from the Designated Intermediaries in addition to the information mentioned hereinabove.

### **Book Running Lead Managers**

#### **Edelweiss Financial Services Limited**

14<sup>th</sup> Floor, Edelweiss House  
Off. C.S.T. Road, Kalina  
Mumbai 400 098  
Tel: (91 22) 4009 4400  
Fax: (91 22) 4086 3610  
E-mail: anmol.ipo@edelweissfin.com  
Investor grievance e-mail: customerservice.mb@edelweissfin.com  
Website: www.edelweissfin.com  
Contact person: Shubham Mehta / Jay Mehta  
SEBI registration number: INM0000010650

#### **ICICI Securities Limited**

ICICI Centre  
H.T. Parekh Marg, Churchgate  
Mumbai 400 020  
Tel: (91 22) 2288 2460/70  
Fax: (91 22) 2282 6580  
E-mail: anmol.ipo@icicisecurities.com  
Investor grievance e-mail: customercare@icicisecurities.com  
Website: www.icicisecurities.com  
Contact person: Arjun A. Mehrotra / Anurag Byas  
SEBI registration number: INM000011179

#### **Motilal Oswal Investment Advisors Limited**

Motilal Oswal Tower  
Rahimtullah Sayani Road  
Opposite Parel ST Depot

Prabhadevi, Mumbai 400 025  
Tel: (91 22) 3846 4380  
Fax: (91 22) 3846 4315  
Email: anmol.ipo@motilaloswal.com  
Investor grievance e-mail: moipalredressal@motilaloswal.com  
Website: www.motilaloswalgroup.com  
Contact person: Kristina Dias / Subodh Mallya  
SEBI registration number: INM000011005

**Syndicate Member(s)**

[•]

**Legal Counsel to our Company as to Indian law**

**Trilegal**

Peninsula Business Park  
17<sup>th</sup> Floor, Tower B  
Ganpat Rao Kadam Marg  
Lower Parel (West)  
Mumbai 400 013  
Tel: (91 22) 4079 1000  
Fax: (91 22) 4079 1098

**Legal Counsel to the BRLMs as to Indian law**

**J. Sagar Associates**

Vakils House, 18 Sprott Road  
Ballard Estate  
Mumbai 400 001  
Tel: (91 22) 4341 8600  
Fax: (91 22) 4341 8617

**Special International Legal Counsel to the BRLMs**

**Duane Morris & Selvam LLP**

16 Collyer Quay, Floor 17  
Singapore 049318  
Tel: (65) 6311 0030  
Fax: (65) 6311 0058

**Auditors to our Company**

**Lodha & Co., Chartered Accountants**

Esplanade Mansion  
14, Government Place East  
Kolkata 700 069  
Tel: (91 33) 4040 0200  
Fax: (91 33) 2248 6960  
Email: rpsingh@lodhaco.com and cal@lodhaco.com  
Firm Registration No.: 301051E  
Peer review certificate no.: 010842

## **Registrar to the Offer**

### **Link Intime India Private Limited**

C-101, 1st Floor, 247 Park, L.B.S. Marg  
Vikhroli (West), Mumbai 400 083  
Tel: (91 22) 4918 6200  
Fax: (91 22) 4918 6195  
E-mail: anmol.ipo@linkintime.co.in  
Investor grievance e-mail: anmol.ipo@linkintime.co.in  
Website: www.linkintime.co.in  
Contact person: Shanti Gopalkrishnan  
SEBI registration number: INR000004058

## **Escrow Collection Bank(s)**

[•]

## **Public Offer Account Bank(s)**

[•]

## **Refund Bank(s)**

[•]

## **Bankers to our Company**

### **Yes Bank Limited**

56A, Hemanta Basu Sarani  
Kolkata 700 001  
Tel: (91 33) 3097 9109  
Fax: (91 33) 3097 9132  
E-mail: ankitkumar.kharkia@yesbank.in  
Website: www.yesbank.in

### **Kotak Mahindra Bank Limited**

15, Park Street, Apeejay House,  
C-Block, 7th floor,  
Kolkata 700 016  
Tel: (91 33) 6633 3070  
Fax: (91 33) 6633 3066  
E-mail: bibhudutta.dash@kotak.com  
Website: www.kotak.com

### **The Hongkong & Shanghai Banking Corporation Limited**

31 B.B.D. Bagh  
Kolkata 700 001  
Tel: (91 33) 4414 2122  
Fax: NA  
E-mail: dipakjain@hsbc.co.in  
Website: www.hsbc.co.in

## **Designated Intermediaries**

### **Self-Certified Syndicate Banks**

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the abovementioned link.

### **Syndicate SCSB Branches**

In relation to Bids (other than Bids by Anchor Investors) submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Locations named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI at <http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes>, as updated from time to time.

## **Registered Brokers**

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 Stock Exchanges at [http://www.bseindia.com/Markets/PublicIssues/brokercentres\\_new.aspx?expandable=3](http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3) and [https://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), respectively, as updated from time to time.

## RTAs

The list of the RTAs eligible to accept ASBA Forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, is provided on the websites of the Stock Exchanges at <https://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [https://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](https://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

## Collecting Depository Participants

The list of the CDPs eligible to accept ASBA Forms at the Designated CDP Locations, including details such as name and contact details, is provided on the website of the Stock Exchanges at <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and [http://www.nseindia.com/products/content/equities/ipos/asba\\_procedures.htm](http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm), as updated from time to time.

## Experts

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

Our Company has received written consent from our Statutory Auditors namely, M/s. Lodha & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated April 23, 2018 and the statement of tax benefits dated June 19, 2018, included in this Draft Red Herring Prospectus, and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

Our Company has received written consent from Deb Kumar Bandyopadhyay, Consultant Chartered Engineer, M.I.E., to include his name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the certificate dated April 23, 2018 and such consent has not been withdrawn as on the date of the Draft Red Herring Prospectus.

## Monitoring Agency

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

## Appraising Agency

This Offer being an offer for sale, our Company will not receive any proceeds from the Offer and is not required to appoint an appraising agency.

## Inter-se Allocation of Responsibilities

The inter-se allocation of responsibilities for various activities among the BRLMs for the Offer is set forth below:

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	Edelweiss, I-Sec, Motilal Oswal	Edelweiss
2.	Pre-Offer due diligence of our Company including its operations/management/business plans/legal etc., Drafting and design of DRHP, RHP and Prospectus. Ensure compliance and completion of prescribed formalities with the Stock Exchanges, SEBI and RoC including finalisation of RHP, Prospectus and RoC filing	Edelweiss, I-Sec, Motilal Oswal	Edelweiss
3.	Drafting and approval of all statutory advertisements	Edelweiss, I-Sec, Motilal Oswal	Edelweiss



Sr. No.	Activity	Responsibility	Co-ordination
4.	Drafting and approval of all publicity material other than statutory advertisements as mentioned in 3 above, including corporate advertising, brochures, media monitoring, etc. & filing of media compliance report	Edelweiss, I-Sec, Motilal Oswal	I-Sec
5.	Appointment of Registrar to the Offer, printers, Escrow Collection Banks, share escrow agent, advertising agency (including coordinating all agreements to be entered with such parties)	Edelweiss, I-Sec, Motilal Oswal	Motilal Oswal
6.	Preparation of road show presentation and FAQs for the road show team	Edelweiss, I-Sec, Motilal Oswal	Motilal Oswal
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Institutional marketing strategy</li> <li>Finalising the list and division of international investors for one-to-one meetings</li> <li>Finalising international road show and investor meeting schedules</li> </ul>	Edelweiss, I-Sec, Motilal Oswal	Edelweiss
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> <li>Finalising the list and division of domestic investors for one-to-one meetings</li> <li>Finalising domestic road show and investor meeting schedules</li> </ul>	Edelweiss, I-Sec, Motilal Oswal	I-Sec
9.	Conduct non-institutional marketing of the Offer  Conduct retail marketing of the Offer, which will cover, <i>inter-alia</i> : <ul style="list-style-type: none"> <li>Finalising media, marketing, public relations strategy and publicity budget</li> <li>Finalising collection centres</li> <li>Finalising centres for holding conferences for brokers etc.</li> <li>Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material</li> </ul>	Edelweiss, I-Sec, Motilal Oswal	Edelweiss
10.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading, deposit of 1% security deposit	Edelweiss, I-Sec, Motilal Oswal	Motilal Oswal
11.	Managing the book and finalization of pricing in consultation with our Company	Edelweiss, I-Sec, Motilal Oswal	Edelweiss
12.	Post-Bidding activities – managing Anchor book related activities and submission of letters to regulators post completion of Anchor issue, management of escrow accounts, coordinating underwriting, coordination of	Edelweiss, I-Sec, Motilal Oswal	I-Sec

Sr. No.	Activity	Responsibility	Co-ordination
	non-institutional allocation, finalization of the basis of allotment based on technical rejections, listing of instruments, demat credit and refunds/ unblocking of funds announcement of allocation and dispatch of refunds to Bidders, etc, payment of the applicable STT, coordination with SEBI and Stock Exchanges for refund of 1% security deposit		

### Credit Rating

As this is an offer of Equity Shares, there is no credit rating for the Offer.

### IPO Grading

No credit rating agency registered with the SEBI has been appointed in respect of obtaining grading for the Offer.

### Trustees

As this is an offer of Equity Shares, the appointment of trustees is not required.

### Book Building Process

Book building, in the context of the Offer, refers to the process of collection of Bids from investors on the basis of the Red Herring Prospectus and the Bid cum Application Forms within the Price Band, which will be decided by our Company and the Selling Shareholders in consultation with the BRLMs, and advertised in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●] (Bengali being the regional language of West Bengal where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date. The Offer Price shall be determined by our Company and the Selling Shareholders in consultation with the BRLMs after the Bid/Offer Closing Date.

**All Bidders, except Anchor Investors, can participate in the Offer only through the ASBA process.**

**In accordance with the ICDR Regulations, QIBs (other than the Anchor Investors) Bidding in the Net QIB Portion and Non-Institutional Bidders bidding in the Non-Institutional Portion 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 their Bids during the Bid/Offer Period and withdraw their Bids until the Bid/Offer Closing Date. Further, Anchor Investors cannot withdraw their Bids after the Anchor Investor Bid/Offer Period. Allocation to the Anchor Investors will be on a discretionary basis.**

The process of Book Building under the ICDR Regulations and the Bidding process are subject to change from time to time and the Bidders are advised to make their own judgment about investment through this process prior to submitting a Bid in the Offer.

Our Company confirms that it will comply with the ICDR Regulations and any other directions issued by SEBI for the Offer. Each of the Selling Shareholders, severally and not jointly, confirm that such Selling Shareholder will comply with the ICDR Regulations and any other directions issued by SEBI, as applicable to them as the Selling Shareholder and their respective portion of the Equity Shares offered in the Offer.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final approval of the RoC after the Prospectus is filed with the RoC; and (ii) final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment.

Each Bidder, by submitting a Bid in the Offer, will be deemed to have acknowledged the above restrictions and the terms of the Offer.

For further details on the method and procedure for Bidding, see “Offer Structure” and “Offer Procedure” beginning on pages 339 and [●], respectively.

### Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, see “Offer Procedure – Part B – Basis of Allocation - Illustration of the Book Building and Price Discovery Process” on page 368.

## Underwriting Agreement

After the determination of the Offer Price and allocation of Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company and the Selling Shareholders may enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters will be several and will be subject to certain conditions specified therein.

The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

*(This portion has been intentionally left blank and will be completed before filing the Prospectus with the RoC.)*

Name, address, telephone number, fax number and e-mail address of the Underwriters	Indicative number of Equity Shares to be underwritten	Amount underwritten (₹ in million)
[●]	[●]	[●]

The abovementioned amounts are provided for indicative purposes only and will be finalised after determination of Offer Price and Basis of Allotment and are subject to the provisions of the ICDR Regulations.

In the opinion of our Board, the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board /IPO Committee, at its meeting held on [●], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitment set forth in the table above.

Notwithstanding the above table, in the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the Underwriting Agreement, will also be required to procure subscribers for or subscribe to the Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement. The underwriting arrangement mentioned above shall not apply to subscription by the Bidders in the Offer, except for Bids procured by the Syndicate. The Underwriting Agreement has not been executed as on the date of this Draft Red Herring Prospectus and will be executed after determination of the Offer Price and allocation of Equity Shares, but prior to filing of the Prospectus with the RoC.

## CAPITAL STRUCTURE

The following table sets forth details of the Equity Share capital of our Company as at the date of this Draft Red Herring Prospectus:

(In ₹, except share data)

		Aggregate value at face value	Aggregate value at Offer Price
A	<b>AUTHORIZED SHARE CAPITAL *</b>		
	70,000,000 Equity Shares	700,000,000	
B	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER</b>		
	61,788,540 Equity Shares	617,885,400	
C	<b>PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS</b>		
	Offer of up to [●] Equity Shares aggregating up to ₹ 7,500.00 million <sup>(1) (2)</sup>	[●]	[●]
D	<b>ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER</b>		
	61,788,540 Equity Shares	617,885,400	
E	<b>SECURITIES PREMIUM ACCOUNT</b>		
	Before the Offer	3,196,693,295.68	
	After the Offer	3,196,693,295.68	

\* For details in relation to the changes in the authorized share capital of our Company, see "History and Certain Corporate Matters" beginning on page 128.

<sup>(1)</sup> The Offer has been authorised by our Board pursuant to the resolutions dated September 12, 2017 and April 23, 2018.

<sup>(2)</sup> The Selling Shareholders have, severally and not jointly, specifically confirmed that the Equity Shares proposed to be offered and sold by each of them in the Offer have been held by them for a period of at least one year prior to the filing of the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the ICDR Regulations and are eligible for being offered for sale in the Offer.

<sup>(3)</sup> For details in relation to the authorisations received for the Offer, see "The Offer" beginning on page 57.

### Notes to the Capital Structure

#### 1. Equity Share capital history of our Company

(a) The following table sets forth details of the history of the Equity Share capital of our Company:

Date of allotment of Equity Shares	Number of Equity Shares allotted / (cancelled)	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for allotment	Cumulative number of Equity Shares
November 19, 2009	10,200	10	10	Cash	Subscription to the Memorandum of Association <sup>(1)</sup>	10,200
August 5, 2010	950,000	10	10	Cash	Preferential allotment <sup>(2)</sup>	960,200
September 4, 2010	2,850,000	10	10	Cash	Preferential allotment <sup>(3)</sup>	3,810,200
January 21, 2011	850,000	10	40	Cash	Preferential allotment <sup>(4)</sup>	4,660,200
March 23, 2017	(4,660,200)	10	-	Not Applicable	Cancelled pursuant to the Scheme of Arrangement <sup>(5)</sup>	0
	12,357,708	10	-	Other than cash	Pursuant to the Scheme of Arrangement <sup>(6)</sup>	12,357,708
February 24, 2018	49,430,832	10	-	Not Applicable	Bonus Issue <sup>(7)</sup>	61,788,540

- (1) Subscription to 5,100 Equity Shares each by two subscribers. The date of subscription to the Memorandum of Association is November 16, 2009.
- (2) Allotment of 950,000 Equity Shares to one allottee.
- (3) Allotment of 2,850,000 Equity Shares to one allottee.
- (4) Allotment of 850,000 Equity Shares to one allottee.
- (5) For further details in relation to the Scheme of Arrangement, see "History and Certain Corporate Matters –Scheme of Arrangement" on page 131.
- (6) Equity Shares were allotted pursuant to the Scheme of Arrangement of ABL, ABPL, our Company and AUPL approved by the NCLT, Kolkata bench by order dated March 3, 2017 to eight allottees. For details, see "History and Certain Corporate Matters –Scheme of arrangement" on page 131.
- (7) Bonus issue of 49,430,832 Equity Shares in the ratio 4:1 (Four Equity Shares for every one Equity Share held by our Shareholders) to the existing Shareholders as on the record date being February 23, 2018.

(b) *Equity Shares issued by our Company at a price lower than the Offer Price*

Except as stated below, our Company has not issued Equity Shares at a price which may be lower than the Offer Price during the period of one year preceding the date of this Draft Red Herring Prospectus:

Name of allottees	Date of allotment	No. of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason for allotment	Promoters and members of Promoter Group
All existing Shareholders of our Company as on the record date being February 23, 2018	February 24, 2018	49,430,832	10	-	Not Applicable	Bonus issue in the ratio of 4:1 (Four Equity Shares for every one Equity Share held by our Shareholders) as on the record date being February 23, 2018	BCF Trust, Monarch, SKG Land Developer LLP, Anmol Projects Private Limited, Delta Nirman LLP, Anmol Hi-Cool LLP, JNPL and Puneet Mercantiles LLP

2. *Equity Shares issued by our Company through bonus issuance or for consideration other than cash*

Except as set out below, our Company has not issued shares through bonus issuance or for consideration other than cash as on the date of this Draft Red Herring Prospectus:

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
March 23, 2017	Anmol Projects Private Limited	123,199	10	-	Allotted pursuant to a scheme of arrangement of ABL, ABPL, our Company and AUPL approved	To provide operational synergies, which in turn will eliminate inefficiencies and
	Delta Nirman	55,999	10			

Date of allotment	Name of the allottees	Number of Equity Shares allotted	Face value per Equity Share (₹)	Issue price per Equity Share (₹)	Reason for allotment	Benefits accrued to our Company
	LLP				by the NCLT, Kolkata bench by order dated March 3, 2017 to eight allottees. For details, see “History and Certain Corporate Matters –Scheme of Arrangement” on page 131	streamline corporate structures and cash flows.
	Anmol Hi-Cool LLP	35,572	10			
	Monarch	1,560,298	10			
	JNPL	28,000	10			
	Puneet Mercantiles LLP	8,399	10			
	SKG Land Developers LLP	319,724	10			
	Durga Devi Choudhary	10,226,517	10			
February 24, 2018	All existing Shareholders of our Company as on the record date being February 23, 2018	49,430,832	10	-	Bonus issue in the ratio of 4:1 (Four Equity Shares for every one Equity Share held by our Shareholders) as on the record date being February 23, 2018	Not Applicable

### 3. Issue of Equity Shares in the preceding two years

For details of issue of Equity Shares by our Company in the preceding two years, see “Capital Structure - Notes to Capital Structure - Equity Share Capital history of our Company” on page 66.

### 4. History of the Equity Share capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 51,132,585 Equity Shares, constituting 82.75% of our issued, subscribed and paid-up Equity Share capital of our Company.

#### (a) Build-up of our Promoters’ shareholding in our Company

Set forth below is the build-up of the shareholding of our Promoters since the incorporation of our Company:

Name of the Promoter	Date of allotment/ transfer	Nature of allotment/ transfer	Number of Equity Shares allotted / transferred	Face Value (₹)	Issue price per Equity Share / Transfer Price / consideration (₹)	Nature of consideration	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
Biswanath Choudhary	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable	Not Applicable	Nil	[●]
Dilip Kumar Choudhary	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable	Not Applicable	Nil	[●]
Gobind Ram Choudhary	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable	Not Applicable	Nil	[●]
Bimal Kumar Choudhary*	Not Applicable	Not Applicable	Nil	Not Applicable	Not Applicable	Not Applicable	Nil	[●]
BCF Trust	March 30, 2017	Transferred pursuant to a gift deed <sup>(1)</sup>	10,226,517	10	Nil	Not Applicable	16.55	[●]
	February 24, 2018	Bonus Issue <sup>(2)</sup>	40,906,068	10	-	Not Applicable	66.20	[●]
<b>Total</b>			<b>51,132,585</b>	-	-	-	<b>82.75</b>	<b>[●]</b>

\* This does not include the shares held by Bimal Kumar Choudhary where the beneficial owner of the shares was the erstwhile ABL.

<sup>(1)</sup> Equity Shares were transferred to Baijnath Choudhary & Family Trust, represented through its Trustees, by Durga Devi Choudhary pursuant to a gift deed dated March 27, 2017.

<sup>(2)</sup> Bonus issue of 49,430,832 Equity Shares in the ratio 4:1 (Four Equity Shares for every one Equity Share held by our Shareholders to the existing Shareholders as on the record date being February 23, 2018).

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are pledged.

(b) *Details of minimum Promoters' contribution and lock-in*

Pursuant to Regulations 32 and 36 of the ICDR Regulations, an aggregate of 20% of the post-Offer Equity Share capital of our Company held by our Promoters, shall be locked in for a period of three years from the date of Allotment and our Promoters' shareholding in excess of 20% shall be locked in for a period of one year from the date of Allotment.

The details of the Equity Shares which are eligible for such lock-in for a period of three years from the date of Allotment are set forth below:

Name of our Promoter	Date of allotment/ transfer	Nature of allotment/ transfer	Number of Equity Shares allotted	Face Value (₹)	Issue price/ acquisition price per Equity Share (₹) <sup>#</sup>	Number of Equity Shares locked-in	Percentage of pre-Offer capital (%)	Percentage of post-Offer capital (%) <sup>*</sup>
BCF Trust	February 24, 2018	Bonus Issue	409,06,068	10	Nil	12,357,708	20	20
<b>Total</b>					<b>Nil</b>	<b>12,357,708</b>	<b>20</b>	<b>20</b>

<sup>#</sup> Equity Shares were fully paid-up on the date of allotment/acquisition

<sup>\*</sup> To be incorporated upon finalisation of the Offer Price.

Our Promoters' contribution has been brought in to the extent of not less than the specified minimum lot, and from persons defined as 'promoters' under the ICDR Regulations.

Our Company undertakes that the Equity Shares that are being locked-in for a period of three years are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of ICDR Regulations. In this connection, we confirm the following:

- the Equity Shares offered for Promoters' contribution have not been acquired in the last three years: (a) for consideration other than cash and revaluation of assets or capitalization of intangible assets; or (b) as a result of a bonus issue out of revaluation reserves or unrealized profits of our Company or from bonus issue against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;
- the Promoters' contribution does not include any Equity Shares acquired during the year preceding the date of this Draft Red Herring Prospectus, at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- our Company has not been formed by the conversion of a partnership firm into a Company;
- the Equity Shares held by our Promoters and offered for Promoters' contribution are not subject to any pledge; and
- all the Equity Shares held by our Promoters are held in dematerialized form.

(c) *Other requirements in respect of lock-in*

In addition to the 20% of the fully diluted post-Offer shareholding of our Company held by our Promoters and locked in for three years as specified above, the entire pre- Offer Equity Share capital of our Company except the Equity Shares subscribed to and Allotted pursuant to the Offer, shall be locked-in for a period of one year from the date of Allotment.

The Equity Shares subscribed to and Allotted pursuant to the Offer by the Selling Shareholders shall not be subject to lock-in. However, any unsubscribed portion of Equity Shares offered by the Selling Shareholders in the Offer would also be locked-in as required under the ICDR Regulations.

Pursuant to Regulation 39(a) of the ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of three years from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions for the purpose of financing one or more objects of the Offer, provided that such pledge of the Equity Shares is

one of the terms of the sanctions of such loans. Since the Offer comprises an offer for sale of Equity Shares by the Selling Shareholders, our Company will not receive any proceeds from the Offer. Accordingly, the Promoters will not be entitled to pledge any Equity Shares held by them which are locked-in for a period of three years from the date of Allotment.

Pursuant to Regulation 39(b) of the ICDR Regulations, the Equity Shares held by our Promoters which are locked-in for a period of one year from the date of Allotment may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of such loans.

Pursuant to Regulation 40 of the ICDR Regulations, the Equity Shares held by our Promoters which are locked-in may be transferred to and among the members of our Promoter Group or to another Promoter or to any 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.

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 the Offer may be transferred to any other person holding the 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.

(d) *Lock-in of Equity Shares to be Allotted, if any, to Anchor Investors*

Any Equity Shares allotted to Anchor Investors under the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of Allotment.



5. *Shareholding pattern of our Company*

The table below presents the shareholding pattern of our Company as on the date of this Draft Red Herring Prospectus:

Category (I)	Category of Shareholder (II)	Nos. of Shareholders (III)	Number of fully paid up Equity Shares held (IV)	Number of partly paid-up Equity Shares held (V)	Number of shares underlying Depository Receipts (VI)	Total numbers of Equity Shares held (VII) = (IV)+(V)+(VI)	Shareholding as a % of total number of Equity Shares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities (IX)				Number of Equity Shares underlying outstanding convertible securities (including Warrants) (X)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) (XI)= (VII)+(X) As a % of (A+B+C2)	Number of locked-in Equity Shares (XII)		Number of Equity Shares pledged or otherwise encumbered (XIII)		Number of Equity Shares held in dematerialized form (XIV)
								No of voting rights						No (a)	As a % of total Equity Shares held (b)	No (a)	As a % of total Shares held (b)	
								Class: Equity	Class: N/A	Total	Total as a % of (A+B+C)							
(A)	Promoter & Promoter Group	8	61,761,715	-	-	61,761,715	99.95	61,761,715	-	61,761,715	99.95	-	-	-	-	-	-	61,761,715
(B)	Public	17	26,825	-	-	26,825	0.05	26,825	-	26,825	0.05	-	-	-	-	-	-	26,825
(C)	Non Promoter- non public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by employee trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	25	61,788,540	-	-	61,788,540	100	61,788,540	-	61,788,540	100	-	-	-	-	-	-	61,788,540

6. **The list of top 10 Shareholders of our Company and the number of Equity Shares held by them**

- (a) The top 10 Shareholders as on the date of filing of this Draft Red Herring Prospectus and 10 days prior to the date of filing of this Draft Red Herring Prospectus are as follows:

Sl. No	Name of the Shareholder	Number of Equity Shares	Pre-Offer Percentage (%)
(1)	Bajinath Choudhary & Family Trust	51,132,585	82.75
(2)	Monarch Shelter Private Limited	7,801,490	12.63
(3)	SKG Land Developers LLP	1,598,620	2.59
(4)	Anmol Projects Private Limited	589,170	0.95
(5)	Delta Nirman LLP	279,995	0.45
(6)	Anmol Hi-Cool LLP	177,860	0.29
(7)	J4F Nutriplus Private Limited	140,000	0.23
(8)	Puneet Mercantiles LLP	41,995	0.07
(9)	Poonam Chandra Tibrewal	3,700	0.01
(10)	Shridhar Deshpande	3,700	0.01
	<b>Total</b>	<b>61,769,115</b>	<b>99.97</b>

- (b) The top 10 Shareholders two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

Sl. No.	Name of the Shareholder	Number of Equity Shares	Percentage of the issued, subscribed and paid-up capital to the Equity Shares held
(1)	Anmol Biscuits Limited	4,660,000	100.00
(2)	Bimal Kumar Choudhary*	200	Negligible
	<b>Total</b>	<b>4,660,200</b>	<b>100.00</b>

\* The beneficial interest of the Equity Shares was held by erstwhile ABL.

7. **Details of Equity Shares held by our Promoters and Promoter Group in our Company**

The details of the Equity Shareholding of our Promoters and the members of our Promoter Group as on the date of filing of this Draft Red Herring Prospectus are set forth in the table below:

Sl. No.	Name of the Shareholder	Pre-Offer		Post-Offer	
		Number of Equity Shares	Percentage of total Equity Shareholding	Number of Equity Shares	Percentage of total Equity Shareholding
Promoters					
(1)	BCF Trust	51,132,585	82.75	[●]	[●]
	Total	51,132,585	82.75	[●]	[●]
Promoter Group					
(1)	Monarch	7,801,490	12.63	[●]	[●]
(2)	SKG Land Developers LLP	1,598,620	2.59	[●]	[●]
(3)	Anmol Projects Private Limited	589,170	0.95	[●]	[●]
(4)	Delta Nirman LLP	279,995	0.45	[●]	[●]
(5)	Anmol Hi-Cool LLP	177,860	0.29	[●]	[●]
(6)	JNPL	140,000	0.23	[●]	[●]
(7)	Puneet Mercantiles LLP	41,995	0.07	[●]	[●]
	Total	10,629,130	17.20	[●]	[●]
Grand Total		61,761,715	99.95	[●]	[●]

8. The Directors do not hold Equity Shares in our Company.

Set out below are details of the Equity Shares held by our Key Management Personnel in our Company:

Sl. No	Name of the Shareholder	Number of Equity Shares	Percentage of the issued, subscribed and paid-up capital to the Equity Shares held (%)
(1)	Poonam Chandra Tibrewal	3,700	0.01
(2)	Shridhar Deshpande	3,700	0.01

Sl. No	Name of the Shareholder	Number of Equity Shares	Percentage of the issued, subscribed and paid-up capital to the Equity Shares held (%)
(3)	Brundaban Behera	1,850	Negligible
(4)	Venugopalan Seshadri	1,850	Negligible
	<b>Total</b>	<b>11,100</b>	<b>0.02</b>

9. As on date of this Draft Red Herring Prospectus, our Company has not instituted an employee stock option scheme.
10. As of the date of the filing of this Draft Red Herring Prospectus, the total number of our Shareholders is 25.
11. Our Company has not issued any Equity Shares out of the revaluation reserves.
12. There are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus and all Equity Shares were fully paid up as on the date of allotment.
13. Our Company has not made any public or rights issue of any kind or class of securities since its incorporation.
14. Except for allotment of 12,357,708 Equity Shares pursuant to the Scheme of Arrangement on March 3, 2017, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 and the corresponding provisions under the Companies Act, 2013. For details, see “*History and Certain Corporate Matters –Scheme of Arrangement*” on page 131.
15. Our Company, the Selling Shareholders, our Directors and the BRLMs have not made any or entered into any buy-back arrangements, safety net or standby arrangements for purchase of the Equity Shares from any person.
16. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates (in accordance with the definition of “associate company” as provided under Section 2(6) of the Companies Act, 2013) do not hold any Equity Shares in our Company.
17. Except as discussed in “*Capital Structure - History of the Equity Share Capital held by our Promoters*” and “*Capital Structure - Equity Share Capital history of our Company*” on pages 68 and 66, respectively, none of our Promoters, members of our Promoter Group, Directors or their immediate relatives have purchased or sold any securities of our Company during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
18. There have been no financing arrangements whereby members of our Promoter Group, our Directors, and their relatives have financed the purchase by any other person of securities of our Company, other than in the normal course of its business of during a period of six months preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
19. All Equity Shares offered pursuant to the Offer will be fully paid up at the time of Allotment and there are no partly paid up Equity Shares as on the date of this Draft Red Herring Prospectus.
20. Any oversubscription to the extent of 10% of the Offer can be retained for the purposes of rounding off to the nearer multiple of minimum Allotment lot while finalising the Basis of Allotment.
21. Other than the sale of Equity Shares by the Selling Shareholders, our Promoters, members of Promoter Group and our Group Companies will not participate in the Offer.
22. Our Company does not intend or propose to alter its capital structure for a period of six months from the Bid/Offer Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether on a preferential basis or by way of issue of bonus shares or on a rights basis or by way of further public issue of Equity Shares or qualified institutions placements or otherwise.
23. There are no outstanding convertible securities or any other right which would entitle any person any option to receive Equity Shares, as on the date of this Draft Red Herring Prospectus.
24. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges or refund of application monies.
25. The Offer is being made through the Book Building Process, in term of Rule 19(2)(b) of the SCRR read with Regulation 41 of the ICDR Regulations and in compliance with Regulation 26(1) of ICDR Regulations, wherein not more than 50%

of the Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Offer Price.

26. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except in the QIB Portion, would be met with spill-over from the other categories or a contribution of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB category will not be allowed to be met with spill-over from other categories or a combination of other categories.
27. All potential Bidders, other than Anchor Investors, are mandatorily required to utilise the ASBA process by providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in the Offer. For further details, see "*Offer Procedure*" beginning on page 339.
28. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
29. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Promoters, our Company and our Directors, shall offer any incentive, whether direct or indirect, in any manner, whether in cash or kind or services or otherwise to any Bidder for making a Bid.
30. No payment, direct or indirect, in the nature of discount, commission and allowance or otherwise shall be made either by us or the Selling Shareholders to the persons who receive Allotment.
31. Our Company shall ensure that the transactions in securities by our Promoters and the members of our Promoter Group during the period between the date of registering the Red Herring Prospectus with the RoC and the date of closure of the Offer shall be reported to the Stock Exchanges within 24 hours of the transactions.

## OBJECTS OF THE OFFER

The Offer comprises of an offer for sale by the Selling Shareholders.

### The Offer for Sale

The objects of the Offer for the Company are to achieve the benefit of listing the Equity Shares on the Stock Exchanges and for the sale of Equity Shares by the Selling Shareholders. Further, the Company expects that the listing of Equity Shares will enhance its visibility and brand image and provide liquidity to its existing shareholders.

The Selling Shareholders will be entitled to the entire proceeds of the Offer after deducting the Offer expenses (other than listing fees) and relevant taxes thereon. Our Company will not receive any proceeds from the Offer.

### Offer Expenses

The Offer related expenses are estimated to be approximately ₹ [●] million. The Offer related expenses includes, among others, listing fees, fees payable to the BRLMs, underwriting fees, selling commission, legal counsels, Registrar to the Offer, Public Offer Bank(s) including processing fee to the SCSBs for processing Bid cum Application Forms submitted by ASBA Bidders procured by the Members of the Syndicate or Registered Brokers and submitted to SCSBs, brokerage and selling commission payable to Syndicate Member and SCSBs, Registered Brokers, RTAs and CDPs, printing and stationery expenses, advertising and marketing expenses and all other incidental expenses for listing the Equity Shares on the Stock Exchanges. All expenses with respect to the Offer (other than listing fees which shall be payable by our Company) will be borne by the Selling Shareholders. Payments, if any, made by our Company in relation to the Offer shall be on behalf of the Selling Shareholders and such payments will be reimbursed by the Selling Shareholders to our Company. The following table sets forth details of the break-up for the Offer expenses:

Activity	Amount <sup>(1)</sup> (₹ in million)	As a % of total estimated Offer related expenses <sup>(1)</sup>	As a % of Offer size <sup>(1)</sup>
Fees payable to the BRLMs including underwriting commission, brokerage and selling commission, as applicable	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationary expenses	[●]	[●]	[●]
Brokerage and selling commission payable to Syndicate Member and SCSBs, Registered Brokers, RTAs and CDPs <sup>(2)(4)(5)</sup>	[●]	[●]	[●]
Processing fees to SCSBs for ASBA Applications procured by the members of the Syndicate or Registered Brokers and submitted with the SCSBs <sup>(3)</sup>	[●]	[●]	[●]
Others: i. Listing fees; ii. SEBI, BSE and NSE processing fees; iii. Fees payable to legal counsels; and iv. Miscellaneous.	[●]	[●]	[●]
<b>Total estimated Offer expenses</b>	[●]	[●]	[●]

<sup>(1)</sup> Will be completed after finalisation of the Offer Price.

<sup>(2)</sup> Selling commission payable to the SCSBs on the portion for Retail Individual Bidders and Non-Institutional Bidders which are directly procured by the SCSBs, would be as follows:

Portion for Retail Individual Bidders*	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted (plus applicable taxes)

\*Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

No additional bidding charges shall be payable by the Company and Selling Shareholders to the SCSBs on the applications directly procured by them.

<sup>(3)</sup> Processing fees payable to the SCSBs on the portion for Retail Individual Bidder and Non-Institutional Bidders which are procured by the members of the Syndicate/sub-Syndicate/Registered Broker/RTAs/CDPs and submitted to SCSB for blocking would be as follows:

Portion for Retail Individual Bidders*	₹ [●] per valid ASBA form (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid ASBA form (plus applicable taxes)

\* For each valid application

Bidding Charges: ₹ [●] per valid application bid by the Syndicate Members (including their sub Syndicate Members).

Note: The brokerage / selling commission payable to the Syndicate / sub-Syndicate Members will be determined on the basis of the ASBA Form number / series, provided that the application is also bid by the respective Syndicate/ sub-Syndicate Member. For clarification, if an ASBA Application on the application form number / series of a Syndicate / sub-Syndicate Member, is bid for by an SCSB, the brokerage / selling commission will be payable to the SCSB and not to the Syndicate / sub-Syndicate Member. The brokerage / selling commission payable to the SCSBs, RTAs and CDPs will be determined on the basis of the bidding terminal ID as captured in the Bid book of either of the Stock Exchanges. The Bidding charges payable to the Syndicate / Sub-Syndicate Members will be determined on the basis of the bidding terminal ID as captured in the Bid Book of BSE or NSE. Payment of Brokerage / Selling Commission payable to the sub-brokers / agents of the Sub-Syndicate Members be handled directly by the Sub-Syndicate Members, and the necessary records for the same shall be maintained by the respective Sub-Syndicate Member.

- (4) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by Syndicate Member (including their sub Syndicate Members) would be as follows:

Portion for Retail Individual Bidders*	[●] % of the Amount Allotted (plus applicable taxes)
Portion for Non-Institutional Bidders*	[●] % of the Amount Allotted (plus applicable taxes)

\* Amount Allotted is the product of the number of Equity Shares Allotted and the Offer Price.

- (5) Selling commission on the portion for Retail Individual Bidders and Non-Institutional Bidders which are procured by the Registered Brokers, RTAs/CDPs would be as follows:

Portion for Retail Individual Bidders*	₹ [●] per valid application (plus applicable taxes)
Portion for Non-Institutional Bidders*	₹ [●] per valid application (plus applicable taxes)

\* Based on valid applications.

\* Amount of selling commission payable to Registered Brokers, RTAs/CDPs shall be determined on the basis of applications which have been considered eligible for the purpose of Allotment. In order to determine to which RTAs/CDPs the commission is payable to, the terminal from which the bid has been uploaded will be taken into account.

## Monitoring of Utilisation of Funds

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

## Other Confirmations

Except to the extent of any proceeds received from the sale of Equity Shares proposed to be sold by the Selling Shareholders, none of our Promoters, Directors, Key Management Personnel or Group Companies will receive any proceeds from the Offer.

## BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand for the Equity Shares offered through the Book Building Process and on the basis of quantitative and qualitative factors as described below. The face value of the Equity Shares is ₹ 10 each and the Floor Price is [●] times the face value and the cap price is [●] times the face value.

### Qualitative Factors

Some of the qualitative factors which form the basis for computing the Offer Price are as follows:

1. Established brand with leading presence in northern and eastern India;
2. Diversified product portfolio and value proposition for consumers;
3. Strategically located manufacturing facilities leading to quality products and operational efficiency;
4. Strategic supply chain for an extensive distribution network;
5. Strong financial profile and established track record; and
6. Experienced Promoters and senior management team.

For details, see “Our Business” and “Risk Factors” and “Financial Statements” beginning on pages 106, 14 and 165, respectively.

### Quantitative Factors

The information presented below, relating to our Company, is based on the Restated Financial Statements. For details, please see “Financial Statements” beginning on page 165.

Some of the quantitative factors which may form the basis for computing the Offer Price are as follows:

#### 1. Basic and Diluted Earnings Per Share (“EPS”):

As per Restated Financial Statements:

Financial Year ended	Basic and Diluted EPS (in ₹)	Weight
March 31, 2017	11.60	3
March 31, 2016	126.29*	2
March 31, 2015	87.36*	1
<b>Weighted Average</b>	<b>62.46</b>	<b>-</b>
Nine month period ended December 31, 2017	10.01	-

\* Computed on the equity shares existing as on that date.

- a. Our Company has allotted 49,430,832 number of fully paid Bonus shares on February 24, 2018 in the ratio of four Equity Share of ₹ 10 each fully paid up for every one existing Equity Shares of ₹ 10 each fully paid up. In accordance with Ind AS 33 ‘Earnings per Share (EPS)’, basic and diluted earnings per Equity Share have been adjusted for Bonus Issue for the period ended December 31, 2017 and March 31, 2017.

In terms of the Scheme of Arrangement implemented by our Company as stated in note 56(A) below, the share capital existing as on April 1, 2016 has been cancelled and fresh Equity Shares have been issued to existing Shareholders. Accordingly, retrospective adjustment with respect to the Bonus shares for determining the weighted average number of Equity Shares for the purposes of computing basic and diluted earnings per Equity Share has not been considered for the Financial Year ended March 31, 2016 and March 31, 2015.

- b. In view of (a) above EPS as computed for the Financial Year ended March 31, 2017 and nine month period ended December 31, 2017 are not comparable with the Weighted Average EPS as shown in the table above.

Notes:

- 1) Basic & diluted EPS as stated above are from total operations of our Company.
- 2) Weighted average = Aggregate of year-wise weighted EPS divided by the aggregate of weights i.e. (EPS x Weight) for each year/Total of weights
- 3) The figures disclosed above are based on the Restated Financial Statements of our Company.
- 4) The face value of each Equity Share is ₹ 10 per Equity Share.
- 5) Earnings per Share (₹) = Profit after tax attributable to Equity Shareholders for the year/Weighted Average No. of Equity Shares.
- 6) Basic EPS and Diluted EPS calculations are in accordance with Indian Accounting Standard 33 (IND AS-33) ‘Earnings per Share’, notified under Section 133 of Companies Act, 2013 read together along with paragraph 7 of the Companies (Accounts) Rules, 2014.
- 7) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in Annexure V beginning on page 178.

#### 2. Price/Earning (P/E) ratio in relation to Price Band of ₹ 10 per Equity Share:

Particulars	P/E at the lower end of the Price Band (no. of times)	P/E at the higher end of the Price Band (no. of times)
Based on basic and diluted EPS for the year ended March 31, 2017	[●]	[●]

P/E Ratio for the industry is as follows:

Industry P/E	Name of the company	Price (as at June 18, 2018)	Diluted EPS (as of Financial Year 2017)	Face Value (₹)	Price Earnings Ratio
Highest	Prataap	1,185.0	4.8	5.0	248.4
Lowest	DFM Foods	1,260.0	15.9	10.0	79.4
<b>Average</b>					<b>136.8</b>

Notes:

- 1) The industry high and low has been considered from the industry peer set provided later in this chapter. The industry composite has been calculated as the arithmetic average P/E of the industry peer set disclosed in this section.
- 2) P/E figures for the peers are computed based on closing market price as on June 18, 2018 at BSE, divided by Diluted EPS (on consolidated basis) based on the annual reports of such companies for the Financial Year 2017

### 3. Average Return on Net Worth ("RoNW"):

Financial Year ended	RoNW (%)	Weight
March 31, 2017	39.19	3
March 31, 2016	43.34	2
March 31, 2015	49.41	1
<b>Weighted Average</b>	<b>42.28</b>	-
Nine month period ended December 31, 2017	26.06	-

Notes:

- 1) Average return on net worth as stated above is from total operations of the Company.
- 2) Weighted average = Aggregate of year-wise weighted RoNW divided by the aggregate of weights i.e. (RoNW x Weight) for each year/total of weights
- 3) Average Return on Net Worth (%) = Net Profit after Tax (as restated) divided by Net worth at the end of the year/period (excluding revaluation reserve).
- 4) Net worth for ratios mentioned represents sum of paid-up share capital, reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses as per the Restated Financial Statements.)

### 4. Minimum Return on Total Net Worth needed after the Offer for maintaining Pre-Offer EPS for the year ended March 31, 2017

There will be no change in the net worth after the Offer since the Offer is by way of an offer for sale by the Selling Shareholders.

### 5. Net Asset Value ("NAV") per Equity Share of face value of ₹ 10 each

NAV per Equity Share	₹ NAV (Pre-bonus issue)	₹ NAV (Post-bonus issue)*
As at March 31, 2017	148.03	29.61
As at December 31, 2017	192.10	38.42

\* Our Company has allotted 49,430,832 number of fully paid bonus shares on February 24, 2018 in the ratio of four Equity Shares for every 1 existing Equity Share each fully paid up.

- 1) Net Asset Value Per Equity Share = Net worth as per the Restated Financial Statements/Total number of Equity Shares outstanding as at the end of year/period.
- 2) Net worth has been computed by aggregating paid up share capital and reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses) as per the Restated Financial Statements. There is no revaluation reserve or miscellaneous expenditure (to the extent not written off).
- 3) Net worth for ratios mentioned represents sum of paid-up share capital, reserves and surplus (securities premium, general reserve and surplus in the Statement of Profits and Losses).

### 6. Comparison with listed industry peers

S. No.	Name of the company	Face Value (₹)	Closing price on June 18, 2018 (₹)	Revenue for Financial Year 2017 (₹ in million) *	EPS (₹)		NAV <sup>(4)</sup> (₹ per share)	P/E <sup>(2)</sup>	RoNW <sup>(3)</sup> (%)
					Basic	Diluted <sup>(1)</sup>			
1.	Our Company	10.0	-	12,363.3	10.01	10.01	29.61	-	39.19
2.	<b>Peer Group</b>								
a.	Britannia	2.0	6,076.2	93,241.1	73.72	73.71	224.92	82	32.78
b.	DFM Foods	10.0	1,260.0	3,448.9	15.87	15.86	80.75	79	19.65
c.	Prataap	5.0	1,185.0	9,039.2	4.77	4.77	101.63	248	4.15



Source: All the financial information for listed industry peers mentioned above is on a consolidated basis and is sourced from the annual reports of the respective company for the Financial Year 2017.

Source for erstwhile ABL and now, our Company: Based on the Restated Financial Statements for the Financial Year 2017.

Notes:

- (1) Diluted EPS refers to the diluted EPS sourced from the audited financial results of the respective company for the Financial Year 2017.
- (2) P/E Ratio has been computed based on the closing market price of equity shares on BSE on June 18, 2018 divided by the diluted EPS provided under Note (1).
- (3) RoNW is computed as net profit after tax divided by closing net worth. Net worth has been computed as a sum of share capital and reserves and surplus (including capital reserve and excluding debenture redemption reserve, if any).
- (4) NAV is computed as the closing net worth divided by the closing outstanding number of equity shares.
- (5) The Offer Price is [●] times the face value of the Equity Shares.

The Offer Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs, on the basis of assessment of market demand from investors for Equity Shares through the Book Building Process, and is justified in view of the above qualitative and quantitative parameters. Bidders should read the above information along with the sections “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Financial Statements” beginning on pages 14, 106, 285 and 165, respectively, for further information, to have an informed view before making an investment decision. The trading price of Equity Shares could decline due to factors as described in the section entitled “Risk Factors” beginning on page 14 and you may lose all, or part, of your investments.

## STATEMENT OF TAX BENEFITS

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

#### The Board of Directors

Anmol Industries Limited  
Crescent Tower, 3<sup>rd</sup> Floor,  
Unit 3A,3B,3C & 3D,  
229 A.J.C. Bose Road  
Kolkata – 700020

**Proposed Initial Public Offer of equity shares of face value of Rs. 10 each (“Equity Shares” and such offer, the “Offer”) of Anmol Industries Limited (the “Company”) vide Board Resolution dated September 12, 2017 under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the “SEBI Regulations”).**

#### Introduction

1. This Certificate is issued in accordance with the terms of our arrangement letter dated 26.02.2018 (hereinafter referred to as “**Arrangement Letter**”) with regard to proposed Initial Public Offer of Equity Shares of the Company.
2. The name of the Company was changed from Bansal Biscuits Private Limited to Anmol Industries Private Limited on May 23, 2016 and subsequently to Anmol Industries Limited on March 30, 2017.
3. The accompanying Statement of Special Tax Benefits (hereinafter referred as the “**Statement**”) available to M/s Anmol Industries Limited (the “**Company**”) and its shareholders under the Income Tax Act, 1961 (read with Income Tax Rules, Circulars, notifications) as amended by Finance Act 2017 with respect to the abovementioned Offer are provided in “**Annexure A**”.

#### Our Responsibility

4. Our responsibility is to report on the special direct tax benefits available to the Company, under the Income Tax Act, 1961, as amended (the “**Act**”), and to the shareholders of the Company under the Income Tax Act presently in force in India, in the enclosed statement. Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of their understanding of the business activities and operations of the Company.
5. We conducted our examination in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

#### Inherent Limitations

7. We draw our attention to the fact that the Statement includes certain inherent limitations that can influence the reliability of the information:
  - (a) These tax benefits/consequences available to the Company are dependent on their ability to fulfill the conditions prescribed under the relevant tax laws.
  - (b) The preparation of the content stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide information to the investors and is neither designed nor intended to be a substitute for professional tax advice.
  - (c) In view of the individual nature of tax consequences, each investor is advised to consult his/ her own tax advisor with respect to specific tax consequences of their participation in the IPO.
  - (d) The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not exhaustive and complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

#### Conclusion

8. In our opinion, the statement presents in all material respects, the special benefits available to the Company, in accordance with the Income Tax Regulations as at the date of this certificate. Considering the matter referred above, we are unable to express any opinion or provide any assurance whether:
- (i) the Company will continue to obtain these benefits in future; or
  - (ii) The conditions prescribed for availing the benefits, where applicable have been/ would be met.

There are no special tax benefits available to the Shareholders.

#### **Restriction on Use**

9. This certificate has been issued at the request of the Company for use in connection with the Arrangement Letter. This may be relied on by the BRLMs and the legal counsels appointed in relation to the Offer and may be furnished to the stock exchanges or any other statutory / regulatory authorities, as may be required under applicable law or under any direction of statutory / regulatory authorities or for the records to be maintained by the BRLMs in connection with the Offer. We hereby consent to extracts of, or reference to, this certificate being used in the DRHP and other offering materials, as required, in connection with the Offer.
10. All capitalized terms used but not defined herein shall have the meaning assigned to them in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus.

For **Lodha & Co**

Chartered Accountants

Firm's Registration Number: 301051E

R P Singh

Partner

Membership Number: 052438

Dated: June 19, 2018

Place: Kolkata

**SPECIALTAX BENEFITS AVAILABLE TO ANMOL INDUSTRIES LIMITED ("THE COMPANY") AND THEIR SHAREHOLDERS**

**I. Tax Benefits available to the Company under the Income-tax Act, 1961**

- (a) In accordance with and subject to the condition specified in Section 80 – IA of the Act, the company would be entitled for a deduction of an amount equal to hundred per cent of profits or gains derived from industrial undertaking engaged in generation and/or distribution or transmission of power for any ten consecutive assessment years out of fifteen years beginning from the year (i.e. P.Y. 2016-17) in which the undertaking has started its operation.
- (b) In accordance with and subject to the condition specified in Section 35DD of the Act, the Company would be allowed a deduction for the expenditure incurred wholly and exclusively for the purpose of amalgamation / demerger of an undertaking of an amount equal to one-fifth of the expenditure incurred for each of the five successive years.

**II. Tax Benefits available to the Shareholders of the Company under the Income-tax Act, 1961**

There are no special tax benefits available to the Shareholders of the Company.

## SECTION IV: ABOUT OUR COMPANY

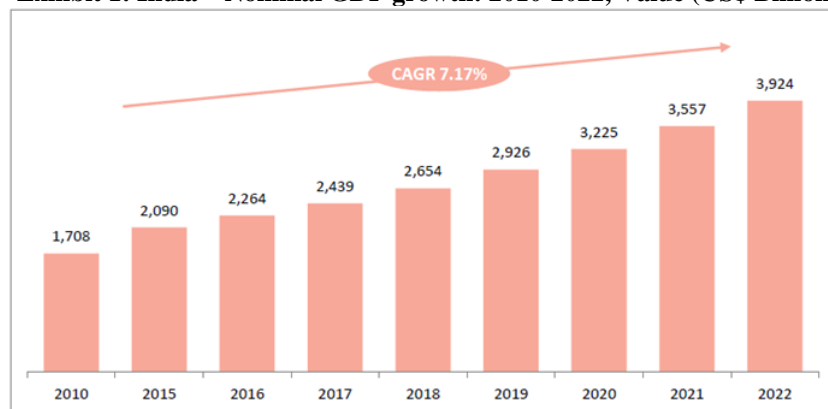
### INDUSTRY

*The information in this section is derived from the report titled “India Biscuits and Cakes Market” prepared by Frost & Sullivan (India) Private Limited dated April 15, 2018 which was commissioned by our Company and other publicly available sources. The information has not been independently verified by us, the Selling Shareholders, the BRLMs or any of our or its respective affiliates or advisors. The information may not be consistent with other information compiled by third parties within or outside India. Industry sources and publications generally state that the information contained therein has been obtained from sources they believe to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, forecasts and assumptions which may prove to be incorrect. Accordingly, investment decisions should not be based on such information.*

#### India’s Growth Story

##### India Macro-Economic Indicators

**Exhibit 1: India – Nominal GDP growth: 2010-2022, Value (US\$ Billion)**



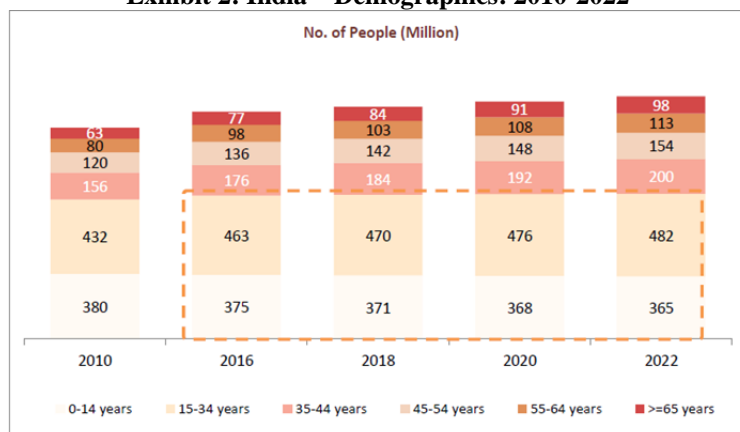
Source: International Monetary Fund

India was one of the few countries that continued to see brisk growth despite the global economic slowdown during 2014-2016. According to Reserve Bank of India (RBI), a 6.5% growth in real GDP and an improvement in the Gross Value Added (GVA) growth in FY-2018 is expected as crucial sectors are poised to revive from the disruptions caused by GST implementation and demonetisation. According to RBI, lower-than-expected inflation in 2017-18 pulled down the nominal GDP growth to about 9.5% as against the budgeted 11%-11.5% while the estimated GVA growth at 6.7% also fell short of expectation. The recovery in India’s GDP growth will be relatively gradual, preventing price pressures from rebounding and allowing the RBI to keep rates on hold.

With changing lifestyle and rising disposable income, the food market in India sees substantial investments. According to Ministry of Commerce and Industry, Indian organized packaged foods market is estimated at ₹ 2,450 Billion and is expected to grow at Compound Annual Growth Rate (CAGR) of 12% in the next five years. According to the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India received around US\$ 727 million worth of Foreign Direct Investment (FDI) during FY 2016-17. This is expected to increase in the coming years with FDI policy and procedure having been simplified and liberalized in key sectors like food processing, defence manufacturing, telecommunications, agriculture, pharmaceuticals, civil aviation, space, private security agencies, railways, and insurance etc.

Of the total food market in India, the share of food processing industry is about 32%. Contribution of food processing industry to the GDP is about 14%. This sector also accounts for about 6% of the total industrial investment. The per capita food consumption in India is almost one-third of developed economies. The low per capita consumption and shortage of food in particular pockets offer tremendous opportunities for food companies. This has been recognized by many companies, including the global multinationals increasingly investing in India.

**Exhibit 2: India – Demographics: 2010-2022**



Source: Health Nutrition and Population Statistics

India's population is expected to continue to grow at a stable rate of 1.1% over the next five years. The share of young people in the total population — 63% in 2016 — is of crucial importance and highlights an enormous potential for growth as youth population is the primary demand driver for various products, including foods in general and packaged foods in particular. A large percentage of youth population implies availability of a potentially large future workforce with the ability to spend more money. Increasing disposable income, availability of easy credit options are some of the critical factors influencing the spending. As compared to other emerging and developed economies India stands out with a higher share of young population. The percentage of youth population of other emerging economies is as mentioned: China--59%, Russia-51%, Brazil—53%, South Africa-56%, while in developed economies it is: UK—49%, USA—50%.

### Burgeoning Middle Class

**Exhibit 3: India – Split by Economic Class: 2010-2020**



**Note: Figures in the brackets represent million individuals. Poverty Line is as defined by the Planning Commission of India. The definition of poverty – ₹ 4,365 per month per household**

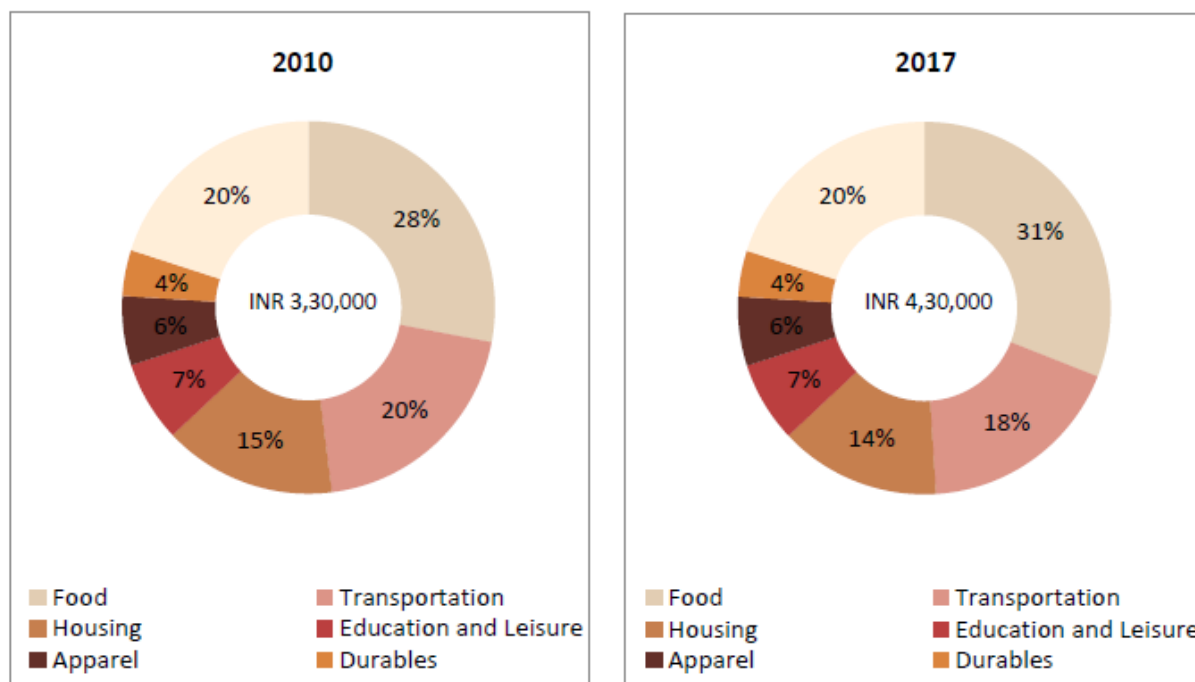
Source: National Council for Applied Economic Research (NCAER), and Frost & Sullivan

The middle class plays a vital role in the country's growth. Increasing from 44% of the total population in 2010 to an estimated 62% by 2020, the middle class is the primary propeller of demand across all sectors including food, consumer products, and realty to name a few. The economic liberalization of the early 1990s kick-started growth in the Indian market; attracted by this growth, a large talent pool, and cheaper labour costs, global companies entered India, unleashing multiple employment avenues, and thereby creating a more robust middle class.

Most companies target the middle class because of the sheer number of people in this bracket. With incomes to spend, being upwardly mobile, and influenced by global trends, the middle class has increased the share of wallet for food, especially packaged foods, while experimenting with tastes, cuisines, flavours, and products. Companies have started basing their strategies on the behavioural traits of the Indian middle class.

#### Share of Wallet – Indian Consumers

**Exhibit 4: India Middle-Class Consumer Expenditure Split by Type**



Source: Frost & Sullivan Analysis

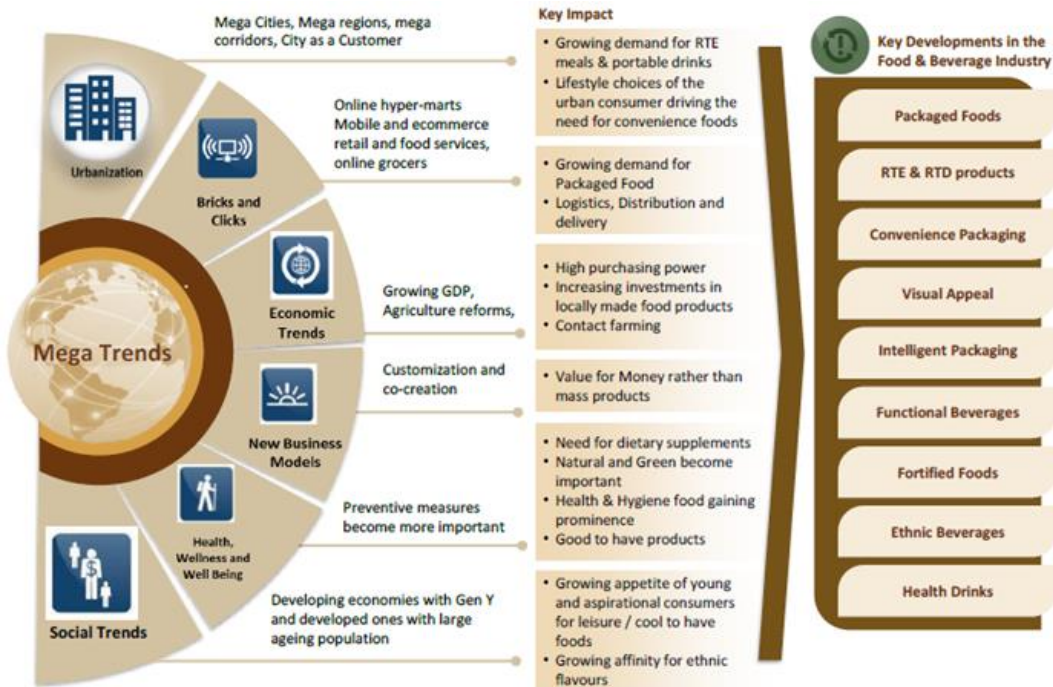
The figure mentioned indicates typical annual expenditure of an Indian middle class family

A look at the consumption pattern of the typical middle class or upper-middle class families in India indicates that about 31% of their total expenditure is on food. While this can be partially attributed to the increasing prices of essential food ingredients, the effect of packaged foods cannot be ignored. The large variety, ease of use, convenience, and instant options that are offered by packaged foods are very attractive to consumers, especially in cases where both the spouses are working, and there is not enough time to cook regular meals. Options ranging from packaged salads, snacks, ready-to-cook meat products and ready-to-eat meals are becoming an integral part of the Indian kitchen. With a variety of snacking options being available to the consumers, biscuits and cakes are also coming up with a variety of flavours and healthy snacking options to retain share of snacking items of the consumer. This trend is expected to continue as consumers, especially in large cities, face constraints for time due to long, uncertain working hours and lengthy travel times. Food companies have identified this trend and are innovating to deliver foods that offer taste and required nutrition with minimum effort and in the shortest possible time to the consumers. These needs for packaged foods will continue to drive the growth of the Indian food market over the next 5 to 10 years.

The major macroeconomic parameters like urbanization and increasing share of young population etc. highlights the potential and growth that can be expected in the food industry over the next ten years. Of this, the packaged foods market is of particular interest, as it is expected to witness double-digit growth over the next 5 to 10 years.

Megatrends are large social, economic, political, environmental or technological changes that occur gradually over a period and influence a wide range of activities, processes, and perceptions for extended periods. These trends are increasingly playing a critical role in driving growth and are significant for strategy development. Exhibit 5 showcases some of the key megatrends in India and their impact on the food industry.

## Exhibit 5: Mega Trends – Impact on Food Industries

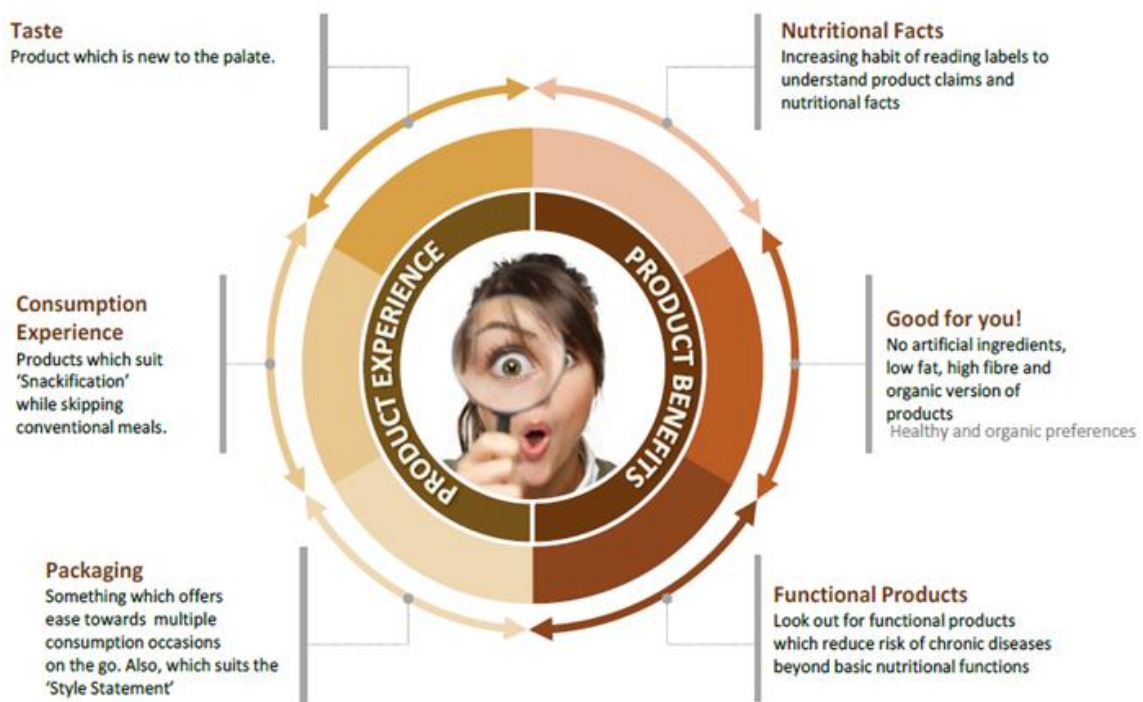


Source: Frost & Sullivan Analysis

With a trend towards urbanization and brick-and-click (online purchases), the demand for packaged foods will increase. Add to this the increasing awareness about health and wellness; consumers are looking for packaged foods that undergo minimal processing and are deemed healthy. Labelling of nutrition details and listing the ingredients are other significant outcomes of health and wellness. Social trends, with increasing penetration of the Internet and media, are resulting in consumers trying new cuisines, driving the demand for global flavours.

Some of the key product segments that will evolve based on the megatrends include Ready-to-Eat (RTE) and Ready-to-Drink (RTD) segments, fortified foods and functional beverages, intelligent packaging, ethnic and global tastes, etc. Some of the major consumer trends in the food industry as a result of megatrends are outlined in Exhibit 6.

## Exhibit 6: Key Consumer Trends in the Indian Food Industry



Source: Frost & Sullivan Analysis

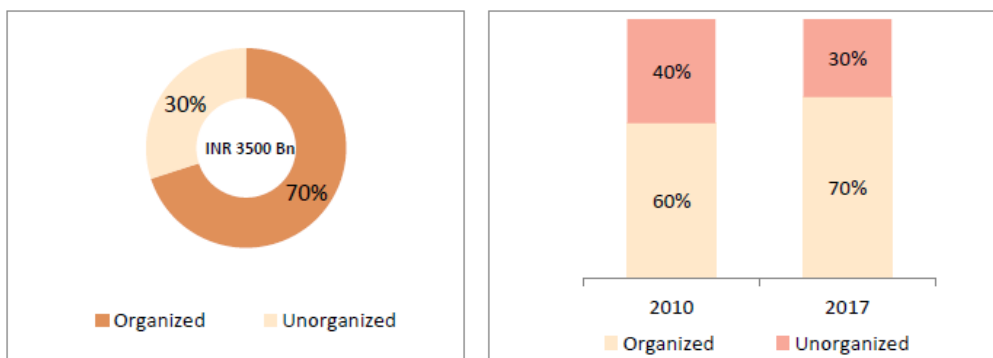


## Overview of the Packaged Food Market in India

### Packaged Foods Market

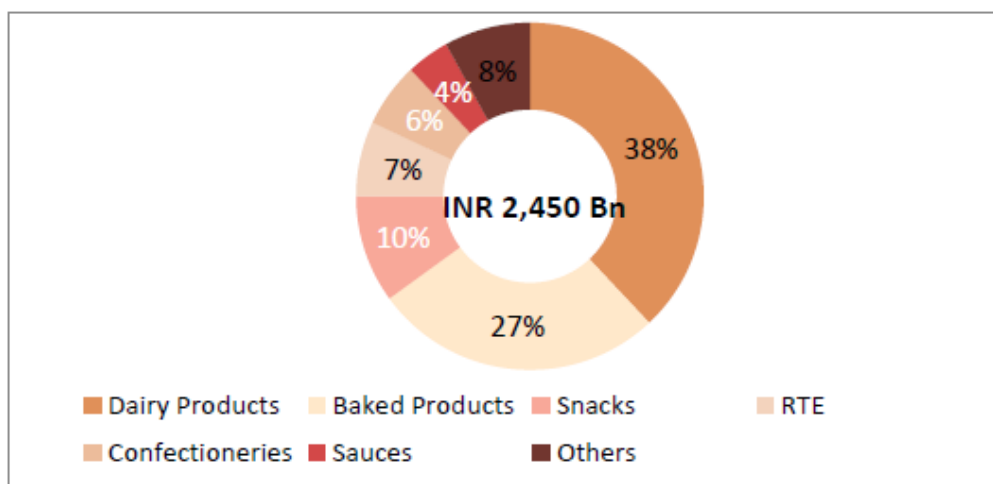
Packaged foods include ready-to-eat / ready-to-cook foods that are packed and sold to consumers. They are primarily aimed at convenience and usually undergo a certain degree of processing to increase shelf life, taste, stability, etc.

**Exhibit 7: India Total Packaged Foods Market – Split by Type, 2017**



- The total packaged food market is estimated to be about ₹ 3500 billion in 2017 with organized having a share of about 70% (2450 bn) and unorganized about 30%(1050 bn).
- In last 7-8 years, the preference for established brands of packaged food products have increased thus increasing the share of the organized market.

**Exhibit 8: India Organized Packaged Foods Market – Split by Product Type, 2017**



\* Others include packaged soups, canned foods, chilled and frozen foods, etc.

Source: Frost & Sullivan Analysis

- Lifestyle changes, increasing affordability, urbanization, and fast-paced lifestyle are some of the critical factors that have boosted demand for packaged foods. Over the last four to five years, the market for organized packaged foods has grown at about 20-25%.
- Packaged foods include bakery products, canned/dried processed food, frozen processed food, meal replacement products, dairy products, snacks, confectioneries, beverages, etc. While many of these segments were traditionally present, emerging categories are processed dairy products, frozen ready-to-eat foods, diet snacks, processed meat, probiotic drinks and so on.
- Increasing product and packaging innovation, emphasis on healthy foods and growing demand for convenience foods will continue to drive the demand for packaged foods at over 30% over the next few years, as well.

## Exhibit 9: Key Products and Growth Sectors – Packaged Foods India



### An Overview of the Top Three Segments of Packaged Foods



Over the next five years other sub-segments within packaged food like ready-to-eat is expected to increase at a CAGR of 18-20%, Confectionaries about 18-20%, and Sauces 8-9%

Biscuits is one of the biggest segments within bakery products, and has grown at a considerable pace over the last five years. The introduction of new flavours and variants has been one of the key drivers of growth, specifically premium biscuits options and health variants like digestive biscuits and fortified biscuits etc. For example, Britannia has been fortifying its biscuits with iron, vitamins and other nutrients thus building a sustainable business model.

#### Retail in India

India's retail segment is one of the fastest growing retail segments across the world, with organized retail expected to grow at an estimated growth rate of 18-20% and unorganized retail at a CAGR of 8-10% over the next five years. More than 90% of the retail market is dominated by the unorganized segment, the share of which should reduce to about 76% by 2020. With the advent of malls and supermarkets and hypermarkets even in Tier-2 cities, consolidation will continue in organized markets.

The highly unorganized traditional grocery set-up dominates the Indian retail market, with no market leaders. However, the number of bigger companies investing in retailing, modern retail outlets are increasing. Typically, the retail segment contains small shops / petty shops, independent small grocers (mom and pop stores), convenience stores, supermarkets, hypermarkets, vending machines, and Internet retailing. Independent small grocers dominate the retail space as they are present in every nook and corner and provide the basic necessities. While the total number of shops in India cannot be accurately estimated out due to the fragmentation and the unorganized nature of the segment, it is estimated that there are more than 8 million of these across India.

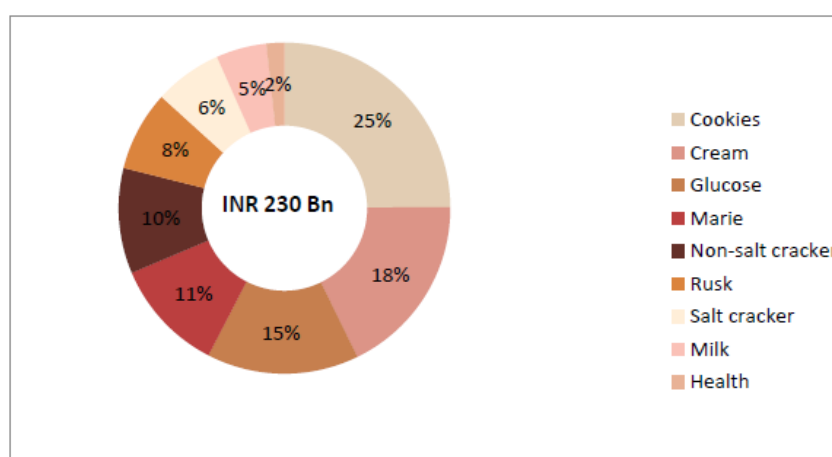
With respect to biscuits and cakes, all types of retail stores stock them. Petty shops stock the smallest SKU of popular products (typically range from ₹ 2 per SKU to ₹ 5 per SKU), while independent small grocers stock the most popular products with the highest-selling SKU, and hypermarkets and supermarkets usually stock family and large packs, in addition to the most popular SKUs. Vending machines are not that popular, while Internet retailing is still in the nascent stage and is expected to grow over the next few years.

### Indian Packaged Biscuits Market

Biscuit is one of the dominant segments of the Indian bakery market, accounting for 35% market share. The market is valued at ₹ 230 Bn in 2017 grew at a CAGR of 9.0% from 2010 to 2017. Further, it is expected to reach ₹ 340 Bn by 2022 growing at a CAGR of 8.2% between 2019 and 2022.

The biscuit market can be segregated into several parts including cookies, cream, glucose, marie, non-salt cracker, salt cracker, milk biscuits, health biscuits and rusks. Cookies represent the most popular biscuit type accounting for 25% of the Indian packaged biscuit market in 2017. It was followed by cream (18%), glucose (15%), marie (11%), non-salt cracker (10%), rusk (8%), salt cracker (6%), milk (5%) and health biscuit (2%)

**Exhibit 10: India Overall Biscuits Market – Market Share by Type, 2017**



Source: Frost & Sullivan Analysis

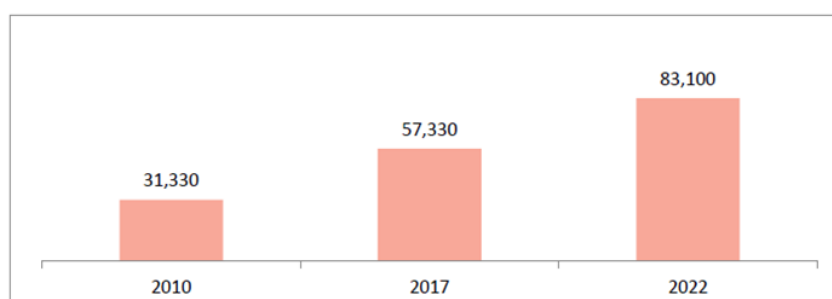
Cream biscuit, health-based digestive biscuit, non-salt cracker and marie biscuits are the most attractive sub-segments that are expected to grow rapidly (CAGR 9-11%) in the next five years. Demand for health and marie biscuits are mainly driven by growing health awareness among the consumers whereas cream biscuits are popular among kids and teenagers.

Demand for glucose and milk based biscuits are saturated as consumers are looking for new variants and flavours over the traditional biscuits subtype. Hence, this biscuit subtype is expected to have considerably slower growth rate (CAGR 4-6%) in the next five years.

### Cookies

The Cookies market was worth ₹ 57,330 million in 2017 and is expected to have a growth rate of 7.7% over the forecast period 2017 to 2022 to touch ₹ 83,100 million. A cookie is a sweet chunky product baked at low moisture content. It is made in a variety of styles with sugar, flour, spices, butter or cooking oil as primary ingredients and often including nuts, oats, resins, dry fruits, chocolate chips, etc. Cookies are mostly preferred by kids, often accompanied by a glass of milk, ice-cream or chocolate dessert. Britannia-Good day is a popular brand in cookies segment; Anmol's "Butter bake" cookies biscuit is also a popular brand and usually feature among top 3 cookie brand after Britannia Good day and Parle 20:20 mainly in Eastern region. Other major brands of cookies include (ITC) Sunfeast-Mom Magic, Priya gold-Italiano etc.

**Exhibit 11: India Cookies Market – Market size Value wise (₹ million)**

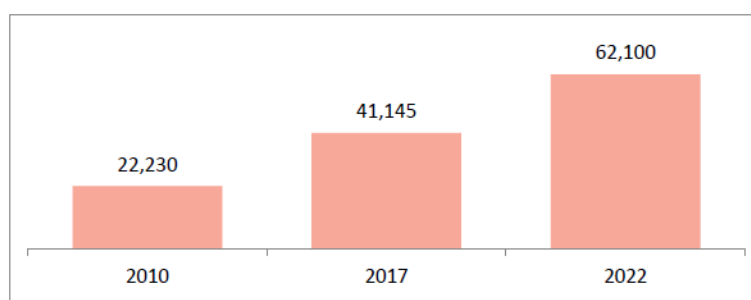


Source: Frost & Sullivan Analysis

### ***Cream Biscuit***

The cream biscuit market, valued at ₹ 41,145 million in 2017, is expected to grow at a CAGR of 8.6% from 2017 to 2022 to reach ₹ 62,100 million by 2022. Cream biscuits are available with cream filling in between the biscuit layer. In India, cream biscuits are available in a variety of flavours such as chocolate, elaichi, orange, strawberry, mango, custard, vanilla, etc. Chocolate is typically the dominant flavour in the Indian market, as reflected in the brand share. Britannia-Bourbon is the most popular brand in cream biscuits segment; followed by Sun feast-dream cream, Parle-Happy happy and Anmol's "Yummy" which are the top four in cream biscuit segment. Other popular cream biscuits available in India include Priya gold-Classic cream etc.

**Exhibit 12: India Cream biscuit Market- Value wise (₹ million)**

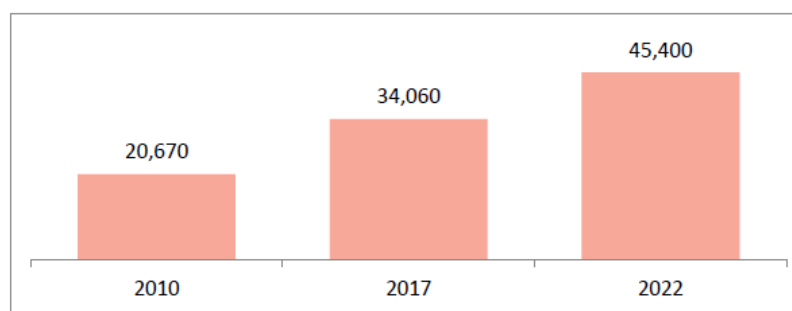


Source: Frost & Sullivan Analysis

### ***Glucose Biscuits***

The glucose biscuits market was pegged at ₹ 34,060 million in 2017 and is expected to have a steady growth by 2022 to reach ₹ 45,400 million, at a CAGR of 5.9% from 2017 to 2022. Glucose biscuits are made up of quality flour, glucose, and sugar, leavening agents, milk solids, partially hydrogenated edible vegetable oils, invert sugar syrup, dough conditioners, emulsifiers, laevulose and added flavours. The flavours are delicately balanced that glucose biscuits are liked by both the adults as well as children. They are extremely nutritious and provide instant energy and relief from hunger. Parle-G is an eminent glucose biscuit consumed with tea and coffee in India; other glucose biscuit brand includes Britannia-Tiger, Sun feast-Glucose etc.

**Exhibit 13: India Glucose biscuits Market – Value wise (₹ million)**

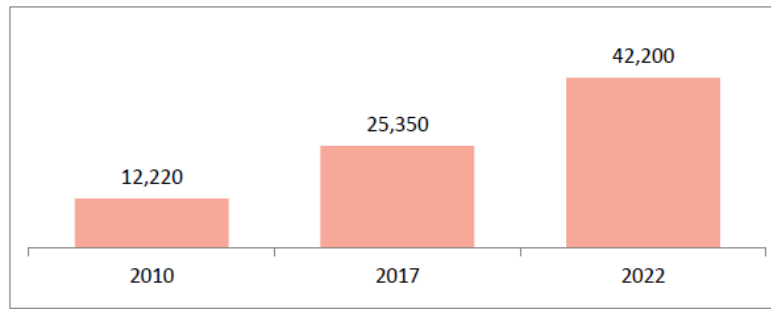


Source: Frost & Sullivan Analysis

### ***Marie Biscuit***

The marie biscuit market, valued at ₹ 25,350 million in 2017, is expected to reach ₹ 42,200 million by 2022, growing rapidly at a CAGR of 10.7% from 2017 to 2022. Marie biscuits are crisp and light with low fat and zero cholesterol. They were introduced in India under the British rule as a tea biscuit. They are packed with vitamins and minerals and liked by people of all age groups. Due to their low calorie, sugar and flour content, dieticians recommend marie biscuits to fitness-conscious consumers and diabetics. In India, top four brands of marie biscuit include Vita Marie (Britannia Industries), Parle- Marie, Sun feast- Marie Light (ITC Limited) and Anmol-Marie plus.

**Exhibit 14: India Marie biscuits Market – Value wise (₹ million)**

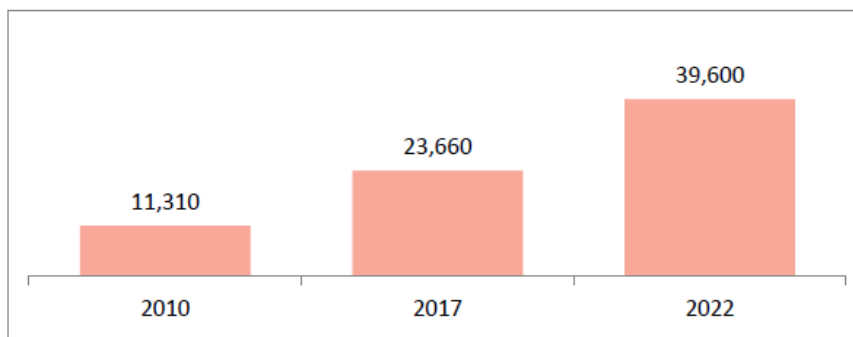


Source: Frost & Sullivan Analysis

### **Non-salt Crackers**

The non-salt cracker market, valued at ₹ 23,660 million in 2017, is expected to reach ₹ 39,600 million by 2022, growing at a CAGR of 10.9% from 2017 to 2022 thus being one of the fastest growing biscuit subtypes. Non-salt crackers are crispy crackers with a small amount of salt, great texture and taste. They are made with flour, vegetable oil and contain 2% or less of salt, sodium bicarbonate, wheat gluten, malted barley flour and yeast. These crispy crackers offer sodium-conscious consumers a great option for snacking and are typically positioned as healthy snacking options in order to drive growth. Parle-Monaco is the most notable brand in this sub-segment; followed by Britannia-Nutrichoice cracker, Sunfeast-Snacky and Anmol-dreamlite featuring among the top four brands.

**Exhibit 15: India Non-salt cracker biscuits Market – Value wise (₹ million)**

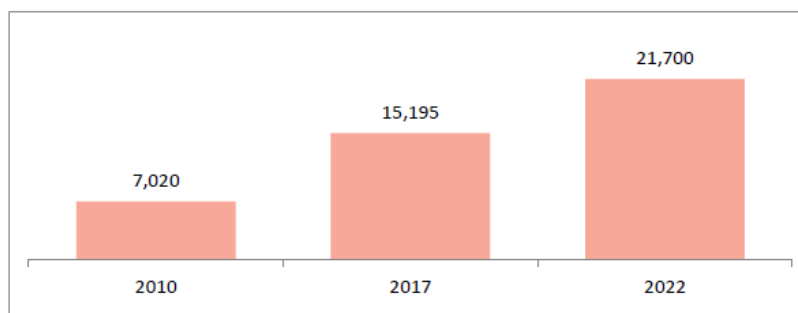


Source: Frost & Sullivan Analysis

### **Salt Cracker**

The salt crackers market, valued at ₹ 15,195 million in 2017, is expected to reach ₹ 21,700 million by 2022, growing at a CAGR of 7.4% from 2017 to 2022. Salt cracker is a light and crunchy biscuit, sprinkled with coarse salt. It is made from yeast, white flour, baking soda and several additional flavours such as cheese, bacon, etc. It is a low-calorie bakery item made with a small amount of fat ingredient. It has a distinctively dry and crisp texture with perforations over its surface. Parle-Krack jack is one of the most popular brands in this sub-segment; Anmol's 2 in 1 snackles is also popular, featuring in the top 3 brand mainly in Eastern market after Krack jack and Britannia-50:50; other brands include Sunfeast-Sweet n salt etc.

**Exhibit 16: India Salt cracker biscuits Market – Value wise (₹ million)**

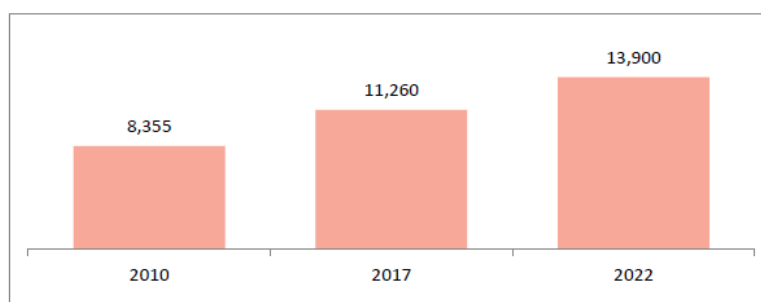


Source: Frost & Sullivan Analysis

### **Milk biscuits**

The milk biscuits market, valued at ₹ 11,260 million in 2017, is expected to reach ₹ 13,900 million by 2022, growing at a CAGR of 4.3% from 2017 to 2022, and probably is the slowest growing biscuit subtype top four brands in this sub-segment includes Britannia-Milk bikis, Parle-Milk Shakti, Sunfeast-Milky magic, Anmol-Milk made.

**Exhibit 17: India Milk biscuits Market – Value wise (₹ million)**

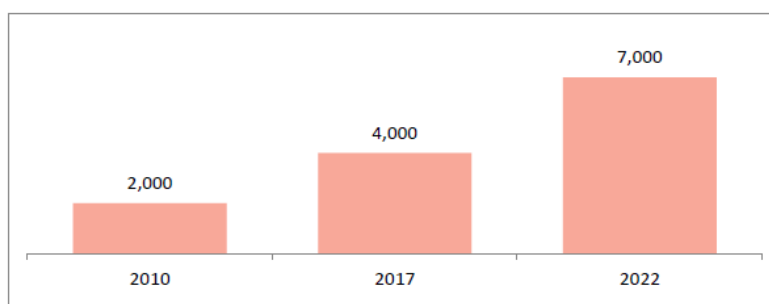


Source: Frost & Sullivan Analysis

### **Health biscuits**

The health biscuits market was valued at ₹ 4,000 million in 2017 and is expected to reach ₹ 7,000 million by 2022, growing at a CAGR of 11.7% from 2017 to 2022 and probably is the fastest growing biscuit subtype top four major brands in this sub-segment includes Britannia-Nutrchoice, Parle-Simply good Digestive, Sunfeast-Farmlite and Anmol-Digestive.

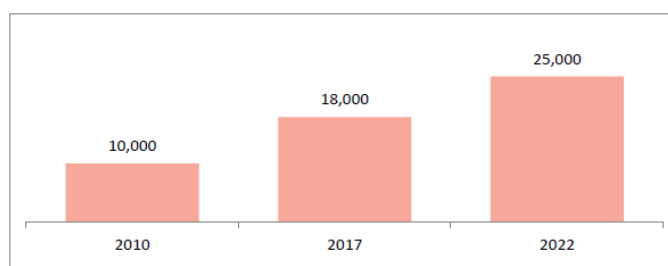
**Exhibit 18: India Health biscuits Market – Value wise (₹ million)**



### **Rusk market**

The rusk market was valued at ₹ 18,000 million in 2017, and is expected to reach ₹ 25,000 million by 2022, growing at a steady rate of about 6.8% from 2017 to 2022 Parle, Britannia etc. are few of the major brands in this sub-segment.

**Exhibit 19: India Rusk Market – Value wise (₹ million)**



## **Key Trends in the Biscuits Industry**

### **Impact of Grammage**

Before the implementation of GST, biscuits priced below ₹ 100 per kg were exempted from excise duty and hence were taxed around 14% while those above ₹ 100 per kg had to pay 22%-24 % tax.

Under GST, the taxes have been rationalised at 18%. As biscuits largely have a fixed price point, biscuit makers are bringing down the weight of the below ₹ 100 category by 4-5 % and are passing on the tax benefit in the ₹ 100-plus categories by increasing the weight.

### **Advertising strategy**

Advertising is critical to the success of the FMCG industry. Biscuits, being a low product involvement, nominal decision-making category relies heavily on advertising and promotions to drive sales. Advertising in all forms (national, regional, industrial, retail,



product, brand etc.) are designed to achieve a variety of objectives (awareness, preference, brand recognition etc.). Different brands use different advertising strategies.

#### *Changing trends in raw material sourcing method*

Companies typically relied on placing larger order sizes assuming that buying in bulk was cost-effective. However, bulk purchasing models had limited benefits and resulted in increasing inventory costs. Accordingly, companies have started opting for buying smaller consignments at frequent intervals, thereby reducing the working capital requirement and also the overall interest cost.

#### *Changing trends in inventory management systems*

The earlier practice of planning production based on the sales forecast analysis resulted in delayed delivery of products to retailers. This practice was changed to maintaining a minimum stock level at all its warehouses. This also brought down the working capital held up in the warehouse in the form of finished goods by reducing warehousing stock by roughly 30%. This not only resulted in the reducing inventories but also has helped minimise wastages. Most biscuit companies today aim to reduce their stock levels to the minimum.

#### *Impact of introduction of premium varieties and impact of urbanization on the product mix*

“Premiumization” is the emerging trend in the Indian biscuit market. With the increasing disposable income, consumers are ready to pay for quality and tasty products. Big players such as Parle, Cremica and Britannia are capitalizing on this emerging trend with product innovation and various promotional strategies.

Premium biscuit market accounts for about 22% of the overall biscuit market and is valued at about ₹ 50 billion in 2017. It is expected to grow at a CAGR of about 7% to reach 70 billion by 2022.

Parle initially focused on the mass marketing of products primarily plain biscuits, but now it focuses on the niche segment as well. The company has introduced its premium product segment “Milano” targeting the premium urban customer. “Golden Bites” is the premium cookie segment of Cremica. Britannia invested over ₹ 1000 million to expand its premium segment, which is rapidly evolving due to the change in customer preference and taste. Sunfeast Biscuits also had ventured into premium category through brand like Dark Fantasy which captured considerably good market share with its innovative centre-filled format and high-quality packaging.

Urban customers are not concerned about the price; however, taste, innovative flavours, variety and health aspects are the key important factors to decide on a variety of products.

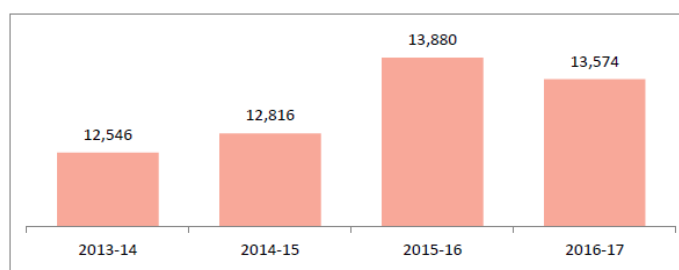
Thus, building brand identity through different channels is the key challenge for market players catering the new-age digital customers.

Gifting high-end premium cookies is another major emerging trend in metro cities. This trend has become popular due to the longer shelf life of cookies compared to chocolates and sweets. Furthermore, organized retail such as supermarkets and hypermarkets are boosting the market of the premium biscuit segment in India.

#### *Export of packaged biscuits and key export destinations*

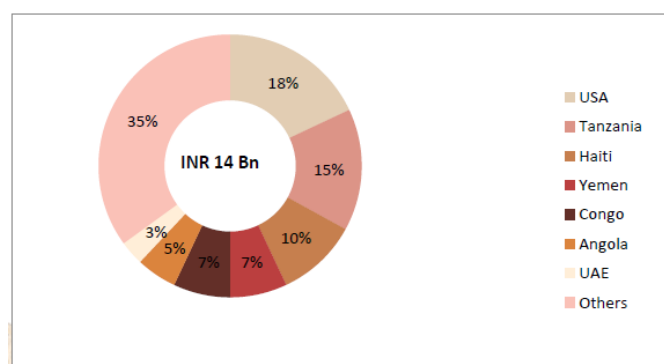
India is the third largest producer of biscuits in the world; however, the per capita consumption of biscuit in India is very less about 2 kg per person as compared to 10 kg in USA, UK and Europe. The exports experienced a gradual increase of about 5% between FY-14 to FY-16. However, export was decreased by about 2% between FY-16 to FY-17 as demonetisation impacted domestic manufacturing for a brief period. However, with manufacturing gaining pace, the exports are expected to increase in near future.

**Exhibit 20: Export value of Packaged biscuits (₹ million)**



Source: Ministry of Commerce

**Exhibit 21: Key export destinations – 2016-17**

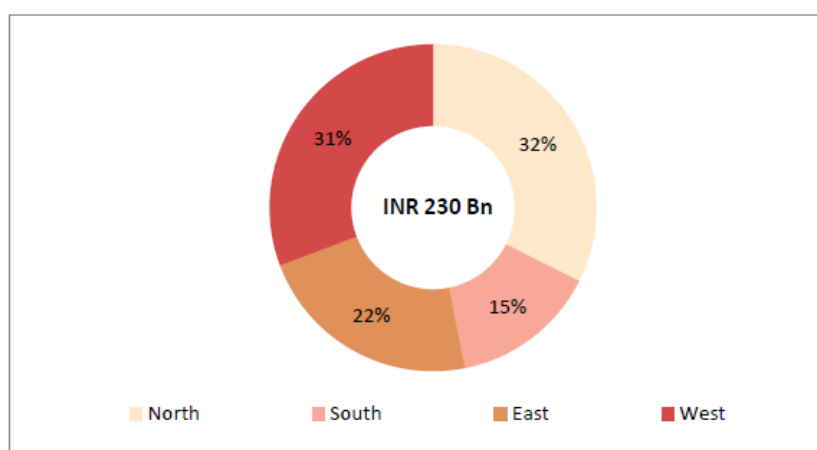


Source: Ministry of Commerce

Key export destinations include USA, Tanzania, Haiti, Yemen, Congo, Angola, UAE and others.

### ***Regional Markets Overview***

**Exhibit 22: India Packaged Biscuits Market – Split by Region, 2017 – ₹ 230 Bn**



North and West account for more than 60% of the demand for biscuits in India. Due to huge market opportunities in the north, many companies are planning to strengthen their focus on the region. For example, Unibic Foods is likely to introduce family packs in its quest for a bigger share of the pie up north and a double-digit market share nationally. This trend is basically to increase the volume sales in the short term and is basically a part of the introductory offering by the company.

Maharashtra, West Bengal, Andhra Pradesh, Karnataka and Uttar Pradesh are among other states witnessing high biscuit consumption over the last few years.

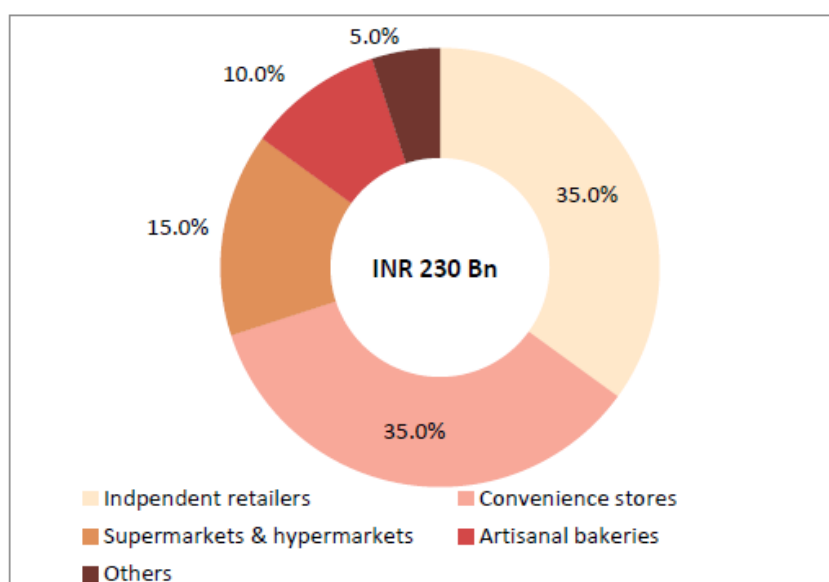
### ***Distribution Channels Overview***

Majority of the packed biscuits are currently being sold through independent retailers and convenience stores which together accounts for about 70% by value of the market followed by supermarkets/ hypermarkets accounting for about 15%. There are over 25,000 convenience stores and about 10,000 supermarkets/ hypermarkets present across India; urbanization coupled with the changing lifestyle is driving the growth of this retail format.

Artisanal bakeries occupied 10% of the share by value of the market. This type of distribution channel often sells custom-made products. Biscuits from artisanal bakeries are handmade and have a limited shelf life.



**Exhibit 23: India Biscuit Market breakup by Distribution Channels, 2017**



Note:

*Independent retailers* include kirana stores/Mom and pop stores etc.

*Convenience stores* are retail business that stocks a range of everyday items such as groceries, snack foods etc. e.g.: 24seven, Vishal mega mart, Apna Bazaar, Patel R Mart, Society stores etc.

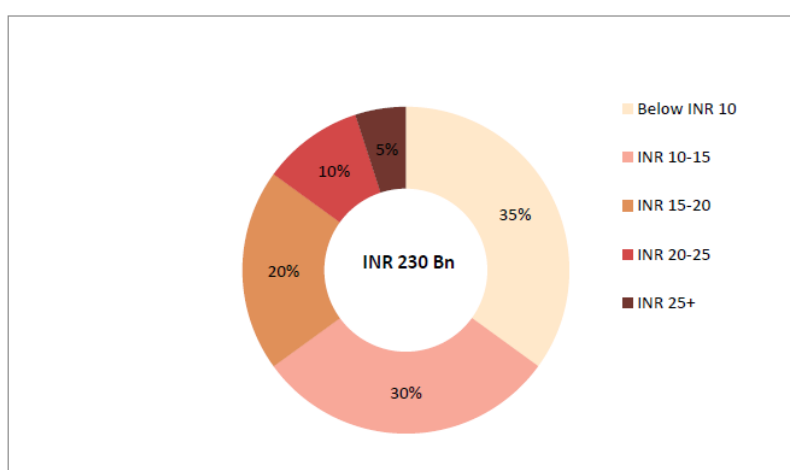
*Super market & Hyper market* are large retail establishments like DMart, Hyper city, Reliance fresh, Bigbazar etc.

*Artisanal bakeries* are local bakeries usually offering handmade bakery products.

*Others include:* Railway canteens, Outlets at Airports, Metros etc.

**SKU split and small pack size offerings**

**Exhibit 24: Market size estimation for various price points, 2017**



The biscuit market in India is expected to be about 4 million tonnes in volume

Smaller pack sizes (SKU's in the range ₹ 10 and below till ₹ 15) are most popular across both urban and rural market and accounts for about 65% of the market. Whereas premium brands and larger pack size (i.e. SKU's in the range of ₹ 15-25 and 25+) together account for about 35% of the overall market.

Britannia leveraged on low unit price offerings, in the mass as well as premium segments in order to gain inroads into the rural market. For e.g., company was successful in pushing ahead 'Good Day' biscuits in rural areas through ₹ 10 and below packs.

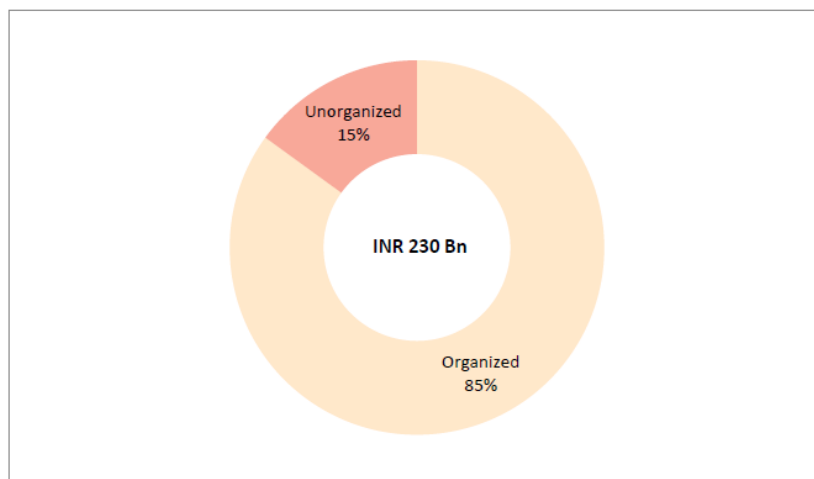
Similarly for Parle more than 50% of its largest selling glucose brand Parle G comes from the rural markets with price points of ₹ 10 and below, thus the company has also introduced its premium brand Milano and mass brands like 20:20 in single packs of ₹ 10 and below to help increase penetration of the cookie category further in the hinterland.

Anmol biscuits too are competing in rural and Tier -2, Tier 3 cities through low unit price offerings.

### ***Organized vs Unorganized Market***

India's biscuit industry is dominated by few large players; about 85% of the industry is organized while the remaining 15% is unorganized. Major organized players are Britannia, Parle, ITC, Anmol and Mondelez among others.

**Exhibit 25: Biscuits market: Organized-unorganized breakup – 2017**



Source: Frost and Sullivan Analysis

The emergence of organized retail is also driving the market for organized biscuits segment in India. Although the market is highly competitive, large players are likely to build on their R&D and supply chain strengths to retain their dominant position. Britannia has invested around ₹ 600 million to expand its capacity in Pratapnagar and ₹ 1000 million to develop its premium biscuits products portfolio.

Implementation of GST is also playing an instrumental role in the growth of the organized sector. It is likely to impact the growth of the overall industry as well as the small unorganized players targeting the rural market.

### ***Key Drivers and Challenges***

#### ***Drivers***

##### **Increasing disposable income**

India's income levels expected to triple by 2025 favour an alteration in the consumption pattern, away from the basic necessities such as food and apparel. A consistent increase in income levels and disposable incomes will fuel consumption expenditure. Consequently, the demand will increase for premium products cookies and home-made customized biscuits in key Indian cities.

##### **Changing lifestyle**

The purchasing pattern reflects a rapid change in consumer preferences. With the increasing economic growth and changing the lifestyle of urban Indians, anytime snacks like biscuits are becoming indispensable these days. Convenience has emerged as the primary requisite among people. The mindset of Indian consumers has shifted from 'saving' to 'spending' with a 'value for money' outlook.

##### **Changing consumer behaviour**

The recent trend of consumers looking for healthy snacking options has impacted even the biscuits segment; companies have been introducing healthy variants like digestive biscuits or fortifying its biscuits with iron, vitamins and other nutrients in order to target such consumers. Similarly, young consumers are demanding new flavours instead of traditional flavours, and hence all the major biscuit companies do offer a number of variants in terms of flavours and biscuit type. Keeping up with these changing trends will be one of the key drivers for biscuits industry.

##### **Low per capita consumption**

India is the third largest producer of biscuits in the world; however, the per capita consumption of biscuit in India is very less about

2 kg per person as compared to 10 kg in USA, about 11 kg in Italy, and about 12 kg in UK. Considering this India provides a huge opportunity and scope for biscuit manufacturers to target the untapped market thus increasing the per capita consumption.

### *Premiumization*

Premiumization in the biscuits industry has been one of the major factors driving growth. Major biscuit brands are introducing premium categories in the market in order to create differentiation, expand their target consumer base and maximize their margins. A company like Parle, a pioneer in glucose biscuits has also had to focus on premiumization gradually and has introduced premium biscuits under the “Milano” brand. Similarly, ITC ventured into premium category through its “Dark Fantasy” range of products.

### *Challenges*

#### Increasing Cost

Increasing raw material prices serves as a major bottleneck in the growth of the Indian biscuit market. Due to erratic weather pattern production of wheat gets negatively affected which in turn increase the price of the product. Moreover, the recent proposals from the government to revise the minimum purchase price of wheat, sugar in order to relieve the farmers will ultimately affect the pricing of biscuits.

Increasing fuel prices: Fuel price has a direct correlation with the production cost of the biscuits. Hence, continuous increase in fuel price has a negative impact on the biscuit market growth.

#### GST rollout

The recently rolled out GST is the biggest hurdle biscuit industry is currently facing. The GST council has kept biscuits at 18% tax slab under the Goods and Services Tax. To comply with high GST slab, manufacturers will be forced to increase the product price to the consumer. However, Biscuit manufacturers are demanding a lower GST rate on biscuits and related products than the current 18 percent, considering biscuits as mass consumption food product.

#### Distribution challenges

Lack of warehousing and transportation facilities mainly to rural market act as a deterrent for biscuit manufacturers to undertake larger consignments.

#### Availability of alternative snacking items

Over the last few years, the packaged foods have provided a variety of snacking options to the consumers, especially the kids and younger consumers demand new variety in snacking. This changing trend in consumer behaviour has become one of the key challenges for biscuit companies maintain themselves as a preferred snacking option in the minds of the consumer.

### ***Biscuits***

#### *Tiers of Competition*

**Exhibit 34: Tiers of Competition**

<b>Tier</b>	<b>Companies</b>	<b>Share</b>
Tier 1	Britannia, Parle, ITC, Anmol	80%
Tier 2	Unibic, Surya foods, Bisk farm, Mrs. Bectors	14%
Tier 3	Dukes foods, Sobisco	6%

*Note: Market share is in terms of revenue for CY 2017*

Tier 1: companies having minimum 5% market share;

Tier 2: companies having about 1 - 5% market share;

Tier 3: companies with less than 1% market share;

Britannia, Parle, ITC and Anmol are the top four brands in the Indian Biscuit market. Other major brands having a considerable presence are Surya foods- “Priya gold”, Unibic, Bisk farm, and Mrs. Bectors.

The top-4 brands together account for about 80% of the market.

### Branding & Advertising strategy

Parle and Britannia have developed a strong connection with consumers through their branding and advertising strategies. Britannia has high advertising budgets for their key products like Good day and Bourbon. Britannia has been a pioneer in celebrity brand endorsement for biscuits. Similarly, Parle started with the fresh campaign “Bharat ka Apna Biscuit” to reposition itself. In addition, Parle has recently come up with a campaign which highlights the many different types of biscuits which Parle manufactures. The reason for this campaign was that Parle as a mother brand was getting weaker as compared to the brands of its individual products such as Krackjack, 20-20, etc.

Anmol too has followed the market leaders and has increased its advertising budget and has recently roped in Bollywood celebrity Akshay Kumar to achieve a good brand recall.

Anmol has increased its investment in brand building and has revamped the logo and the packaging to gain increased consumer attention in new geographics. The new idea for Anmol Biscuits has ‘taste’ as its core idea, which has been incorporated in the core brand campaign.

### Product variants & Premiumization strategy

Major Biscuit brands have been proactively introducing new variants/flavours in the market in order to create differentiation; Parle biscuits include Parle-G, Monaco, Hide & Seek, Krack Jack, 20-20, Milano, Top, Creams, Happy-Happy, Actifit and Marie. Similarly Britannia have also introduced many product variants and subcategories under its belt like Good day, Crackers, Nutrichoice, Marie gold, Tiger, Milk bikis, Bourbon etc. Britannia has already introduced several upgrades to its Tiger biscuits which compete directly with Parle-G. There are 7 variants to Tiger glucose biscuits compared to Parle’s single variant—Parle Gold. Anmol too has over been introducing new variants/flavours in the market some of the key biscuits for Anmol include Anmol Butter bake, e-time, Milk made, Marie plus, Digestive, Yummy, Twinz, 2 in 1, Veg munch etc. With an aim to target diverse customer segment the concept of Premiumization came into the picture. Parle earlier use to focus only on plain biscuits, however with changing consumer preference they also started targeting premium product segment and introduced brands like “Milano” Britannia invested over ₹ 1000 million to expand its premium segment, also ITC ventured into Premium category through brand like Dark Fantasy. Premiumization is one such area for Anmol which needs to be focused on in order to further compete with the major brands. In the near future they would look to compete with major brands in the premium segments as well and maximize their margins

### Supply chain strategy and Retail touch points

A well-established supply chain and distribution network is very useful to achieve the last mile connectivity and ensuring availability of the product on the shelves. All the major companies like ITC, Parle and Britannia have a strong network of sales and distribution channel to cater to the customer’s need, e.g. Parle distribution network for biscuits has essentially four levels: Parle depots (about 40 depots), stockist (about 2000) and distributors having a reach to over 4 million retailers. Britannia, on the other hand, has over 50 depots, about 3500 stockists, and a reach to over 5 million retailers. ITC has their biscuits available at over 2 million retail stores in India.

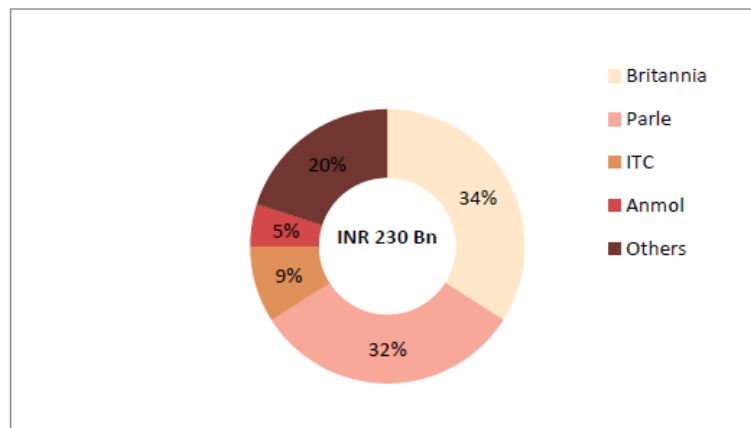
Over the years Anmol has also focused on strengthening its distributor-retailer network and currently has 3 Depots, more than 200 super stockists, 2500+ distributors and a reach to about 1.8 million retail outlets thus providing strong competition to major biscuit brands at the national level.

### To increase Manufacturing capability

With growing demand both in domestic and exports market, major brands are investing largely in their manufacturing capability. Britannia Industries Ltd will set up its biggest manufacturing facility at Ranjangoan in Maharashtra at an investment of ₹ 1,000 crore; it will be fully functional in 4-5 years. ITC too are investing ₹ 4,000 crore over the next few years to set up factories to manufacture products across different categories including “Sunfeast biscuit brand.”

Anmol has been aggressively growing over the last 5-7 years by expanding its product portfolio and manufacturing capability. The company invested more than ₹ 130 crore for new biscuit plant in Odisha to cater to the Southern market.

**Exhibit 35: Competitive landscape-Market Share Tier 1-Biscuits**



Note: Market share is in terms of revenue for CY 2017

Source: F&S Analysis, Industry estimates

#### Key Regional Competitors

**Exhibit 36: Region-wise other players**

Regions	Companies
North	Britannia, Parle, ITC, Anmol, and others like Surya, Patanjali
East	Britannia, Parle, Anmol, ITC, and others like Bisk farm, Sobisco
West	Britannia, Parle, ITC and others like Anmol, Sarjena foods
South	Britannia, Parle, ITC, Anmol and others like Dukes, Rose biscuits

North is a competitive market with a considerable number of local brands competing in the biscuit segment, along with the major brands; in the Northern region, Anmol stands at the 4th position after the top three brands, i.e. Britannia, Parle and ITC. Anmol has a strong presence in high volume market of the Northern region thus giving it an advantage over other local brands.

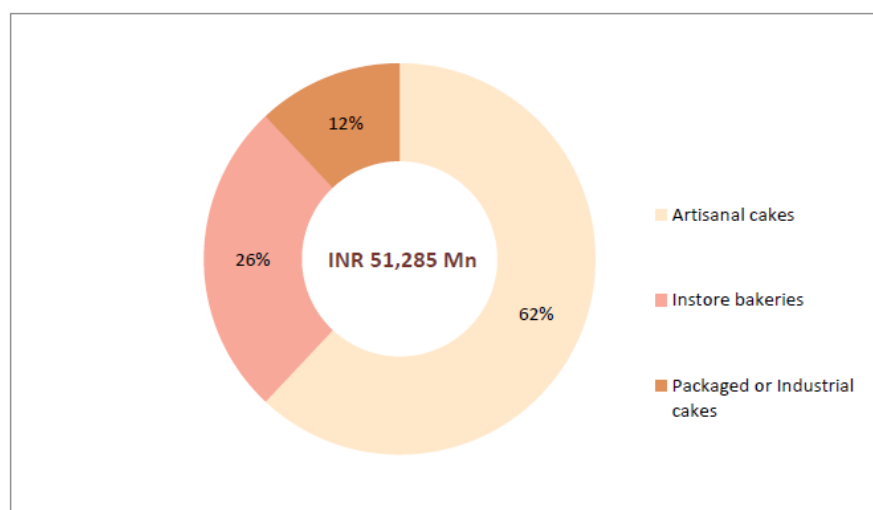
In East, Anmol stands at 3rd position after Britannia and Parle and marginally above ITC, whereas in South and West Anmol is aggressively trying to expand its market over the next 2 to 3 years.

#### Indian Cakes and Pastries Market

The Indian bakery industry is one of the biggest sections in the country's processed food industry. The bakery market is mainly segmented into various product categories like bread, biscuits, pastries, cakes, buns and rusks. The cakes and pastries segment has the third highest share in the overall bakery market in India with 12.2% share in 2017. The cakes and pastries market has grown at a CAGR of 16.8% from 2010 to 2017 to reach ₹ 51,285 million from ₹ 17,420 million. Further, it is expected to reach ₹ 106,800 million by 2022 growing at a CAGR of 15.1% between 2019 and 2022.

Companies such as Britannia have launched single portion packs, which has boosted the sale of packed cakes.

**Exhibit 26: India Cakes and Pastries Market – Market Share by Type, 2017**



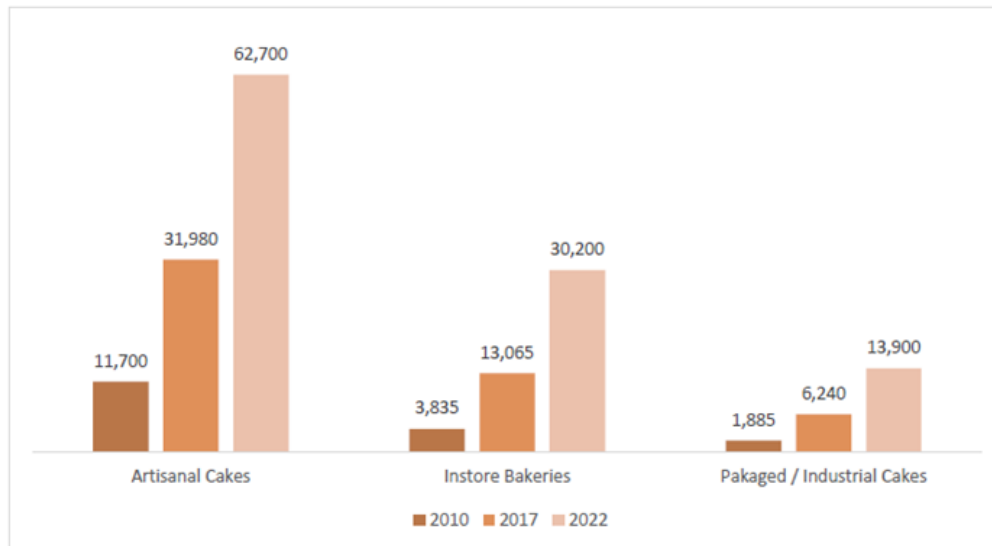
Source: Frost & Sullivan Analysis

### Artisanal Cakes

About 62% of cakes and pastries are sold in unpacked/artisanal form. The market valued at ₹ 11,700 million in 2010 grew at a CAGR of 15.4% during 2010 to 2017 to reach ₹ 31,980 million. The influence of western culture and competition in the global market has increased the market share of this segment. Lately, there has been a new trend of custom-made designer cakes for various occasions such as weddings, anniversaries, birthday parties and other parties and occasions. As a result, the artisan cakes market may touch ₹ 62,700 million in 2022 at a CAGR of 14.4% between 2017 and 2022.

**Exhibit 27: India Cakes and Pastries Market – Market Value by Type, 2010, 2017 and 2022**

(₹ million)



Source: Various Industry Sources

### Instore Bakeries

In-store cakes and pastries have been gaining popularity recently due to convenience and ready availability. It accounts for 25% of the market share of cakes and pastries. In 2010, in-store bakeries were not so popular and had a market of only ₹ 3,835 million, but its market value jumped almost three times to ₹ 13,065 million in 2017 at a CAGR of 19.1%. Since the popularity has been growing, the market is expected to show an upward trend reaching ₹ 30,200 million by 2022, growing at CAGR of 18.2% during 2017 and 2022.

### Packaged and Industrial Cakes

Packaged cupcakes, muffins, pound cakes and sponge cakes are produced in bulk quantity and hence are called industrial cakes. These cakes are in constant demand mostly in urban areas due to its variety, easy availability and the recent trend of ready-to-eat packaged food. In 2017, the market value for industrial cakes is ₹ 6,240 million, which was 18.6% CAGR over the 2010 market value of ₹ 1,885 million. The estimated market value for industrial cakes in 2022 is ₹ 13,900 million growing at a CAGR of 17.3% between 2017 and 2022.

### Key Trends in the Cakes Industry

#### Increasing number of bakers

Over the last few years' new entrants entered into the market resulting in an increase in the numbers of bakers. Many unorganised bakers too have come up with innovative ideas to stay steady in the competition. Lately, many bakers have started baking at the convenience of their homes and selling products at good profits. However, these artisanal bakeries are highly fragmented holding sway in a particular region. However, packaged and industrial cakes have a longer shelf life and are finding steady demand across India. Companies like Britannia, Parle Monginis, and Elite who are based in India for a long time, have a well-established consumer base. Anmol over the last decade has rapidly graduated from being a local player to an established brand in cakes market competing with the major players especially in North and East India.

#### Changing Consumer preferences and new variants

With changing consumer preference, Indian bakery industry has been using innovation in ingredients. Consumer preferences have changed with greater demand for value-added fresh cream cakes. For instance, individuals prefer fresh cream cakes with mixed flavours like chocolate cakes with caramel, vanilla, fruits or fresh cream instead of the plain variety. Similarly, packaged cakes

available in different flavours are preferred for corporate gifting or as snacking option. Major companies keep up with these changing consumer preference and have been offering attractive variants of cakes.

### *E-retailing of bakery products*

In the age of online shopping and mobile app, bakery companies are leaving no stone unturned in capitalizing on Indian appetite for bakery items. The rising number of bakery chains and the steady escalation in the industry size has led to bakeries offering online portals for selling their bakery products. The convenience of just a click away phenomenon has caught Indian consumer in a strong way. The Indian shopper is evolving, and although the concept of online bakery has been accepted in metros and big cities, more shoppers would prefer this mode in the near future. Even in case of packaged cakes, companies like Britannia, Parle etc. have their products sold through online shopping portals.

### *Impact of Premiumization and urbanization on the product mix*

The cakes and pastries market is expected to reach ₹ 106,800 million by 2022 growing at a CAGR of 15.6% from 2017-2022. The growth in the market is likely to be supported by product developments and flavour extensions in categories such as frozen pies, cake rolls and pound cakes, among others. Further, the rising consumer focus on quality ingredients has also led to the introduction of healthier products.

About 30% of the overall cakes and pastries market accounts for the premium segment valued at about ₹ 15,400 million. Premium segment is expected to grow at CAGR of about 12% to reach ₹ 27,000 million by 2022

*Rising urbanization:* Increasing urbanization and rising disposable income have resulted in increased purchasing power of the consumers. The urban population having good disposable income prefers to buy readily available processed foods such as pastries, cakes, snacks and sweet pies. India's urban population is estimated to reach close to half a billion by 2020. (Source: <http://www.thehindu.com/opinion/columns/indias-coming-urban-mega-crisis/article18401689.ece>)

*Demand from millennial:* Meanwhile the rising millennial population is also has been demanding more premium varieties of cakes and pastry products. According to Economic survey 2013-14, India will become the youngest country by 2021, with 64% of its population in the working age group of 20-35, which is also known as millennials or Generation Y. (Source: <http://www.livemint.com/Leisure/ZxgufEOH9saYXk5RsmuhIP/The-rise-of-the-millennials.html>)

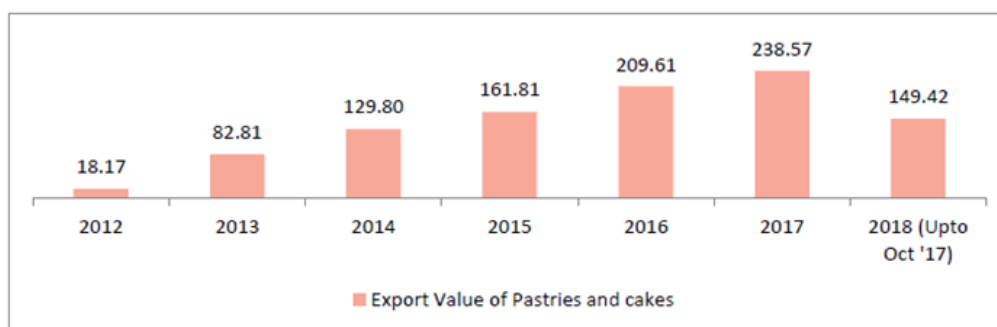
*Innovations in the cakes and pastries market:* Innovation has been the main driver of the cakes and pastries market due to the increased demand for healthy or dietary bakery products such as gluten-free cakes and pastries. Functional ingredients are being used to enhance the products and make them healthier. In recent years a variety of flours are being introduced besides wheat such as rice flour, chia flour, etc. in order to bring in the novelty and the health factor in the product mix. Various products have been launched over the past couple of years, most of them with claims of being kosher or organic.

*Increased consciousness of certain labels:* Value-conscious customers are increasingly opting for the private-label offerings of supermarkets. In recent years, the par-baked, pre-baked and bake-off ranges of products are increasingly making a mark. This helps in saving the costs of training bakers and also to maintain product quality and consistency across outlets. Such cases are an easy way to offer consumers the option to bake fresh cakes with little time and effort.

### *Export of packaged cakes and key export destinations*

Post liberalization, the Indian government identified the food-processing sector as a high priority sector and announced a number of schemes and incentives. The cakes and pastries export showed good growth in recent years, but the global slowdown last year impacted exports.

**Exhibit 28: India Cakes and Pastries Market – Export Value 2012 to 2018 (₹ million)**



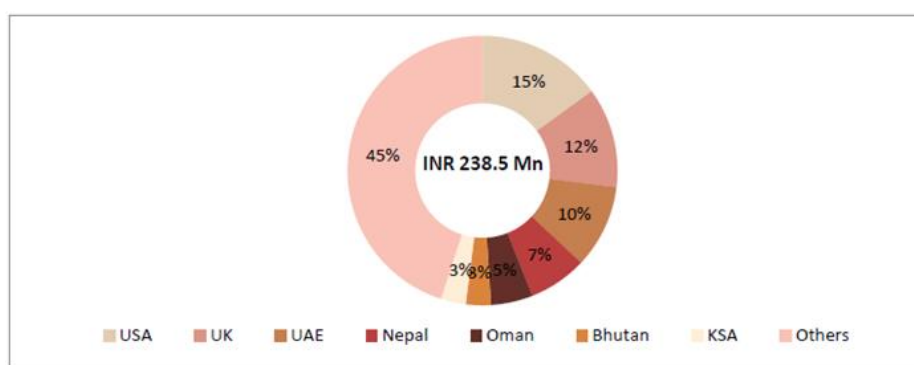
Note: the Export years are financial years

Source: Department of Commerce

Bakery products of the Indian company are exported across the world, including the USA, UK Gulf Cooperation Council Countries (GCC). The Government of India has been working on a strategy for the diversification of India's export basket in processed food

trade. The government is committed to increase the ease of doing business and to make India a leading destination for export of various products. Cakes and pastries key export destination in 2017 was USA (15%), UK (12%) and UAE (10%), and Nepal (7%).

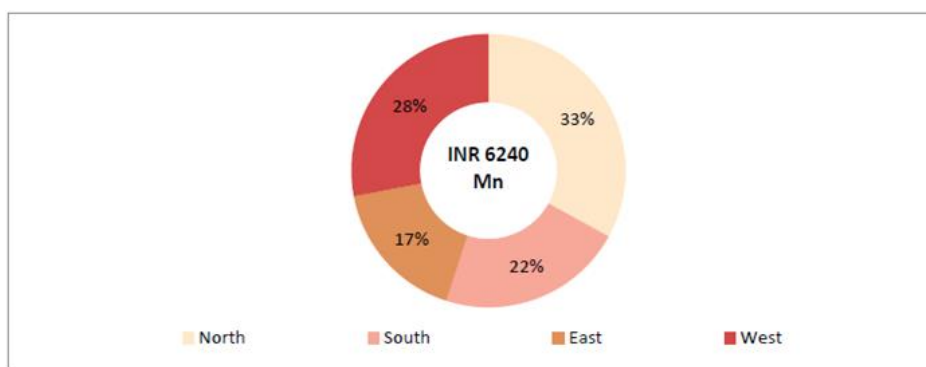
**Exhibit 29: India Cakes and Pastries Market – Export Value 2017(₹ million)**



Source: Department of Commerce

**Exhibit 30: India Packaged Cakes and Pastries Market – Split by Region, 2017 –**

**₹ 6240 million**



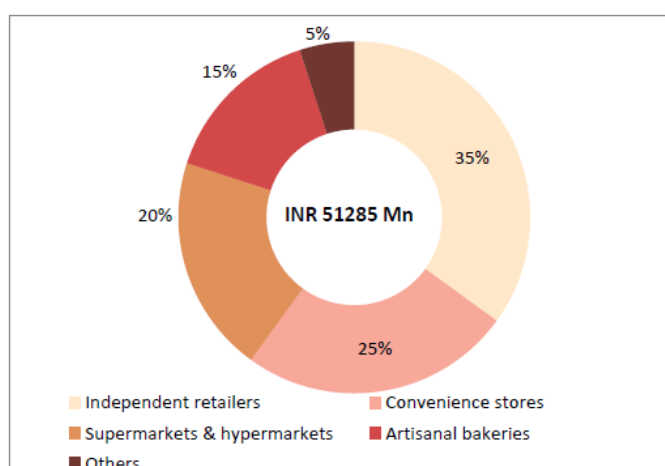
Source: Frost & Sullivan

Traditionally, the Indian cakes market has been dominated by the unorganized segment. However, the organized segment (packaged cakes) has been consolidating its position in the market over the last few years, with new product launches and product innovations that have been largely targeted at the urban consumer. The role of advertisement and promotions cannot be overlooked. With deep pockets, the organized segment can afford celebrity endorsements and engagements with mega-events in India. This has also been instrumental in the success of the products. The unorganized segment primarily rides on the lower price it offers and the standardized taste offerings that it has been known for.

North and West India are the largest markets for cakes. Both these regions also witness the largest competition in both the organized and unorganised segments. Small pack size is imperative to push sales volumes, especially in the rural markets, where penetration is minimal.

#### ***Distribution Channels Overview:***

**Exhibit 31: India Cakes and Pastries Market breakup by Distribution Channels, 2017, %**





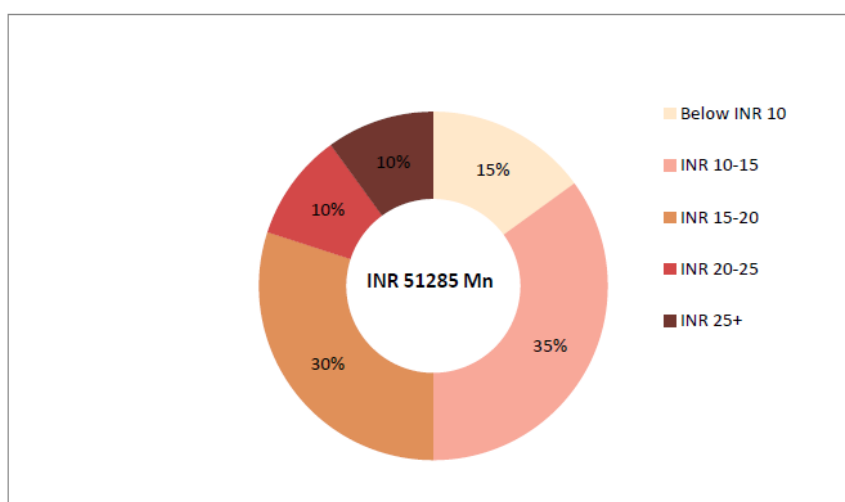
*Independent retailers* take up the largest share of 35% by market value for cakes and pastries in 2017. Independent retailers are the most geographically distributed retailers who are mostly located in the residential areas of cities in India, where the consumer base is huge.

*Convenience stores* are also one of the most popular distribution channels for Indian bakery items, which accounts for the about 25% by market value.

*Supermarkets and hypermarkets* take up 20% of the share by market value in India. Increased urbanization, growing disposable income has further resulted in the growth of supermarkets & hypermarkets, which allows easier access to bakery items for the consumers.

*Artisanal bakeries* occupy 15% of the share of the overall distribution channels for the bakery products in India. Artisanal bakeries provide an exquisite variety of bakery products. These cakes and pastries are typically handcrafted and made in small batches and can be customized as per the consumers' needs. Hence these can also be termed as speciality stores.

**Exhibit 32: Market size estimation for various price points**



The cake and pastries market is roughly estimated expected to be about 1 million tonnes in India

#### Split by Organized and Unorganized Markets

The unorganized market accounts for 62% of the overall cakes and pastries market in India. Artisanal cakes occupying the major share of the cakes and pastries market mostly belong to the unorganized sector wherein small cakes and pastry makers provide customized services. The remaining 38% of the market can be classified as organized comprising packaged cakes and in-store bakeries belonging to certain bakery companies or a chain of known bakeries across the country.

**Exhibit 33: Split by Organized vs Unorganized**

Type	Organized	Unorganized
Artisanal cake	40%	60%
In-store bakeries	10%	90%
Packaged/Industrial cake	80%	20%

#### Key Drivers and Challenges

##### Drivers

##### Indulgence and affordability

Demand for pastries and cakes are driven by indulgence and flavour innovation, with affordability as a key concern.

##### Increasing gifting trend

The trend of gifting a combination of cakes and flowers in metropolitan cities has been driving the sales of cakes and pastries, especially artisanal cakes. Cakes and pastries segment is one of the fastest growing food segments in the organized HoReCa (hotels/ restaurants /catering) sector. For example, jar cakes have really caught the fancy of pastry lovers; a beautiful gifting idea and is convenient to carry.

## Cafés/Hangout

The demand for hang-out options has inflated with the new generation's increasing need for socializing. There has been a rise in the number of new café formats like bakery cafés, which reverse the concept of cafés by extending existing bakeries and chocolate retailers to offer complementary beverage items. Further, this bakery café menu includes a wide selection of cakes and pastries, encompassing exotic variants such as brioches, croissants, cookies, muffins, cakes, scones, strudels, brownies, pies and puffs.

## Experimentation with flavours

Experimentation to create interest among the younger consumers, in particular, has become a key driver in the pastry market. The cakes and pastry market has been experimenting with unusual flavour combinations. Globally, such innovations have been attracting consumers demanding newer options.

## Health conscious consumers

The recent trend of healthy gluten-free food has caught up on the younger generation, further forcing the cakes and pastry makers to manufacture calorie- controlled pastry and cake items. Hence healthy options such as preservative-free, cholesterol- free, soy-free, GMO-free, low-sodium and 'suitable for diabetics' have been made available in the market. Such diet option items are a bit costly, but the consumers are also ready to pay the cost in order to satisfy their craving without adding to the calories.

## *Challenges*

### Stringent Government regulations

The government has made stringent regulations for packaging and labelling of the products, including other food safety norms which have increased the production cost for the manufacturing companies.

### Implementation of GST

The imposition of 18% GST against the earlier 5% tax adversely affected sales in the past few months, and to make matters worse, egg prices jumped by over 50% inflating the cost of production of cakes and pastries, where eggs and egg-based ingredients are key ingredients.

### Rising demand for customized cakes

The rising demand for customized cakes and pastries has impacted the business of the organized sector packaged cake companies, which follow a set cake production process. The unorganized cake industry, on the other hand, has been flourishing as small home bakers provide both variety and customization.

### Consumption of packaged cakes

The challenge for cakes market would be to expand the consumption of packaged cakes. In fact, this challenge also presents a significant opportunity for this particular segment.

## *Cakes*

### *Tiers of Competition*

**Exhibit 37: Tiers of competition**

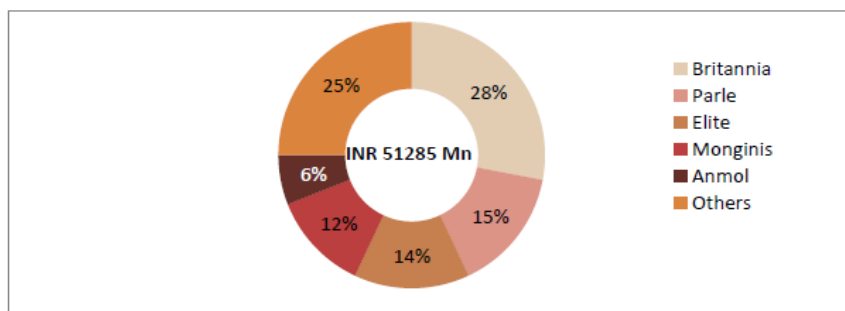
<b>Tier</b>	<b>Companies</b>	<b>Share</b>
Tier 1	Britannia, Parle, Elite, Monginis, Anmol	75%
Tier 2	Dream Bake, Sarjena Foods, Dukes	15%
Tier 3	Surya foods, Rose, Bisk Farm and other local brands	10%

*Note: Market share is in terms of revenue for CY 2017*

Britannia, Parle, Elite, Monginis and Anmol are the top five brands in the India Cakes market. Other major brands having a considerable presence in the India market are Dream Bake, Sarjena Foods and Dukes.

Top 5 brands together account for about 75% of the market.

### Exhibit 38: Competitive landscape-Market Share Tier 1-Cakes & Pastries



Note: Market share is in terms of revenue for CY 2017

Source: F&S Analysis, Industry estimates

#### Other Regional players

Region	Companies
North	Britannia, Parle, Elite, Monginis, Anmol, Surya
East	Britannia, Parle, Elite, Anmol, Monginis, Dream Bake (Winkies), Bisk farm
West	Britannia, Parle, Elite and Monginis, Anmol, Surya, Sarjena foods,
South	Britannia, Parle, Elite, Monginis, Anmol, Dukes, Rose

In the Northern region, Anmol stand at the 5<sup>th</sup> position after the top four brands, i.e. Britannia, Parle, Elite and Monginis. Whereas in the East, Anmol stands at 4<sup>th</sup> position marginally above Monginis. In South and West Anmol is aggressively trying to expand its market over the next 2 to 3 years. Another major player ITC is in the process of phasing out Choco-Pie under the Yumfills brand and is launching cakes in 2018 under the dark fantasy brand.

#### Industry Profitability

Industry profitability can be devised based on the profitability of top 3 companies Parle, ITC and Britannia accounting for about 80% of the market share. Mentioned below are the financial data for the top 3 companies for last three financial years:

₹ Crore	FY-15				FY-16				FY-17			
Company	Total Revenue	Estimated Revenue from Biscuits	EBITDA	PAT	Total Revenue	Estimated Revenue from Biscuits	EBITDA	PAT	Total Revenue	Estimated Revenue from Biscuits	EBITDA	PAT
Parle	9097	7000	644	433	9330	7150	753	500	9570	7380	815	525
ITC	38,835	1,950	14,201	9,766	39,427	1,980	15,052	10,061	42,804	2,150	15,436	10,471
Britannia	7858	6800	864	689	8679	7500	1227	806	9054	7840	1278	884

Source: MCA data, Annual report, F&S Analysis

## OUR BUSINESS

*Some of the information in the following discussion, including information with respect to our plans and strategies, contains forward-looking statements that involve risks and uncertainties. You should read the section “Forward-Looking Statements” beginning on page 13 for a discussion of the risks and uncertainties related to those statements and also the section “Risk Factors” beginning on page 14 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 Financial Year ends on March 31 of each year, and references to a particular Financial Year are to the twelve-month period ended March 31 of that year.*

*You should carefully consider all the information in this Draft Red Herring Prospectus, including this section, “Risk Factors”, “Industry”, “Financial Information” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 14, 83, 165 and 285, respectively, before making an investment in the Equity Shares. In this section, any reference to the “Company” “we”, “us” or “our” refers to Anmol Industries Limited. Unless the context otherwise requires, all financial information included herein is based on our Restated Financial Statements included in “Financial Information” beginning on page 165.*

*Unless otherwise indicated, industry and market data used in this section has been derived from industry publications and other publicly available information, including, in particular, the FS Report. Unless otherwise indicated, all financial, operational, industry and other related information derived from the FS Report and included herein with respect to any particular year refers to such information for the relevant financial year.*

### Overview

We are a branded packaged food company focused on biscuits and cakes and “Anmol” is our flagship brand. We have over the years leveraged our established brand presence in northern and eastern India, strategic supply chain for an extensive distribution network, diversified product portfolio and consequent value proposition for consumers, strategically located manufacturing facilities and experienced promoters and senior management team to establish the Anmol brand into a leading presence across India. We are the fourth largest biscuit brand and the fifth largest cake brand in India in terms of revenue for Calendar Year 2017. In the eastern parts of India, we rank third across the biscuits segment and fourth across the cakes segment in terms of revenue for Calendar Year 2017. (Source: FS Report)

Our diversified product portfolio contains more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich cakes and cup-cakes. Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments. We have products in the premium as well as mass market categories, which makes our products less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product category. In addition, we also manufacture and export more than 20 varieties of biscuits for other companies from time to time.

We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. We also outsource manufacturing of our biscuits to Fortune at its manufacturing facility at Sambalpur, Odisha. The Fortune facility has an aggregate installed capacity of 10,200 MTPA for biscuits and its production was 4,401.28 MTPA as at March 31, 2018. Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, which accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from where we get our raw material supplies. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality and freshness of our products, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third party contractor, namely Fortune, to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

Based on the FS Report, the biscuits market accounted for 35 % of the bakery products segment in India in Financial Year 2017. The biscuits market was valued at ₹ 230 billion in Financial Year 2017, and has grown at a CAGR of 9 % from Financial Years 2010 to 2017. The biscuits market is expected to grow at a CAGR of 8.2 % from Financial Years 2019 to 2022. (Source: FS Report) The cakes and pastries market was valued at ₹ 51.29 billion in Financial Year 2017, and has grown at a CAGR of 16.8 % from Financial Year 2010 to 2017. The cakes and pastries market is expected to grow at a CAGR of 15.1 % from Financial Years 2019 to 2022. (Source: FS Report)

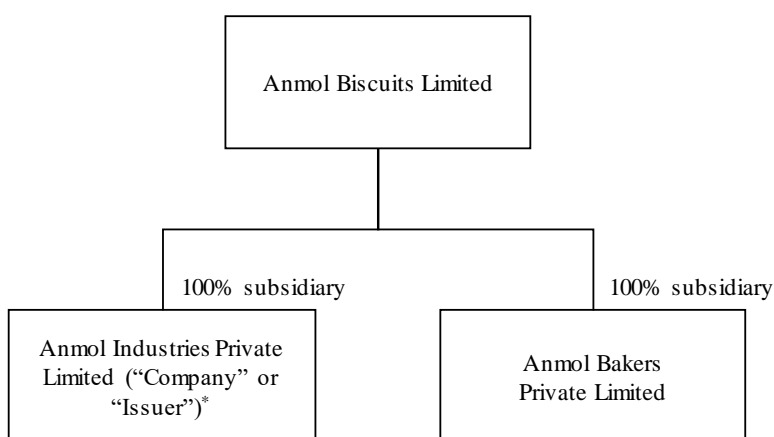
For the Financial Year 2017 and the nine month period ended December 31, 2017, our *RoE* was 33.05 % and 26.06 %, respectively, and our *ROCE* was 34.99 % and 35.35 %, respectively. Further, we recorded *EBITDA* of ₹ 1,196.42 million and ₹ 1,264.75 million, respectively, for the Financial Year 2017 and the nine month period ended December 31, 2017 and our *EBITDA margin* was 9.68 % of our operating income for Financial Year 2017 and 14.74 % of our operating income for the nine month period ended December 31, 2017. Our *PAT* was ₹ 604.57 million for Financial Year 2017 and ₹ 618.70 million for the nine month period ended December 31, 2017 and our *PAT margin* was 4.89 % for Financial Year 2017 and 7.21 % for the nine month period ended December 31, 2017.

We were awarded the “*ET Bengal Corporate Awards*” by the Economic Times in the Financial Year 2015 for being the fastest growing company, and in the Financial Year 2017 for the being the best financial performance company above ₹ 10 billion. For further details see “*History and Certain Corporate Matters- Awards and Accreditations*” on page 130.

## Corporate restructuring

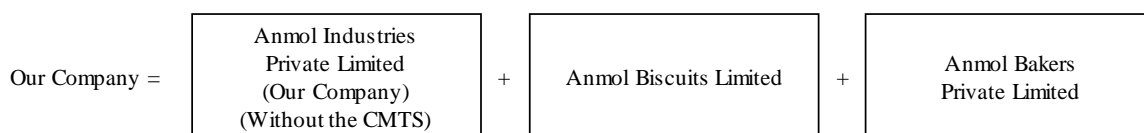
Our erstwhile holding company, ABL, started operations in 1994 with a manufacturing facility at Dankuni, West Bengal. We started our operations in 2011 with a manufacturing facility at Hajipur, Bihar. In Financial Year 2017, our erstwhile holding company, ABL and its subsidiary, ABPL merged with our Company in order to expand and increase our presence in the biscuits and cakes business as well as provide operational synergies. In addition, pursuant to the Scheme of Arrangement the CMT Division of our Company demerged into AUPL. The effect on our corporate structure of the Scheme of Arrangement is represented diagrammatically below:

### Pre - Scheme of Arrangement



\* Including the Corporate Management and Treasury Division (“CMTS”)

### Post – Scheme of Arrangement



For further details in relation to the Scheme of Arrangement, see “*History and Certain Corporate Matters – Scheme of Arrangement*” on page 131.

## Our Competitive Strengths

### *Established brand with leading presence in northern and eastern India*

Over the 24 year combined history of our Company and the erstwhile ABL, we have developed “*Anmol*” biscuits as a strong brand and with a leading presence in northern and eastern India. In the eastern states of India, we are ranked third and fourth respectively in the biscuits and cakes markets in terms of revenue for Calendar Year 2017 and in the northern states of India, we are ranked fourth and fifth respectively in the biscuits and cakes markets in terms of revenue for Calendar Year 2017. (Source: *FS Report*) We believe that our focus on quality, product range and pricing have enabled us to develop strong brand recognition and customer loyalty in these markets. We currently have a presence in over 17 states in India and overall, we are the fourth largest biscuit brand and fifth largest cake brand in India in terms of revenue for Calendar Year 2017. (Source: *FS Report*) We aim to continually improve our products to cater to the changing consumer preferences, focusing on product tastes and packaging.

### ***Diversified product portfolio and value proposition for consumers***

We have a diverse product portfolio comprising of a variety of biscuits and cakes. Our products are available in a wide variety of flavours and SKUs. As at December 31, 2017, we have more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich cakes and cup-cakes in the market and have launched several sub-brands such as “*Dream Lite*”, “*Butter Bake*”, “*Lemon Mazza*”, “*BakersBix*”, “*Veg Munch*”, “*Coconutty*” and “*Marie Plus*” under our flagship brand “*Anmol*”. We have a large variety of SKUs ranging from (i) SKUs by price from ₹ 5 to ₹ 185 for biscuits and ₹ 3 to ₹ 10 for cakes; and (ii) SKUs by weight from 35 grams to 1,500 grams for biscuits and 15 grams to 50 grams for cakes. Our diverse line up of biscuit flavours, differentiated packaging and pricing strategies, have allowed us to capture a broader consumer base by targeting consumers across different income groups and catering to different tastes and preferences. We continuously evaluate our existing products for quality, taste, nutritional value and cost and make adjustments where required, for our customers.

We maintain an active new product pipeline and this enables us to efficiently introduce new products. We have successfully launched “*Anmol Marie Plus*”, “*Nutra Marie Plus*”, “*Anmol Top Magic*” and “*Lovey Dovey Cakes*” since the beginning of the Financial Year 2016. For the nine month period ended December 31, 2017, we estimate that 6.01 % of our sale of products were generated by products introduced since the beginning of the Financial Year 2016. Keeping in mind the changing consumer preferences we have also introduced new products to appeal to health-conscious consumers such as our zero sugar crackers, digestive and marie biscuits with zero trans fat and essential nutrients.

### ***Strategically located manufacturing facilities leading to quality products and operational efficiency***

We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an aggregate Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production as at March 31, 2018 was 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha.

Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, and are also close to locations from where we source raw materials. Our key markets accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from which we get our raw material supplies. For instance, our Company set up a manufacturing facility at Bhubaneswar, Odisha to cater to the southern markets in India. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third-party contractor, Fortune to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

We aim to manufacture our products while conforming with stringent global standards of quality using modern technology. We have adopted the GMP, HACCP and Good Housekeeping Policies at our manufacturing facilities located at Dankuni in West Bengal and Greater Noida and Ghaziabad in Uttar Pradesh. We also have a stringent internal quality control policy to ensure that our products manufactured across all our units are of consistent quality. Our manufacturing facility in Bhubaneswar set up in March 2017, is equipped with the latest plant and machinery which facilitates in manufacturing uniform quality products. This enables us to maintain high standards of quality. We believe our modern manufacturing facilities enable us to manufacture quality products with greater operational efficiencies and effectively compete with some of our larger competitors.

### ***Strategic supply chain for an extensive distribution network***

We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) The retail segment of India comprises of small shops / petty shops, independent small grocers, convenience stores, supermarkets, hypermarkets, vending machines, and internet retailing. (Source: FS Report)

Our in-house team of more than 400 personnel manage our distribution network. We use technology to increase productivity of the super stockists and distributors by enabling them with access to critical information of sales and products and strategic information about sales trends, on a real-time basis. Our wide network of super stockists and distributors is supported by our team of personnel that manage our distribution network and arrangements with various modern retail outlets. This extensive distribution network enables us to serve our customers and markets in an efficient and timely manner. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes. The lower number inventory days leads to freshness of our products which is a key factor in our consumers’ choice.

### ***Strong financial profile and established track record***

We have an established track record of strong financial performance and delivering returns to shareholders.

<b>Particulars*</b>	<b>For the nine month period ended December 31, 2017</b>	<b>Financial Year 2017</b>	<b>Financial Year 2016</b>	<b>Financial Year 2015</b>	<b>Financial Year 2014</b>	<b>Financial Year 2013</b>
Total Income (₹ million)	8,588.81	12,408.16	2,937.38	2,726.11	2,373.48	1,300.25
Debt / Equity ratio	0.30	0.81	0.24	0.09	0.55	1.59
Working capital cycle (days)	NIL <sup>#</sup>	NIL <sup>#</sup>	86	17	NIL <sup>#</sup>	NIL <sup>#</sup>
ROE (%)	26.06	33.05	131.82	60.07	51.66	68.90
ROCE <sup>##</sup> %	35.35	34.99	61.51	53.40	40.69	39.75
Cash flow from operations (₹ million)	959.66	989.13	838.49	461.32	255.97	107.79
PAT Margin (%)	7.21	4.89	20.32	14.84	9.83	11.68
EBITDA Margin (%)	14.74	9.68	34.30	19.82	13.49	18.29

\* All figures are calculated using the result of Continuing Operations.

<sup>#</sup> Negative working capital taken as Nil.

<sup>##</sup> Capital employed has been computed considering the Share Capital, Other Equity, Long term borrowings (including current maturities) and excluding goodwill arising on amalgamation to be adjusted against securities premium.

\*\* Figures for the Financial Year 2013 and 2014 are as per previous Indian GAAP.

\*\*\* Figures for the Financial Year 2015, 2016, 2017 and for the nine month period ended December 31, 2017 are as per Ind AS.

For a detailed discussion in relation to our financial condition and results of operations, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on page 285.

We believe that we have been able to maintain our financial performance due to our experienced management team, efficient capital management, extensive distribution network, our diversified product portfolio and our large base of customers in northern and eastern India.

### ***Experienced Promoters and senior management team***

Our Promoters have been involved in the biscuits and cakes business in India for more than two decades and have extensive experience in this field. We believe that through their knowledge and expertise in this industry, our Promoters, and our honorary Chairman-Emeritus, Baijnath Choudhary have been the catalysts for our success that started with a single oven facility in 1994 with an installed capacity of 1,350 MTPA to our present aggregate Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes. Their relationships with our suppliers, distributors and other industry participants have been instrumental in establishing our strong market presence. Further, members of our management team have a deep understanding of both the technology as well as the operation of the processed food industry. We believe that our qualified and experienced management team provides us a significant competitive advantage and enables us to function effectively and efficiently. Further, we believe that our Promoters and Key Management Personnel enable us to conceptualize and develop new products, effectively market our products, and develop and maintain relationships with our customers as well as distributors and stockists. For further information relating to our Promoters and Key Management Personnel, see “*Our Promoters and Promoter Group*” and “*Our Management*” beginning on pages 150 and 133.

### ***Our Strategies***

#### ***Deeper penetration in existing markets and expansion into newer markets***

We believe that we have a substantial presence in the eastern states of West Bengal, Bihar, Odisha, Jharkhand, Mizoram and Chhattisgarh and the northern states of Uttar Pradesh, Uttaranchal, Delhi, Haryana, Punjab and Jammu and Kashmir in India and plan to expand into newer markets by focusing on the southern and western states of India. From August 2017, we started selling our products in Andhra Pradesh and Telangana and also plan to expand into other southern states. Further, we currently export our products to certain countries in Asia, Africa, Middle East, Europe and Caribbean Islands. Currently revenue from exports account for an aggregate 0.36 % and 0.65 % of our total sale of products for the Financial Year 2017 and the nine month period ended December 31, 2017, respectively. We intend to increase our exports and seek to expand the market for our products in these regions by expanding our sales and distribution networks, by increasing our product offerings in various SKUs and increasing our customer base through marketing arrangements with local retail or wholesale establishments. We may enhance our market presence either organically or through strategic acquisitions, partnerships or investments. We expect that increasing our presence in these markets will continue to fuel sales growth of our Company and expand our product reach across India and overseas. Increased sales would allow us to achieve further economies of scale. We seek to be one of the leading organised players in the biscuits and cakes industry and venturing into these markets will provide us with a platform to establish a well-known presence in India and overseas.

### ***Expansion of product portfolio with a focus on “premiumization”***

As a part of our growth strategy, we will continue to expand our product portfolio and strive to provide differentiated offerings to our customers, including products for health-conscious consumers. As consumer preferences evolve, we will continue to launch new products and diversify our product portfolio by creating new varieties of existing product lines and introducing new products. We will leverage our extensive experience and knowledge in biscuits and cakes to solidify our industry position in India. We propose to introduce a wide range of biscuits as a part of our service offerings including “*Bourbon*”, “*Romanzo*” as well as cakes including “*Veg Cake*” in order to increase our market share and margins. We currently have certain premium varieties of biscuits and cakes including “*Mellizo Chequered cookies*”, “*Mellizo butter cookies*” and “*Mellizo coconut cookies*” which were introduced in 2014 and we also intend to introduce premium varieties of biscuits and cakes in order to increase our average selling price and gross margins. As at March 31, 2018, our capacity utilisation for biscuits was 48.84 % of the Actual Installed Capacity for biscuits and our capacity utilisation for cakes was 30.5 % of the Actual Installed Capacity for cakes. Accordingly, we have the headroom to introduce new products and expand without any substantial requirements to increase our production capacity or capital expenditure.

### ***Deepen and expand our distribution network to capitalize on growing market opportunities***

We believe that deeper penetration and continuous expansion of our distribution network will further consolidate our position in the Indian biscuits and cakes market. Our distribution network in India is designed to be more scalable and cost-efficient. We seek to continue to deepen and grow our distribution network, in order to capitalise on the growing market opportunity in the Indian biscuits and cakes market. We plan to focus on building long term relationships with our distributors and intend to grow the depth and breadth of our distribution network pan India. In order to broaden our reach to retail customers, we plan to continue to expand the density as well as the geographic reach of our existing distribution network. We also intend to increasingly utilize modern trade channels including distribution through online channels. We are partnering with several multi-brand outlets including Big Basket, Spencer’s Retail and Reliance Retail. We also sell our products that have been enrolled with IRCTC to specified vendors and IRCTC. In addition, we plan to continue to focus on developing and strengthening relationships with distributors and multi - brand retail outlets by offering them attractive margins on our products to incentivize and motivate them to distribute our product line. Our sales force was 470 as on March 31, 2018 which has increased by more than 23 % since March 31, 2017 and we plan to add more strength to our sales force to cater to existing markets and newer markets. For further details in relation to appointment of Key Management Personnel in the sales team, see “*Our Management*” on page 133.

### ***Increase Brand awareness and Marketing***

We believe that developing and maintaining our brands “*Anmol*” and “*Mukkund*” and our products is critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. Our brand-building initiatives involve increasing awareness of our brand, creating and maintaining brand loyalty and increasing the availability of our products. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers.

We seek to continuously allocate significant resources to establish “*Anmol*” and “*Mukkund*” as India’s leading biscuits and cakes brands. Our marketing plan comprises advertising in print media, digital advertising, television campaigns, social media marketing and endorsement by famous Indian personalities who participate in our marketing campaigns, and sponsorship of prominent sporting and corporate events in India. We have also engaged an actor in the Hindi cinema industry for the promotion of “*Anmol*” for a period of two years.

We are currently leveraging existing social media platforms to build brand loyalty for “*Anmol*” and “*Mukkund*” and we are in the process of building our own platforms to drive community engagement. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

Going forward, we will continue to develop “*Anmol*” and “*Mukkund*” through our extensive distribution network as well as through innovative sales channels. We seek to achieve brand awareness through targeted marketing initiatives and innovative promotional campaigns.

### ***Use of technology as a differentiator***

As an integral part of our continuing efforts targeted at ensuring cost efficiencies, we continue to undertake initiatives to introduce advanced technologies in order to improve our quality assurance procedures, operational efficiencies and work processes in our operations. We have introduced automation of sales force and tracking of distribution network which increases transparency. Our Company has entered into a SAP software license agreement with SAP India Private Limited for the provision of SAP Enterprise Support to the Company. This helps us to follow data driven approach where we have an opportunity to revisit the growth achieved against the level and the effectiveness of the expenditure. We also make use of technology through which our sales team can take orders directly from the customers.



## Business Operations

### Our Products

We have a diversified product portfolio and offer products in two main categories, comprising of biscuits and cakes. All our products are marketed in different SKUs to meet varied needs of customers and sold under our umbrella brand name of “Anmol” and “Mukkund”. We also export biscuits at an agreed upon price between the parties. Our SKUs by price range from ₹ 5 to ₹ 185 for biscuits and ₹ 3 to ₹ 10 for cakes. Our SKUs by weight range from 35 grams to 1500 grams for biscuits and 15 grams to 50 grams for cakes.

#### Biscuits




Our current portfolio of biscuits comprises of more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies. The following table sets out certain details of the biscuits manufactured by us:

#### (a) Crackers

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Twinz	Sugar sprinkled cracker with spicy taste	5, 10 and 20	44.5, 45, 90, 180 and 200
	Tip Top	Pourable variety with snacky taste	5, 10, 25, 70 and 185	35, 70, 250, 500 and 1500
	Top Magic	Crispy cracker with buttery taste	10 and 20	80 and 200
	Dream Lite	Salty crunchy light cracker with cheesy and buttery taste	5, 10, 15 and 25	35, 42, 84, 100, 120, 200 and 250
	Veg Munch	Crispy cracker with dehydrated vegetables	10 and 25	75, 84, 200 and 250
	2 in 1	Cracker with sweet and salty taste	5, 10 and 20	40, 50, 80, 100, 175 and 200
	Jadoo	Crunchy cracker with balanced spicy taste	5, 10 and 20	40, 50, 100, 200 and 250
	2 in 1 Snackles	Salty cracker with buttery taste	5 and 10	50 and 100
	Snack it	Salty light cracker	5, and 10	40, 50, 80 and 100
	Salty Bite	Salty cracker with buttery taste	5 and 10	50 and 100
	Salt O Magic	Crunchy cracker with balanced spicy taste	25	250
	Just Bite	Crispy cracker with buttery taste	5, 10 and 20	45, 90 and 200
	Crack 'N' Jack	Cracker with sweet and salty taste	5 and 10	50 and 100
	U-Turn	Sugar sprinkled cracker biscuits with spicy taste	5, 10 and 20	50, 100 and 200

(b) Sweet


Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Butter Bake	Biscuits with buttery and milky taste	5, 10, 15, 20, 35 and 45	40, 45, 75, 90, 135, 150, 200, 300 and 400
	Butter Bake - kaju	Sweet biscuits with cashews and a nutty and milk taste	5, 10, 20, and 25	40, 60, 125, 150 and 160
	Bakers Bix	Sweet biscuits with buttery and spicy taste	5, 10, and 20	40, 50, 100, 175 and 200
	E-time	Sweet biscuits with a cardamom taste	10 and 40	100 and 400
	Dil Kush	Sweet biscuits with a coconut and milky taste	10 and 20	100 and 200
	Milk Made	Sweet biscuits with a milky taste	10 and 30	45, 82, 100 and 300
	Hit & Run	Sweet biscuits with chocolate chips and a chocolate taste	5, 10 and 20	40, 75 and 150
	Coconutty	Sweet biscuits with a coconut taste	5, 10 and 25	51.8, 100 and 250
	Gol Mol	Sweet biscuits with rich taste of vanilla	5 and 10	50, 100 and 120
	Elaichi Time	Sweet biscuits with a cardamom taste	10 and 40	110 and 400
	Real Butter	Sweet biscuits with a milky and buttery taste	5, 20 and 40	45, 200 and 400
	Real Milk	Sweet biscuits with a milky taste	30	300
	Coco Bite	Sweet biscuits with a coconut taste	10 and 25	106 and 250
	Jeera Dhamal	Sweet biscuits with cumin	5, 10 and 20	50, 100 and 200
	Glucozing	Glucose biscuits	-*	45
	Nice	Sweet biscuits with a coconut taste and sugar sprinkled on the top	-*	37 and 45

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Butter Cashew	Biscuits with cashews and a buttery, milky taste.	-*	150
	Gluko Power	Glucose biscuits	-*	45
	Josh	Glucose biscuits	3	41

\* These sub-brands are manufactured only for exports and are exported at a price mutually agreed by the parties.







(c) Cream

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Fruit Mazza	Biscuits sandwiched with mixed fruit cream	5 and 10	43, 45, 50 and 100
	Lemon Mazza	Crunchy cracker sandwiched with lemon cream	5, 10 and 20	40, 50, 80, 100, 175 and 200
	Yummy – Choco Vanilla	Chocolate shell sandwiched with rich vanilla cream	5	50
	Yummy - Orange	Orange shell sandwiched with orange cream	5, 10 and 20	40, 50, 80, 90, 100, 175 and 200
	Yummy – Kesar Pista	Biscuits sandwiched with kesar pista cream	5	50
	Yummy - Milk	Sweet biscuits sandwiched with rich milky cream	5, 10 and 20	40, 50, 80, 100, 175 and 200
	Yummy - Chocolate	Chocolate shell sandwiched with chocolate cream	5, 10 and 20	40, 50, 65, 80, 90, 100, 175 and 200
	Yummy – Elaichi	Biscuits sandwiched with cardamom cream	5, 10 and 20	50, 100 and 200
	Yummy - Coconut	Biscuits sandwiched with coconut cream	5, 10 and 20	50, 100 and 200
	Kream Time Lemon	Crunchy cracker with lemon cream	5	50
	Dream Fill – Elaichi flavour	Biscuits sandwiched with cardamom cream	5	50
	Dream Fill – Chocolate flavour	Chocolate shell sandwiched with chocolate cream	5	50
	Dream Fill – Milk Flavour	Sweet biscuits sandwiched with rich milky cream	5	50
	Dream Fill – Orange Flavour	Orange shell sandwiched with orange cream	5	50









Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Yummy - Vanilla	Biscuits sandwiched with vanilla cream	- *	65

\* These sub-brands are manufactured only for exports and are exported at a price mutually agreed by the parties.

(d) Health

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Malai Marie	Crunchy semi-sweet biscuits with milky and buttery taste	30	300
	Marie Lite	Light biscuits with marie taste and no added sugar	5, 10 and 20	55, 110 and 200
	Zero Sugar	Fermented biscuits with cereal taste	10 and 30	100 and 300
	Nutra Marie Plus	Marie biscuits with vitamins and minerals	10 and 35	75 and 300
	Digestive	Biscuits with high wheat fibre and natural carom seeds	10 and 20	75, 120 and 150
	Marie Plus	Crunchy semi-sweet biscuits with a milky and buttery taste	5, 10, 20, 25, 27 and 30	40, 50, 80, 100, 200, 250 and 300

(e) Cookies








Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Mellizo – Chequered Cookies – Choco Vanilla	Dual coloured chequered cookies with chocolate and vanilla flavour	10 and 30	40 and 100
	Mellizo – Chequered Cookies – Choco Orange	Dual coloured chequered cookies with chocolate and orange flavour	10 and 30	40 and 100
	Mellizo – Butter Cookies	Cookies with buttery taste	10	40
	Mellizo – Coconut Cookies	Cookies with coconut taste	10	40
	Butter Kookiz	Cookies with a buttery taste	25	100
	Coconut Kookiz	Cookies with a coconut taste	25	100
	Butter Cookies	Cookies with buttery and milky taste	10	45 and 50
	Romanzo Choco Filled Cookies	Cookies filled with liquid chocolate	30	75











## Cakes

Our current portfolio of cakes comprises of more than 25 varieties of cakes under categories such as bar cakes, tiffin cakes, sandwich cakes and cup-cakes. The following table sets out certain details of the cakes manufactured by us:

### (a) Bar cakes





Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Milk and vanilla	Sliced bar cake with milk and vanilla flavour	10	45 and 50
	Pineapple	Sliced bar cake with pineapple fruits flavour	10	45 and 50
	Chocolate	Sliced bar cake with chocolate flavour	10	45 and 50
	Fruit	Sliced bar cake with fruits flavour	10	45 and 50
	Orange	Sliced bar cake with orange flavour	10	45 and 50
	Chocolate sliced cake	Sliced bar cake with chocolate flavour	10	50
	Mixed fruit sliced cake	Sliced bar cake with mixed fruits flavour	10	50

### (b) Tiffin cakes


Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Butterscotch	Chunky cake with butterscotch flavour	5	20
	Fruit	Chunky cake with fruit flavour	5	20
	Strawberry	Chunky cake with strawberry flavour	5	20
	Milk	Chunky cake with milk flavour	5	20
	Vanilla	Chunky cake with vanilla flavour	5	20
	Pineapple	Chunky cake with pineapple flavour	5	20
	Chocolate	Chunky cake with chocolate flavour	5	20
	Orange	Chunky cake with orange flavour	5	20

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Strawberry	Chunky cake with strawberry flavour	5	20
	Orange	Chunky cake with orange flavour	5	20
	Mixed fruit	Chunky cake with mixed fruit flavour	5	20
	Butterscotch	Chunky cake with butterscotch flavour	5	20
	Chocolate	Chunky cake with chocolate flavour	5	20
	Vanilla	Chunky cake with vanilla flavour	5	20

(c) Sandwich cakes

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Lovey Dovey Orange	Layered cake sandwiched with orange flavoured cream	5	20
	Lovey Dovey Chocolate	Layered cake sandwiched with chocolate flavoured cream	5	20
	Lovey Dovey Blueberry	Layered cake sandwiched with blueberry flavoured cream	5	20
	Lovey Dovey Lemon	Layered cake sandwiched with lemon flavoured cream	5	20

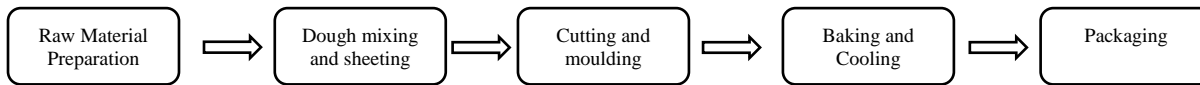
(d) Cup cakes

Category	Brand/Product Line	Product Features	SKUs (by price) (in ₹)	SKUs (by weight) (in grams)
	Cup Cake – vanilla	Cup-cake with vanilla flavour	3	15

## Manufacturing Process

### *Biscuits*

The primary ingredients used in the manufacture of biscuits are flour, sugar, vegetable oil/fat, chemicals, salt, skimmed milk / powdered milk, butter, refined palmoline oil and flavours. The manufacture of biscuits consists of the following stages namely, (i) raw material preparation; (ii) dough mixing and sheeting; (iii) cutting and moulding; (iv) baking and cooling; and (v) packaging.



#### *Raw material Preparation*

The first step involves sifting and sieving the flour into a flour sifter machine to remove extraneous materials. This also helps to blend and loosen the flour. At this stage, the sugar is also ground in a grinding machine to make it powdery. Flavours, preservatives, salt are also dissolved in water and mixed into a homogeneous paste under the supervision of experienced personnel.

#### *Dough mixing and sheeting*

After the raw material preparation, the flour dough is prepared in a horizontal dough mixer. While the soft dough is fed directly to the moulding machine, hard dough is fed into a laminator machine which produces sheets which in turn is gradually rolled to get a thin sheet of desired gauge. Dough consistency is checked after final mixing.

#### *Cutting and moulding*

Dough is moulded into the desired shape, size and design in the moulding machine. Embossing of the biscuits also takes place at this stage.

#### *Baking and cooling*

The unbaked biscuits from the rotary moulder/cutter are then transferred through a conveyer to an oven where the biscuits are baked under a controlled temperature. Baking is the continuous process. Each biscuit variety has a standard heat profile setting of top/bottom heat and the colour on the biscuit formed at this stage depends on the heating setting. In some varieties, oil, sugar or other additives are sprayed immediately after baking. Baked biscuits are then cooled and stacked in the stacker. Since it is a continuous process, the biscuit is cooled at room temperature.

#### *Packaging*

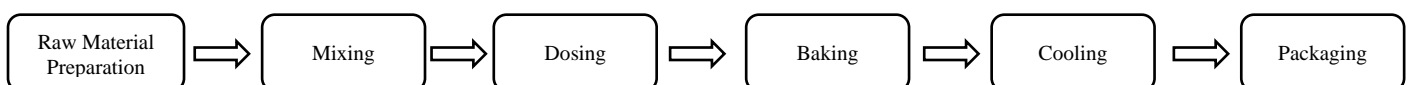
After cooling, the biscuits are stacked in rows onto packing tables. Biscuits are packaged by automatic packing machines. Depending on market demand, varied sizes of packets are packed.

### *Cookies*

The primary ingredients used in the manufacture of cookies are flour, sugar, vegetable oil/fat, baking powder, salt, butter, syrup, whole milk powder, chemicals, food preservatives, edible chemicals and flavouring agents. The manufacture of cookies consists of the following stages namely, (i) raw material preparation; (ii) dough mixing and depositing; (iii) wirecut and diaphragm cutting with encrusting; (iv) baking and cooling; and (v) packaging.

### *Cakes*

The primary ingredients used in the manufacture of cakes are flour, sugar, egg, L-Glucose, salt, invert syrup, chemicals and preservations, vegetable oil, flavouring agents and fruits. The manufacture of cakes consists of the following stages namely, (i) raw material preparation; (ii) dosing; (iii) baking; (iv) cooling; and (v) packaging.



#### *Raw material preparation*

All the raw materials are added as per sequence and mixed for 15 to 20 minutes to form a uniform batter in the planetary mixture.

#### *Planetary Mixer*

The prepared mixture is transferred to the dosing machine by pump.

### *Dosing Machine*

The batter is then dozed into paper lined cups and stacked in baking trolley.

### *Baking Trolley*

The filled baking trolleys are loaded into the preheated rotary rack oven.

### *Rotary Rack Oven*

The cakes are baked for 20 to 25 minutes in the rotary rack oven.

### *Cooling*

The cakes are cooled the cakes to room temperature.

### *De-panning*

The cooled cakes are de-panned and transferred to packing in crates.

### *Packaging*

Cakes are packed by packing machine and stacked in cartons. The finished cartons are transferred to finished goods store for further dispatch.

## **Manufacturing Facilities**

We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, which accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from which we get our raw material supplies. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. Additionally, we also outsource a part of our packaged foods manufacturing to Fortune at Sambalpur, Odisha. In order to maintain consistent quality, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by Fortune. The details of our manufacturing facilities are as follows:

S. No.	Factory location*	Products	Quantity (MTPA)
1.	Dankuni, West Bengal	Biscuits	92,568 <sup>(1)</sup>
		Cakes	2,976 <sup>(2)</sup>
2.	Panchghara, West Bengal	Biscuits	9,711 <sup>(3)</sup>
3.	Hajipur, Bihar	Biscuits	39,282
		Cakes	5,172
4.	Greater Noida, Uttar Pradesh	Biscuits	90,000
5.	Ghaziabad, Uttar Pradesh	Biscuits	10,000
6.	Bhubaneswar, Odisha	Biscuits	52,983
		Cakes	NIL <sup>(4)</sup>

\* The manufacturing facility at Sambalpur has not been included in the table above because we have not commenced commercial production at our manufacturing facility at Sambalpur, Odisha and we intend to relocate the manufacturing facility from Sambalpur in Odisha.

<sup>(1)</sup> The installed capacity at Dankuni includes the capacities of three different production lines of 6,000 MTPA, 34,500 MTPA and 52,068 MTPA which has been considered by us as our installed capacity as we have made an application dated January 30, 2018, 2018 for reduction of our installed capacity for manufacture of biscuits from 56,000 MTPA to 52,068 MTPA in one of our production lines.

<sup>(2)</sup> We have made an application dated January 30, 2018 for an installed capacity for cakes aggregating to 2,976 MTPA at our manufacturing facility at Dankuni (previous unit of ABL).

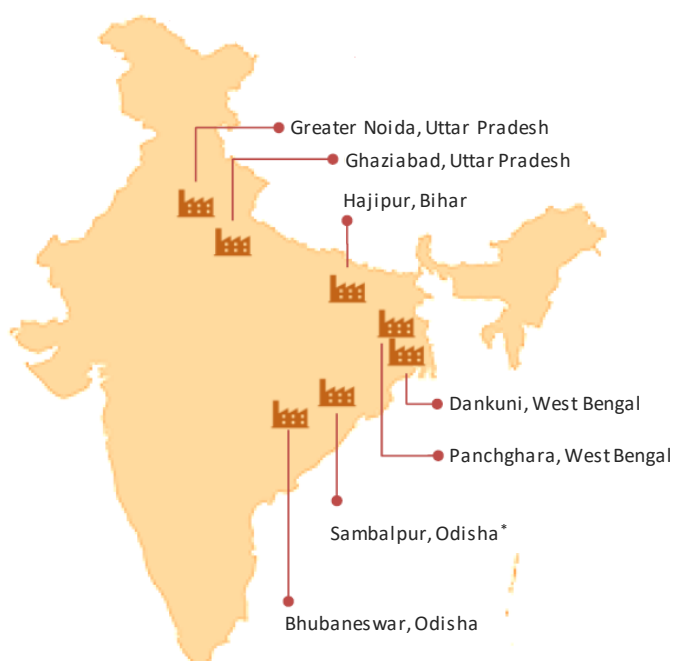
<sup>(3)</sup> We have made an application for reduction of the installed capacity at our manufacturing facility at Panchghara for manufacture of biscuits from 10,900 MTPA to 9,711 MTPA which has been considered by us as our installed capacity.

<sup>(4)</sup> We have made an application dated April 27, 2018 for the modification of our installed capacity for cakes by deletion of the item of cakes and pastries from the Industrial Entrepreneur Memorandum at our manufacturing facility at Bhubaneswar.

In addition, the installed capacity of the Fortune facility is 10,200 MTPA and its production of 4,401.28 MTPA as at March 31, 2018.



The map below shows the location of all our manufacturing facilities across India:



\* Commercial production has not been initiated at our manufacturing facility at Sambalpur, Odisha and we intend to relocate the manufacturing facility from Sambalpur in Odisha.

## Utilities

For our manufacturing processes the electricity requirements are met from state electricity boards. We have entered into electricity arrangements with the respective state electricity boards under the respective state electricity supply codes. The electricity is supplied from a three phase 50 Hz alternating current system at a normal pressure of 400/220/132/66/33/11/6.6/6 KV and a frequency with 50 complete cycles per second at the point of supply. We are entitled to consume electrical power ranging from 120 to 900 KVA per annum. We are required to pay 'minimum monthly charges', 'energy charges', 'demand charges' and 'other charges' or prevailing applicable tariff in accordance with the provision of these arrangements. We have also installed a 300 KWp on grid solar power plant at our manufacturing facility in Bhubaneswar, Odisha. In relation to this power plant, we have entered into an agreement for net - metering / bi-directional metering of this rooftop solar PV project with Central Electricity Supply Utility of Odisha to benefit our Company for the electricity generated from this plant as per the conditions of the agreement and net-metering / bi-directional metering orders issued by the Odisha Electricity Regulatory Commission. We use the underground water such as deep tube wells at our respective manufacturing facilities.

The following table sets forth the average capacity utilization of our products at our manufacturing facilities for the specified periods:

Manufacturing facilities*	Capacity utilization			
	Financial Year 2015 <sup>#</sup>	Financial Year 2016 <sup>#</sup>	Financial Year 2017	Financial Year 2018
	(%)			
<b>Dankuni</b>				
Biscuits	68	67	68	62
Cakes	58	58	59	52
<b>Panchghara</b>				
Biscuits	81	81	80	52
<b>Hajipur</b>				
Biscuits	82	93	90	72
Cake	8	12	16	18
<b>Greater Noida</b>				
Biscuits	52	52	56	46
<b>Ghaziabad</b>				
Biscuits	66	83	70	70
<b>Bhubaneswar</b>				
Biscuits	-	-	0	9

\* The manufacturing facility at Sambalpur has not been included in the table above because commercial production has not been initiated and we intend to relocate the manufacturing facility from Sambalpur in Odisha.

<sup>#</sup> The following were transferred to our Company pursuant to the Scheme of Arrangement in 2017: (i) manufacturing facilities owned by the erstwhile ABL located at Dankuni, Panchghara and Sambalpur; and (ii) manufacturing facilities owned by the erstwhile ABPL located at Greater Noida and Ghaziabad.

For details in relation to capacity utilization of the Fortune facility, see "Our Business- Outsourcing Arrangements" on page 120.

## **Outsourcing Arrangements**

We outsource a part of the manufacturing of our products to Fortune at the manufacturing facility Sambalpur, Odisha. As at March 31, 2017 and as at March 31, 2018, 3.47 % and 2.96 %, respectively, of our biscuits produced were manufactured by Fortune. The capacity utilisation of the Fortune facility for the Financial Years 2015, 2016, 2017 and for the nine month period ended December 31, 2017 is 59 %, 64 %, 58 % and 47 % respectively. Our contract manufacturing facilities also enable us to ensure that our supply is able to effectively meet the market demand for our products without significant capital expenditure.

## **Depots**

We have also recently entered into lease agreements in respect of our warehouse located in Assam. We transport our products from the respective manufacturing facility to the warehouse which is thereafter distributed by stockists / regional distributors in Assam. We have also engaged clearing and forwarding agents in Hyderabad, Telangana and in Vijayawada, Andhra Pradesh where we deliver our manufactured products to the godowns of the clearing and forwarding agents located in the respective cities which are thereafter distributed by the clearing and forwarding agents.

## **Procurement and raw materials**

The key ingredients and raw materials required to manufacture our bakery products are flour, sugar, vegetable oil/fat, salt, skimmed milk / powdered milk, butter, refined palmoline oil, baking powder, syrup, whole milk powder, food preservatives, edible chemicals and flavouring agents, egg, L-Glucose, invert syrup and fruits. We presently procure all these raw materials from the local market based on our relationships with local suppliers. We do not have any long-term contracts with any third parties and we procure all of our raw materials by way of purchase orders and therefore, are required to pay the market rate of such products. Most raw materials used in our bakery products, including flour, sugar, vegetable oil, butter and flavouring agents, are commodities and therefore subject to price fluctuations as a result of seasonality, weather, demand in local and international markets and other factors.

Our principal raw materials include the following:

### **Fats and Oil**

Fats and oil account for the largest cost of our raw materials. The cost of fats and oil procured from local suppliers at market rate, represented 21.22 %, 24.97 %, 20.96 % and 21.93 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively.

### **Flour**

The cost of flour, procured from local suppliers at market rate, represented 17.01 %, 21.54 %, 20.41 % and 19.10 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively.

### **Sugar**

We place orders for sugar depending on our production requirements at market rate, and typically procure sugar from a few key suppliers in India. The cost of sugar consumed represented 5.72 %, 6.23 %, 10.38 %, and 10.57 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively.

### **Packaging**

Our products are attractively packaged using printed laminated plastic films as the primary packaging material. We also use corrugated boxes and ply with coated back as mono carton for bulk shipments of our products. Packaging materials represented 13.04 %, 13.79 %, 11.31 %, and 11.0 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively. We sell all of our products in film packaging. We source corrugated boxes and mono cartons from local suppliers at market rate.

## **Sales and Distribution network**

Our distribution network enables us to effectively respond to market demand, evolving consumer preferences in our territories, and competitive pressures. Our supply chain management systems enable us to efficiently manage our distribution network. We have established an extensive distribution network in northern and eastern India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (*Source: FS Report*) Our in-house team of more than 400 personnel manage our distribution network. This extensive distribution network enables us to serve our customers and markets in an efficient and timely manner and decreases our operational inefficiencies. We also have a small portion of income earned from exports which generated 0.36 % and 0.65 % of our total sale of products in Financial Year 2017 and the nine month period ended December 31, 2017 respectively.

We also intend to increasingly utilize modern trade channels, including distribution through online channels. We are partnering with several multi-brand outlets including Big Basket, Spencer's Retail and Reliance Retail. We also sell our products that have been enrolled with IRCTC to specified vendors and IRCTC. In addition, we plan to continue to focus on developing and strengthening relationships with distributors and multi - brand retail outlets by offering them attractive margins on our products to incentivize and motivate them to distribute our product line. Our sales force was 470 as on March 31, 2018 which has increased by more than 23% since March 31, 2017 and we plan to add more strength to our sales force to cater to existing markets and newer markets. For further details in relation to appointment of Key Management Personnel in the sales team, see "*Our Management*" on page 133.

### **Marketing and brand building initiatives**

We believe that developing and maintaining our brands "*Anmol*" and "*Mukkund*" and our products is critical to our success. The importance of brand recognition may become greater as competitors offer several products similar to ours. Our brand-building initiatives involve increasing awareness of our brand, creating and maintaining brand loyalty and increasing the availability of our products. The ability to differentiate our brand and our products from our competitors through our branding, marketing and advertising programs is an important factor in attracting consumers. Creating and maintaining public awareness of our brand is crucial to our business and accordingly we invest in various marketing and advertising campaigns.

We seek to continuously allocate significant resources to establish "*Anmol*" and "*Mukkund*" as India's leading biscuits and cakes brands. Our marketing plan comprises advertising in print media, digital advertising, television campaigns, social media marketing and endorsement by famous Indian personalities who participate in our marketing campaigns, and sponsorship of prominent sporting and corporate events in India. We have also engaged an actor in the Hindi cinema industry for the promotion of "*Anmol*" for a period of two years.

We are currently leveraging existing social medial platforms to build brand loyalty for "*Anmol*" and "*Mukkund*" and we are in the process of building our own platforms to drive community engagement. We believe that the scale of our business provides us the ability to increasingly focus on branding and promotion to further increase our visibility and market share.

Going forward, we will continue to develop "*Anmol*" and "*Mukkund*" through our extensive distribution network as well as through innovative sales channels. We seek to achieve brand awareness through targeted marketing initiatives and innovative promotional campaigns.

### **Quality Control**

We remain strongly committed to creating and maintaining best practices in quality control. Hygiene is a serious primary concern in our industry and we are focused towards delivering a quality product and ensuring food safety. All our manufacturing facilities are fully automated and equipped with the latest plant and machinery which facilitate in manufacturing uniform quality products. We have adopted the GMP, HACCP and Good Housekeeping policies at our manufacturing facilities located at Dankuni in West Bengal and Greater Noida and Ghaziabad in Uttar Pradesh. We also have a stringent internal quality control policy to ensure that our products manufactured across all our units are of consistent quality. Our manufacturing facility in Bhubaneswar set up in March 2017, is equipped with the latest plant and machinery which facilitates in manufacturing uniform quality products. This enables us to maintain high standards of quality. We believe our modern manufacturing facilities enables us to manufacture quality products with greater operational efficiencies and effectively compete with some of our larger competitors. As at March 31, 2018, 97.09 % of our products are manufactured in facilities owned by us and only 2.91 % of our products are manufactured by the third-party contractor to whom we have outsourced manufacturing. This enables us to maintain high standards of quality. We believe our modern manufacturing facilities enable us to manufacture quality products with greater operational efficiencies and effectively compete with some of our larger competitors.

### **Research and Development**

We believe that research and development is critical to the success of our business and operations. We have an in-house research and development laboratory at our existing manufacturing facilities to carry out various research and development activities to improve the quality of our existing products as well as develop new and innovative products that are fresh, healthy and nutritious. Our in-house laboratory is equipped with modern technology and equipment and undertakes research projects with an aim to enhance the quality of such products and reduce the production costs to the extent possible. Our sub-brands of biscuits such as "*Dream Lite*", "*Bakers Ville*", "*Veg Munch*" and "*Lemon Mazza*" biscuits are a result of such ongoing research and development activities. We conduct product development work through changes in product composition and usage of different packaging material and process development work aimed at minimizing process losses and reducing process cycle time.

### **Competition**

We compete in India against other biscuit manufacturers, including Parle, Britannia and ITC and cake manufacturers, including Parle, Britannia, Elite, Monginis which may have larger operations and significantly more resources than us. Parle, Britannia, ITC account for approximately 75% of the biscuit market (*Source: FS Report*). Parle, Britannia, Elite and Monginis account for 69% of the cakes market (*Source: FS Report*). We also compete on a broader scale with regional bakeries in the unorganized sector. The artisanal cakes market is highly fragmented and the unorganized sector enjoys a substantial market share. The regional bakeries often offer their products at highly competitive prices and many of them are well established in their local markets. Retailers also

market competitive products under their own private labels, which are generally sold at lower prices and compete with some of our products. We may in the future experience increased competition from existing or new companies in the bakery products industry. To the extent that competition increases, we may be required to offer more competitive pricing to our consumers in order to maintain market share, which may affect our revenue and profitability. For further details, see “*Risk Factors – We face significant competition from manufacturers of biscuits and cakes in the organized and unorganized sectors. Any failure to compete effectively may have an adverse effect on our business and operations.*” on page 17.

## Human Resources

We place significant emphasis on the training of our personnel and increasing their skill levels, and fostering ongoing employee engagement in our Company. We organize in-house training for our employees through skill building programs and professional development programs at all levels and across all functions. We have in the past engaged a consulting firm for professional support in running our operation excellence programme. We have also implemented several human resources policies including anti-corruption policies and anti-sexual harassment policies. Other than as disclosed in “*Risk Factor - Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees*” on page 22, we have not experienced any work stoppages due to labour disputes or cessation of work in the last five years.

As at March 31, 2018, we had 2,232 full-time employees and 49 trainees in India. In addition to this, we contract with third party manpower and services firms for the supply of contract labour at our owned and operated manufacturing facilities. We also have some sales representatives who are managed by our distributors. The following table sets forth information on the number of employees in various departments of our business as at March 31, 2018:

Department	Number of Employees
Sales, Branding and Marketing	479
Production and Packaging	1,317
Accounts	72
Administration	89
Trainees	49
Others	275

In addition, we also have contract labour working at our manufacturing facilities, as at March 31, 2018.

We also provide certain benefits to our employees such as the group personal accident insurance, Medclaim and other statutory benefits such as gratuity payments.

## Insurance


We maintain standard insurance policies which cover all normal risks associated with our operations including directors’ and officers’ liability insurance, Group personal accident insurance, marine insurance, coverage against burglary, fires and special perils, which we believe is in accordance with industry standards. In addition, we also have insurance coverage in respect of employee fidelity, money in safe, office package policy, all risk policy. Operation of our facilities involves many risks, including equipment failures, natural disasters, personal injuries, industrial accidents, power outages, labour disturbances and other business interruptions. We do not carry any business interruption insurance, and have limited property insurance coverage. As a result, we may be required to pay for financial and other losses, damages and liabilities, including those caused by events beyond our control, out of our own funds, which could have a material adverse effect on our business. In addition, we do not have any liability insurance with respect to product liability claims.

## Corporate Social Responsibility

We aim to be recognized as a responsible corporate citizen and have earmarked 2 % of our average net profits made during the immediately preceding three Financial Years for our corporate social initiatives. As a socially responsible organization, our Company has collaborated with various communities and government institutions to carry on with a number of humanitarian activities. Some of these include voluntary health check-up camps, promoting education by partnering in the establishment of school buildings, installation of deep tube-wells, supplying of biscuits to aid in nutrition and more.






We have set up a CSR committee of our Board of Directors (the “**CSR Committee**”) comprising of Mamta Binani, Bimal Kumar Choudhary, Sunil Kumar Agarwal and Sumit Malhotra and have adopted and implemented a CSR policy, pursuant to which we carry out our CSR activities. The main objective of the policy is to lay down guidelines for our Company’s corporate social responsibility, and make it a key business process for sustainable development, to make a positive impact on society and enhance our image as a credible and reliable business partner. For more details, see “*Management – Corporate Governance*” on page 140.

## Intellectual Property

Our new corporate logo,  (Anmol Smily logo) has not been registered. Our Company has filed an application for the registration of our corporate logo before Registrar of Trademarks and the same is pending as on date of this Draft Red Herring Prospectus. We

have registered or have applied for registration for several trademarks in connection with our business, in India. We are yet to receive registration for some of our trademarks from the Registrar of Trademarks.

Our business and operations are significantly dependent on our intellectual property rights. We have registered certain trademarks including  (Anmol),  (Anmol – The Right Bite),  (Dreamlite), Anmol (word mark), Dreamlite (word mark),  (Mukkund),  (Shahibix) and  (Butter bake).

We have also filed applications for registration of certain other trademarks including  (Anmol 2 in 1 biscuits),  (Anmol 2 in 1 Snackles),  (Anmol Bakersbix Jeera),  (Anmol Milk Made),  (Anmol Cake Fruit). See “Risk Factors – The use of “Anmol” or “Mukkund” or similar trade names by third parties may result in loss of business to such third parties, and any potential negative publicity relating to such third parties may adversely affect our reputation, the goodwill of our brand and business prospects.” on page 23.

As on the date of this Draft Red Herring Prospectus, our Company has 113 registered trademarks and has 140 applications pending with the Trademark Registry for the products manufactured by us. Our Company has also withdrawn and abandoned 10 trademarks.

We also own copyrights of the “Anmol – G”, “Anmol Marie”, “Anmol Coconutty”, “Anmol Yummy”, “Anmol Butter Bake”, “Mukund (word)”, “Mukund Josh (word)”, “Mukund Crack “N” Jack (word)”, “Mukund Salty Bite” and “Mukund Coco Bite”. We have also made five applications for registration of copyright of “Veg Munch”, “Anmol Dream Lite”, “Anmol Lemon Mazza”, “Anmol Butter Bake” and “Anmol Marie”.

## Properties

Our registered and corporate office located at 229, A.J.C. Bose Road, Crescent Tower, 3<sup>rd</sup> Floor, Kolkata, 700020 is owned by us and spread across 4,722 square feet covered area.

As on date of this DRHP, we have six manufacturing facilities. Some of our properties including our manufacturing facilities and warehouse are located on leased premises. Our manufacturing facility at Ghaziabad in Uttar Pradesh and Sambalpur in Odisha and our warehouse at Gauripur in Assam are held by us under an operating lease. The term of these lease agreements ranges from three to 10 years. Our manufacturing facilities at Greater Noida in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha are held by us under long-term lease arrangements. Our manufacturing facilities located at Dankuni and Panchghara in West Bengal, are owned by us and spread across 326,792 square feet. In addition, our manufacturing facilities in Ghaziabad in Uttar Pradesh and Sambalpur in Odisha are on a lease hold. We have entered into lease agreements in respect of our warehouse located in Assam.

The following table sets forth details of our leased properties as of the date of this DRHP:

Location	Primary Purpose	Area (in square feet)	Lease expiry date
<b>Operating lease</b>			
Ghaziabad, Uttar Pradesh	Manufacture of biscuits	43,560	September 30, 2019
Sambalpur, Odisha	Commercial production has not been initiated*	34,726	March 23, 2025
Gauripur, Assam	Warehouse	8,000	February 28, 2021
<b>Long-term lease</b>			
Hajipur, Bihar	Manufacture of biscuits and cakes	26,760	August 6, 2102
		640	December 25, 2102
		142,200	January 1, 2100
Greater Noida, Uttar Pradesh	Manufacture of biscuits	25,833.39	June 26, 2078
		191670.80	August 25, 2090
		52312.60	September 15, 2095
Bhubaneswar, Odisha	Manufacture of biscuits and cakes	479160	November 23, 2097

\* We intend to relocate our manufacturing facility from Sambalpur in Odisha.

## REGULATIONS AND POLICIES

*Given below is an indicative summary of certain relevant laws and regulations applicable to our Company. The information in this section has been obtained from publications available in the public domain. The description of the applicable regulations as given below has been provided in a manner to provide general information to the Bidders and may not be exhaustive and is neither designed nor intended to be a substitute for professional legal advice. The statements below are based on the current provisions of applicable law, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions.*

### **Laws in relation to packaged goods (biscuits, cakes, cookies and rusk) in India**

#### *FSSA*

The FSSA was enacted to consolidate the laws relating to food and to establish the FSSAI for laying down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import, to ensure availability of safe and wholesome food for human consumption. It repeals the Prevention of Food Adulteration Act, 1954 and certain specified Orders. As per the FSSA, no person may carry on any food business except under a license granted by the FSSAI. The FSSA establishes a central advisory committee, a scientific committee and scientific panels consisting of independent scientific experts. It lays down the general principles to be followed in its administration, such as endeavouring to achieve an appropriate level of protection of human life and health and protection of consumer's interests, and carrying out risk management. Further, it lays down general provisions in relation to food, regulating the use of food additive and processing aid, presence of contaminant, manufacturing, distribution, sale and import of certain categories of food, packaging, labelling, and advertising. It also prohibits the use of unfair trade practices for promoting the sale, supply, use and consumption of articles of food. It also lays down the penalties for contravention of its provisions.

In accordance with the powers conferred on it by the FSSA, the FSSAI has framed various regulations, such as:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulation, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulation, 2011; and
- Food Safety and Standards (Food Recall Procedure) Regulation, 2017.

#### *APEDA Act*

The APEDA Act provides for establishment of Agricultural and Processed Food Products Export Development Authority for the development and promotion of export of certain agricultural or processed food products as included in the first schedule of the APEDA Act. Persons exporting scheduled products are required to be registered under the APEDA Act and are required to adhere to specified standards and specifications and to improve their packaging. The APEDA Act provides for imprisonment and monetary penalties for breach of its provisions. Further, the Agricultural and Processed Food Products Export Development Authority Rules, 1986 have been framed for effective implementation of the APEDA Act and provides for the application, grant and cancellation of registration to be obtained by persons exporting the scheduled products.

#### *COPRA*

The COPRA was enacted for the better protection of the interests of consumers and to make provision for the establishment of consumer councils and other authorities for the settlement of consumers' disputes. Accordingly, it establishes the central consumer protection council, state consumer protection councils, district consumer protection councils, and consumer disputes redressal agencies at the national, state and district levels. It lays down the manner in which complaints are to be made and the subsequent procedures to be followed, including the procedure for appeal. The COPRA provides for a redressal mechanism for complaints regarding unfair or restrictive trade practice adopted by any trader or service provider, defective goods or deficiency in services, charging of excessive prices, and offer for sale to public of goods and offer for services which will be hazardous to life and safety when used. It also mentions the penalties for failure or omission to comply with the order made by the consumer disputes redressal agencies.

#### *LM Act*

The Legal Metrology Act came into effect on January 14, 2010 and has repealed and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985.

The LM Act was enacted with an objective of establishing and enforcing standards of weights and measures, and regulating trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number. It lays down standard weights and measures, repealing the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. It specifies that every unit of weight or measure shall be in accordance with the metric system

based on the international system of units, and prohibits persons from quoting or announcing any price, or preparing or publishing any advertisement except in accordance with the standard unit of weight, measure or numeration. The LM Act also lays down the law in relation to the appointment and the powers of the director of legal metrology, controller of legal metrology, and various other officers and employees. The LM Act specifically states that no person shall manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any pre-packaged commodity unless such package is in such standard quantities or number and bears thereon such declarations and particulars in the prescribed manner. Further, the LM Act lays down penalties for various offences under it.

#### *LM Rules*

The LM Rules repeals the Standards of Weights and Measures (Packaged Commodities) Rules, 1977. No wholesale dealer, retail dealer or importer is permitted to sell, distribute, deliver, display or store for sale any commodity in the packaged form unless the package complies with the provisions of the LM Act and the LM Rules. The LM Rules provide separate sets of provisions applicable to packages intended for retail sale and wholesale packages. It lays down the regulation for pre-packing and sale of commodities in packaged form, and provides that no person shall be permitted to pre-pack any commodity for sale, distribution or delivery unless the package in which the commodity is pre-packed bears the declarations specified under the LM Rules. It also specifies certain commodities which have to be packed for sale, distribution and delivery in standard quantities specified in the LM Rules. The LM Rules specify the declarations to be made and the manner in which they have to be made. It is mandatory for every individual, Hindu undivided family, society, company or corporation who or which pre-packs or imports any commodity for sale, distribution or delivery needs to be registered. The LM Rules also lays down the penalties for contravention of its provisions.

#### *BIS Act*

The BIS Act was enacted to provide for the establishment of a bureau of Indian standards for the harmonious development of the activities of standardisation, marking and quality certification of goods. The BIS Act lays down the functions of this bureau, which includes recognising any standard established by any other institution in India or elsewhere, in relation to any article or process as an Indian standard; granting, renewing, suspending or cancelling a license for the use of the standard mark; and making such inspection and taking such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian standard or whether the standard mark has been improperly used in relation to any article or process with or without a licence.

#### *Municipality laws*

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective state legislatures in India are empowered to endow the municipalities with the powers and responsibilities with respect to the performance of functions and the implementation of schemes as may be entrusted to them including those in relation to the matters listed in the Twelfth Schedule, which includes public health. Accordingly, the respective states of India have enacted laws empowering the municipalities to regulate public health.

### **Environment laws**

#### *Environment Act*

The EPA was enacted to provide for the protection and improvement of the environment, and to that effect, empowers the Central Government to take requisite measures. The Central Government is also empowered to appoint officers and entrust them with powers and functions. The Environment Act lays down certain general rules for the prevention of environmental pollution and provides for its enforcement by making intimation to the concerned authorities mandatory for the person in charge of the place where environment pollution occurs, and permitting the Central Government to empower any person with the powers of entry and inspection. It also empowers the Central Government to establish environmental laboratories and appoint government analysts. Penalties for contravention of the provisions of the Environment Act have been specified. In case an offence under the Environment Act has been committed by a company, the persons in charge of and responsible for the conduct of the business of the company at the time of the offence and the company itself are deemed to be guilty of the offence.

#### *Hazardous Wastes Rules*

The Hazardous Wastes Rules have been notified to ensure the safe handling and disposal of hazardous waste. The Hazardous Wastes Rules lay down the responsibilities of the person who has control over the affairs of the factory or the premises and includes a person who is in possession of hazardous wastes, known as an “occupier”, such as minimization and safe disposal. Any occupier who is engaged in, among other things, generation or transportation of hazardous waste, must obtain requisite authorization from the state pollution control board. Such authorization may be cancelled in case of non-compliance with the provisions of the Environment Act or the Hazardous Wastes Rules. It also lays down rules regarding treatment, storage and disposal of hazardous wastes.

#### *Water Act and Air Act*

The Water Act was enacted with the aim of preventing and controlling water pollution and it establishes various boards to ensure that the aims are met. It specifies the constitution of the central board and state boards, and assigns powers and functions to these boards. The state board is empowered to obtain information and take samples of effluents and send them for analysis to recognized

laboratories. The Water Act makes previous consent of the state board mandatory for the establishment of any industry or operation which is likely to discharge sewage or trade effluent into a stream or well or sewer or on land. The Air Act established the central board and state boards for the prevention and control of air pollution, and specifies their constitution, powers and functions. The state governments are permitted to declare certain areas as air pollution control areas, and prohibit the usage of fuel or burning of any other material if needed. In addition, previous consent of the state board is required to establish or operate any industrial plant in an air pollution control area. The state board also lays down the standards of permitted emission of air pollutants in such areas. The Air Act also empowers state governments to establish state air laboratories. The Air Act lays down penalties for non-compliance. If companies are found to be in contravention of the Air Act, then the persons directly in charge of, and responsible to, the company for the conduct of the business of the company, as well as the company itself, are deemed to be guilty of the offence.

## **Intellectual property laws**

### *Copyright Act*

The Copyright Act was enacted with the objective of amending and consolidating the law in relation to copyright and presently governs copyright protection in India. It establishes a copyright office which is under the control of the registrar of copyrights. It also designates the appellate board established under the TM Act as the appellate board for its purposes. A copyright may subsist throughout India in either of the following three classes of works - original literary, dramatic, musical and artistic works; cinematograph films; and sound recording. The Copyright Act regulates the registration of copyright, licensing of copyright by its owner, and the rights of broadcasting organisations and of performers. It lays down the term of the copyright in various cases. It lays down the circumstances in which copyright would be deemed to have been infringed, and the penalty in case of such infringement.

### *The Designs Act, 2000*

The Designs Act, 2000 consolidates and amends the law in relation to protection of designs, which is defined as only the features of shape, configuration, pattern, ornament or composition of lines or colours applied to any article, by any industrial process or means, which in the finished article appeal to and are judged solely by the eye. It provides for the conditions and procedure for registration of designs, and provides the term of protection for registered designs.

### *TM Act*

The TM Act was enacted to amend and consolidate the law relating to trade marks, to provide for registration and better protection of trade marks for goods and services and for the prevention of the use of fraudulent marks. It establishes a trade marks registry, and provides for the appointment of the controller-general of patents, designs and trade marks to act as the registrar of trade marks. The TM Act regulates the registration of trademarks and provides the grounds for refusal of registration. It also lays down the effect of registration of trade marks, such as the rights conferred by registration, the circumstances amounting to infringement and the redressal mechanism for infringement.

## **Labour laws**

### *Factories Act*

The Factories Act was enacted with the objective of regulating labour employed in factories. It contains provisions for the safety, health, and welfare of the workers. It applies to factories in which 10 or more workers work and in any part of which a manufacturing process is being carried on with the aid of power, or 20 or more workers work and in any part of which a manufacturing process is being carried on without the aid of power. The Factories Act places the responsibility of ensuring the health, safety and welfare of all workers on the occupier of a factory, who is defined as a person who has ultimate control over the affairs of the factory or in the case of a company, any one of the directors. It empowers the state governments to make rules requiring the submission of plans of any class or description of factories to the chief inspector or the state government for the purposes of the Factories Act, and requiring the registration and licensing of factories or any class or description of factories. The Factories Act also provides the penalty for contravention of the provisions of the Factories Act, which includes fines and imprisonment of the occupier and manager of the factory.

### *Other labour laws*

Our Company is required to comply with certain other labour laws, such as:

- Bihar Shops and Establishments Act, 1953;
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Compensation Act, 1923;
- Employees' Provident Fund and Miscellaneous Provisions Act, 1952;



- Employees' State Insurance (General) Regulations, 1950 read with Employees' State Insurance Act, 1948;
- Equal Remuneration Act, 1976;
- Industrial Disputes Act, 1947;
- Industrial Employment (Standing Orders) Act, 1946;
- Maternity Benefit Act, 1961;
- Minimum Wages Act, 1948;
- Orissa Shops and Commercial Establishments Act, 1956;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013;
- Uttar Pradesh Dookan Aur Vanijya Adhishthan Adhiniyam, 1962; and
- West Bengal Shops and Establishments Act, 1963.

## HISTORY AND CERTAIN CORPORATE MATTERS

### Brief history of our Company

Our Company was incorporated as Bansal Biscuits Private Limited on November 19, 2009 at Kolkata as a private limited company under the provisions of the Companies Act, 1956, pursuant to the certificate of incorporation issued by the RoC. Considering the fact that our Company was engaged in the manufacturing activities of bakery products in the brand name of Anmol, the name of our Company was changed to Anmol Industries Private Limited pursuant to a special resolution passed by our Shareholders on May 13, 2016. Pursuant to the change of name, a fresh certificate of incorporation was issued to our Company by the RoC on May 23, 2016. Pursuant to a scheme of arrangement approved by the NCLT, Kolkata Bench through its order dated March 3, 2017, ABL, our erstwhile holding company and ABPL, (a subsidiary of ABL) were merged with our Company and the CMT Division of our Company was transferred to AUPL. For further details of the Scheme of Arrangement see “*History and Certain Corporate Matters - Scheme of Arrangement*” on page 131. Thereafter, pursuant to a special resolution passed by our Shareholders on March 25, 2017, our Company was converted into a public limited company and its name was changed to Anmol Industries Limited. The RoC issued a fresh certificate of incorporation consequent upon conversion from a private limited company to a public limited company on March 30, 2017.

### Changes in Registered Office

The details of changes in the Registered Office are given below:

Date of change	Details of change in the address of the Registered Office
May 17, 2011	From 33A, Jawaharlal Nehru Road, Chatterjee International, 13 <sup>th</sup> Floor, Room No. A-04, Kolkata 700 071 to 229 A.J.C. Bose Road, Crescent Tower, 9 <sup>th</sup> Floor, Kolkata 700 020
March 30, 2017	From 229 A.J.C. Bose Road, Crescent Tower, 9 <sup>th</sup> Floor, Kolkata 700 020 to 229, A.J.C. Bose Road, Unit 3A, 3B, 3C & 3D, Crescent Tower, 3 <sup>rd</sup> Floor, Kolkata 700 020

The Registered Office was changed to carry out the business activities of the Company efficiently.

### Main objects of our Company

The main objects of our Company contained in our Memorandum of Association are as follows:

*“1. To carry on the business of manufacturers, fabricators, processors, producers, growers, makers, importers, exporters, buyers, sellers, suppliers, agents, merchants, distributors and concessionaries of and dealers in flour, cakes, pastry, cornflakes, breads, biscuits, chocolates, confectionery, cookies, rusk, sweets, fruits drops, sugar, glucose, chewing gums, milk, cream, ice-cream, aerated or mineral water, fruit juices, canned fruits and fruits products, milk and malted food, protein foods, maize products, butter ghee, cheese and other dairy products, pickles, jams, jellies, sausages, cider, poultry and eggs pulses, spices, oils, powder and condensed milk, honey, fresh and dehydrated vegetables, coffee, tea, cocoa, seeds, concentrate for cattle or poultry feed, fruits and all kind of process foods, agro foods, snacks and ayurvedic products.*

*2. To manufacture, process, prepare, preserve, can, refine, bottle, buy, sell and deal whether as wholesalers or as exporters or importers or as principal or agents, in foods, meats, eggs, poultry, vegetables, canned and tinned and processed foods, protein, health and instant foods of all kinds including baby and dietetic foods, cereals, beverages, cordials, tonics, restoratives and aerated mineral waters and food stuffs and consumables provisions of every description for human or animal consumption.”*

The main objects as contained in our Memorandum of Association enable our Company to carry on our existing business activities.

### Amendments to our Memorandum of Association

Set out below are the amendments to our Memorandum of Association since the incorporation of our Company:

Date of Shareholders' resolution	Nature of Amendment
August 23, 2010	Clause V of our Memorandum of Association was amended to reflect the increase in authorized share capital from ₹ 10,000,000 divided into 1,000,000 Equity Shares to ₹ 40,000,000 divided into 4,000,000 Equity Shares of ₹ 10 each.
January 5, 2011	Clause V of our Memorandum of Association was amended to reflect the increase in authorized share capital from ₹ 40,000,000 divided into 4,000,000 Equity Shares of ₹ 10 each to ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each.
May 29, 2012	Clause III(B) (the ‘Objects Incidental or Ancillary to the attainment of the Main Objects’ clause) of our Memorandum of Association was amended to include the following: “32. Subject to the provisions of the Act, to make any loan or to give any guarantee or to provide security or

Date of Shareholders' resolution	Nature of Amendment
	<i>guarantee in connection with the loan made by any other person or Company or Body and to take or otherwise acquire shares and securities of such Company or Government or otherwise, and to sell, hold, re-issue with or without guarantee or otherwise deal in the same."</i>
May 13, 2016	Clause I of our Memorandum of Association was amended to reflect the change in the name of our Company from 'Bansal Biscuits Private Limited' to 'Anmol Industries Private Limited.'
March 3, 2017 <sup>(1)</sup>	Clause V of our Memorandum of Association was amended to reflect the increase in authorized share capital from ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each to ₹ 430,000,000 divided into 43,000,000 Equity Shares of ₹ 10 each pursuant to a scheme of arrangement.
March 25, 2017	Clause I of our Memorandum of Association was amended to reflect the change in the name of our Company from 'Anmol Industries Private Limited' to 'Anmol Industries Limited.'
February 24, 2018	<p>Clause III(B) (the 'Objects Incidental or Ancillary to the attainment of the Main Objects' clause) of our Memorandum of Association was amended to reflect the following changes:</p> <p>a. Sub clause 29 of Clause III(B) of our Memorandum of Association was replaced with the following:  <i>"29. To make donations or gifts to such persons and in such cases and either of cash or other assets as the company may think as directly or indirectly conducive to any of its objects or otherwise expedient.</i></p> <p>b. Clause III (B) of our Memorandum of Association was amended to include the following:</p> <p><i>33. To establish or provide, maintain, conduct and otherwise subsidies, schools, colleges, research laboratories, experiment workshop for scientific, technical research or experiments and economical developments and to grant prizes, scholarship and generally to encourage or promote tests, experiments, inventions, survey and research work.</i></p> <p><i>34. To buy, sell, import, export, modify treat, produce manufacture, prepare, process and deal in all materials, substances, commodities, things products, goods merchandise, plant machinery, equipments, apparatuses, appliances, tools, implements, and other articles and things connected with or required necessary for carrying on all or any of the businesses mentioned above or ancilliary or allied thereto.</i></p> <p><i>35. To promote any other Company for the purpose of acquiring all or any of the property and liabilities of this Company or for any other purpose which may seem directly or indirectly calculated to the benefit of this Company.</i></p> <p><i>36. To insure any of the properties, undertakings, contracts, guarantees, or obligations of the Company of every nature and kind in any manner whatsoever.</i></p> <p><i>37. To appoint officers, staff, employees, and workers, and persons of every description to work for part time or whole time or for permanent or temporary or special services as may be necessary for the purpose of the business of the Company and to remove discharge, transfer, suspend, demote or dismiss them at the sole decision or discretion of the Company and to fix their remuneration, emoluments, salaries in cash or otherwise.</i></p> <p><i>38. To adopt such means of making known the products of the Company as may seem expedient and in particular by advertising through such means as may convenient and effective and considered suitable.</i></p> <p><i>39. To establish and maintain agency, branches, places and local registered office and procure the company to be registered or recognized and carryon the business in any part of the world.</i></p> <p><i>40. To create any depreciation fund, reserve, reserve fund, sinking fund, insurance fund, or any other special fund or account whether for repayment of any redeemable shares, debentures, stock or for special dividends or for repairing improving extending and maintaining any property of the Company and/or for any other purpose.</i></p> <p><i>41. To refer all questions, disputes or differences arising between the Company and any other person whosoever in connection with or in respect of any matter relating to the business or affairs of the Company to arbitration in accordance with Arbitration Act or the rules of the Chamber of Commerce, as the Company may think fit."</i></p>
February 24, 2018	Clause V of our Memorandum of Association was amended to reflect the increase in authorized share capital from ₹ 430,000,000 divided into 43,000,000 Equity Shares of ₹ 10 each to ₹ 700,000,000 divided into 70,000,000 Equity Shares of ₹ 10 each.

<sup>(1)</sup> The NCLT, Kolkata Bench, pursuant to its order dated March 3, 2017, sanctioned the Scheme of Arrangement pursuant to which ABL was merged with our Company with effect from April 1, 2016, ABPL was merged with our Company with effect from April 2, 2016 and the CMT Division of our Company was transferred to AUPL with effect from March 22, 2017. The Calcutta High Court, pursuant its order dated November 21, 2016, has dispensed with the meeting of the shareholders of the Company.

## Major events and milestones of our Company

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

Calendar Year	Particulars
1999	Received the certificate for permanent registration as a small scale industrial unit at Dankuni, West Bengal, with installed capacity of 1,800 MTPA at the manufacturing facility which was owned by erstwhile Mukund Limited *
2001	Received the industrial entrepreneur memorandum or IEM for commencement of commercial production of biscuits at Greater Noida, Uttar Pradesh with installed capacity of 6,000 MTPA at the manufacturing facility which was owned by erstwhile ABPL *
2009	Received the entrepreneur memorandum or EM for commencement of commercial production of biscuits at Ghaziabad, Uttar Pradesh with installed capacity of 10,000 MTPA for biscuits for the manufacturing facility which was owned by erstwhile ABPL *
2009	Incorporation of our Company
2011	Received the IEM for commencement of commercial production of the products of our Company at Hajipur, Bihar with installed capacity of 47,700 MTPA for biscuits
2012	Received the EM for commencement of commercial production of biscuits at Panchghara, West Bengal with installed capacity of 10,900 MTPA at the manufacturing facility which was owned by erstwhile Anmol Snacks Private Limited *
2014	Received the EM for commencement of commercial production of the products of our Company at Sambalpur, Odisha with installed capacity of 3,600 MTPA for rusk <sup>(1)</sup> for the manufacturing facility which was owned by erstwhile ABL *
2014	Received the IEM for commencement of commercial production of the products of our Company in Hajipur, Bihar with installed capacity of 5,985 MTPA for cakes
2017	Scheme of arrangement of ABL, ABPL, our Company and AUPL
2017	Received the IEM for commencement of commercial production of the products of our Company at Bhubaneswar, Odisha with installed capacity of 52,983 MTPA for biscuits and installed capacity of 3,600 MTPA for cakes <sup>(2)</sup>

\* It was transferred to our Company pursuant to the Scheme of Arrangement.

<sup>(1)</sup> We have not commenced production at our manufacturing facility at Sambalpur, Odisha and we intend to relocate the manufacturing facility from Sambalpur in Odisha.

<sup>(2)</sup> We have made an application dated April 27, 2018 for the modification of our installed capacity for cakes by deletion of the item from the IEM at our manufacturing facility at Bhubaneswar, Odisha.

## Awards and Accreditations

We have received the following awards, certification and recognitions:

Calendar Year	Awards and Accreditations
2013	Received the Registration - cum - Membership Certificate from APEDA
2014	Received “ <i>Management System Certificate</i> ” certifying the confirmation of our Company to Food Safety Management System Standard of ISO 22000:2005 from DNV GL for manufacture of biscuits for the manufacturing facility at Ghaziabad that was owned by erstwhile ABL *
2017	Received the Certificate of Halal Registration from Islahiyah Education Centre
2018	Awarded the “ <i>Certificate of Excellence</i> ” in large enterprise category at the Odisha MSME International Trade Fair 2018

\* It was transferred to our Company pursuant to the Scheme of Arrangement.

## Capital raising activities through equity and debt

Except as mentioned in “*Capital Structure*” beginning on page 66, our Company has not raised any capital through equity. For details on the debt facilities of our Company, see “*Financial Indebtedness*” beginning on page 283.

## Time and cost overruns

Except as stated in “*Risk Factor - Delays in the completion of construction of current and future projects could lead to time or cost overruns, which could have an adverse effect on our cash flows, business, results of operations and financial condition.*” on page 20 there have been no instances of time and cost overruns in the operations of our Company in the past.

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

There have been no defaults or rescheduling of borrowings with financial institutions/banks in respect of our current borrowings from lenders. Further, none of our loans have been converted into Equity Shares.

## **Lock-outs and Strikes**

Except as stated in “*Risk Factor - Our operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.*” on page 22 there have been no lock-outs or strikes at our Registered and Corporate Office or any of our manufacturing facilities.

## **Changes in the activities of our Company during the last five years**

Except the scheme of arrangement approved by the NCLT, Kolkata Bench through its order dated March 3, 2017, pursuant to which ABL and ABPL were merged with our Company and the CMT Division of our Company was transferred to AUPL, there has been no change in the activities of our Company during the last five years which may have had a material effect on the profit/loss account of our Company including discontinuance of line of business, loss of agencies or markets and similar factors. For further details of the scheme of arrangement see “*History and Certain Corporate Matters - Scheme of Arrangement*” on page 131.

## **Our Subsidiaries, Joint Ventures and Associates**

As on the date of this Draft Red Herring Prospectus, our Company does not have any subsidiary, joint venture or associate company.

## **Our Holding Company**

As on the date of this Draft Red Herring Prospectus, our Company does not have a holding company.

## **Corporate Profile of our Company**

For details regarding the description of our activities, services, products, market of each segment, the growth of our Company, technology, the standing of our Company with reference to prominent competitors, management, managerial competence, major suppliers and customers, exports, profits, geographical segment, capacity/facility creation, location, environmental issues, market, marketing and competition, see “*Our Business*”, “*Our Management*”, “*Industry*” and “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” beginning on pages 106, 133, 83 and 285, respectively.

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

As on the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

## **Details regarding acquisition of business / undertakings, mergers and amalgamations revaluation of assets etc.**

Except as detailed below, our Company has not acquired any business or undertaking, or undertaken any merger or amalgamations, or has revalued its assets.

## **Scheme of Arrangement**

ABL, ABPL, our Company and AUPL filed a scheme of arrangement with the NCLT, Kolkata Bench. The NCLT, Kolkata Bench by an order dated March 3, 2017 sanctioned the scheme of arrangement (the “**Scheme**”) pursuant to which ABL was merged with our Company with effect from April 1, 2016, ABPL was merged with our Company with effect from April 2, 2016 and the CMT Division was transferred to AUPL with effect from March 22, 2017.

Pursuant to the Scheme, all properties, rights, powers, interests, assets and undertakings of ABL and ABPL were transferred to our Company and all properties, rights, powers, interests, assets and undertakings of our Company relating to the CMT Division were transferred to AUPL. Further, all liabilities and duties of the ABL and ABPL were transferred to our Company and all liabilities and duties of our Company relating to CMT Division were transferred to AUPL. Consequent to this Scheme, suits and/or appeals and or any proceedings, of whatsoever nature pending by or against the ABL and ABPL were continued by or against our Company and all suits and/or appeals and or any proceedings, of whatsoever nature pending by or against CMT Division were transferred to AUPL. The permanent employees of ABL and ABPL became employees of our Company without any entitlement to the employment policies, schemes and benefits available to the employees of our Company. The permanent employees of CMT Division became employees of AUPL without any entitlement to the employment policies, schemes and benefits available to the employees of AUPL.

In consideration of the transfer and vesting of the undertakings of ABL to our Company, our Company allotted 63 equity shares of face value of ₹ 10 each credited as fully paid up for every 100 fully paid up equity shares of face value of ₹ 10 of ABL held by the members of ABL. In consideration of the transfer and vesting of the undertakings of ABPL to our Company, our Company and its nominee would hold 100% of the equity shares of ABPL and the equity shares of ABPL held directly by our Company were cancelled. Further, since 100 % of the shareholders of our Company were shareholders of AUPL in same proportion therefore AUPL was not required to issue any shares to our Company or its shareholders. For further details, see “*Capital Structure - Notes to Capital Structure: Equity Share capital history of our Company*” on page 66.

## **Our Shareholders**

Our Company has 25 Shareholders as of the date of this Draft Red Herring Prospectus. For further details, regarding our Shareholders, see “*Capital Structure*” beginning on page 66.

## **Shareholders’ agreements and other agreements**

As on date of this Draft Red Herring Prospectus, our Company has not entered into any shareholders’ agreements. We have not entered into any material contract, not being a contract entered into in the ordinary course of the business carried out on or intended to be carried on by us or a contract entered into more than two years before the filing of the Draft Red Herring Prospectus.

## **Guarantee provided by our Promoter Selling Shareholder**

As on the date of this Draft Red Herring Prospectus, our Promoter Selling Shareholder or the Trustees of the Promoter Selling Shareholder have not given any guarantee to any third parties.

## **Strategic or Financial Partners**

Our Company does not have any financial partners or strategic partners as on the date of filing of this Draft Red Herring Prospectus.

## OUR MANAGEMENT

### Our Board

In terms of our Articles of Association, our Company is required to have not less than three and not more than 15 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises of eight Directors, including four Executive Directors and four Non-Executive, Independent Directors.

The following table sets forth details regarding our Board:

Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other directorships in companies
<b><i>Biswanath Choudhary</i></b>  <b><i>Designation:</i></b> Chairman and Whole-Time Director  <b><i>Address:</i></b> 37 A, Block- B, New Alipore, Kolkata 700 053  <b><i>Occupation:</i></b> Business  <b><i>Nationality:</i></b> Indian  <b><i>Term:</i></b> For a period of five years with effect from May 19, 2017, liable to retire by rotation.  <b><i>DIN:</i></b> 00331136	59	1. Anmol Healthcare Private Limited 2. Baid Holdings Private Limited 3. Panchkoti Realtors Private Limited 4. Anmol Realty Builders Private Limited 5. Bengal Anmol South City Infrastructure Limited
<b><i>Dilip Kumar Choudhary</i></b>  <b><i>Designation:</i></b> Vice-Chairman and Whole-Time Director  <b><i>Address:</i></b> 37 A, Block- B, New Alipore, Kolkata 700 053  <b><i>Occupation:</i></b> Business  <b><i>Nationality:</i></b> Indian  <b><i>Term:</i></b> For a period of five years with effect from May 19, 2017, liable to retire by rotation  <b><i>DIN:</i></b> 00331211	56	1. Anmol Stainless Private Limited
<b><i>Bimal Kumar Choudhary</i></b>  <b><i>Designation:</i></b> Managing Director  <b><i>Address:</i></b> 31, Nalini Ranjan Avenue, Block- F, Kolkata 700 053  <b><i>Occupation:</i></b> Business  <b><i>Nationality:</i></b> Indian  <b><i>Term:</i></b> For a period of five years with effect from May 19, 2017, liable to retire by rotation.  <b><i>DIN:</i></b> 00331194	50	1. Bengal Anmol South City Infrastructure Limited 2. Monarch Shelter Private Limited
<b><i>Gobind Ram Choudhary</i></b>  <b><i>Designation:</i></b> Managing Director  <b><i>Address:</i></b> C-558, New Friends Colony, Gurudwara Gurunanak Satsang, New Delhi 110 025  <b><i>Occupation:</i></b> Business  <b><i>Nationality:</i></b> Indian	52	1. Anmol Realty Builders Private Limited

Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other directorships in companies
<p><b>Term:</b> For a period of five years with effect from May 19, 2017, liable to retire by rotation.</p> <p><b>DIN:</b> 01104704</p>		
<p><b>Mamta Binani</b></p> <p><b>Designation:</b> Non-Executive, Independent Director</p> <p><b>Address:</b> Flat C-203, Suncity Complex, 105/1 Bidhannagar Road, Kolkata 700 067</p> <p><b>Occupation:</b> Practicing Company Secretary</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> For a period of five years with effect from July 10, 2017, not liable to retire by rotation</p> <p><b>DIN:</b> 00462925</p>	45	<ol style="list-style-type: none"> <li>1. GPT Infraprojects Limited</li> <li>2. Century Playboards (India) Limited</li> <li>3. Emami Cement Limited</li> <li>4. Magma Housing Finance Limited</li> <li>5. Skipper Limited</li> <li>6. Kkalpana Industries (India) Limited</li> <li>7. Vikram Solar Limited</li> </ol>
<p><b>Sumit Malhotra</b></p> <p><b>Designation:</b> Non-Executive, Independent Director</p> <p><b>Address:</b> 5A, Regency Park A, Eden Woods Pokhran Road 2, Thane 400 610</p> <p><b>Occupation:</b> Service</p> <p><b>Nationality:</b> Indian</p> <p><b>Term:</b> For a period of five years with effect from July 10, 2017, not liable to retire by rotation</p> <p><b>DIN:</b> 02183825</p>	56	<ol style="list-style-type: none"> <li>1. Bajaj Corp Limited</li> </ol>



Name, designation, address, occupation, nationality, term and DIN	Age (in years)	Other directorships in companies
<b>Sunil Kumar Agarwal</b> <b>Designation:</b> Non-Executive, Independent Director <b>Address:</b> House No. 2 / 16, 1 <sup>st</sup> floor, Right side, Nehru Enclave, Kalkaji Extension, New Delhi 110 019 <b>Occupation:</b> Professional <b>Nationality:</b> Indian <b>Term:</b> For a period of five years with effect from February 24, 2018, not liable to retire by rotation <b>DIN:</b> 02223525	47	Nil
<b>Debanjan Mandal</b> <b>Designation:</b> Additional Non-Executive, Independent Director <b>Address:</b> 93 /3A / 2, Acharya Prafulla Chandra Road, Kolkata 700 009 <b>Occupation:</b> Business <b>Nationality:</b> Indian <b>Term:</b> Until the ensuing Annual General Meeting <b>DIN:</b> 00469622	44	1. Century Plywoods (India) Limited 2. Industrial and Prudential Investment Company Limited 3. Keventer Agro Limited 4. Edward Food Research & Analysis Centre Limited 5. Fox & Mandal Consultancy Solutions Private Limited 6. Apeejay Surrendra Park Hotels Limited 7. Indian Chamber of Commerce Calcutta 8. Apeejay Tea Limited

#### Relationship between our Directors

Except for Bimal Kumar Choudhary, Gobind Ram Choudhary, Biswanath Choudhary and Dilip Kumar Choudhary, who are brothers, none of our Directors are related to each other.

#### Brief Biographies of Directors

**Biswanath Choudhary** is the Chairman and Whole-Time Director of our Company. He holds a Higher Secondary Examination certificate from West Bengal Board of Secondary Education. He has served as a joint managing director of the erstwhile ABL. He was appointed as a Whole-Time Director of our Company with effect from May 19, 2017 and as a Chairman of our Board with effect from May 31, 2017. He has been associated with the Anmol group for over 18 years. He is responsible for procurement in the eastern parts of India, finance and investment and has experience in the field of procurement, finance and investment.

**Dilip Kumar Choudhary** is the Vice-Chairman and Whole-Time Director of our Company. He holds a Higher Secondary Examination certificate from West Bengal Council of Higher Secondary Education. He has served as a managing director of the erstwhile ABL and the erstwhile Mukund Foods Limited. He was appointed as a Whole-Time Director of our Company with effect from May 19, 2017. He has been associated with the Anmol group. He is responsible for the plant operations at our manufacturing facilities located at Dankuni and Panchghara in West Bengal for over 20 years and has experience in the field of factory operations and general management.

**Bimal Kumar Choudhary** is the Managing Director of our Company. He holds a bachelor's degree in commerce with honours from the University of Calcutta. He has served as the managing director and chief executive officer of the erstwhile ABL. He was appointed as a Managing Director of our Company with effect from May 19, 2017. He has been associated with the Anmol group for over 20 years. He is responsible for the sales, marketing and new projects as well as the up-gradation cum modernisation of the existing manufacturing facilities of our Company in eastern, western and southern parts of India and has experience in the field of sales, marketing and new projects as well as the up-gradation cum modernisation of manufacturing facilities.

**Gobind Ram Choudhary** is the Managing Director of our Company. He holds a bachelor's degree in commerce with honours from the University of Calcutta. He has served as the managing director of the erstwhile ABPL. He was appointed as a Managing Director of our Company with effect from May 19, 2017. He has been associated with the Anmol group for over 18 years. He is responsible for sales, marketing and procurement and factory operations of our Company in the northern parts of India and has experience in the field of sales, marketing, and factory operations.

**Mamta Binani** is a Non-Executive, Independent Director of our Company. She holds a bachelor's degree in commerce from the University of Calcutta. She has also received the certificate of practice from the ICSI in 1997. She has over 21 years of experience in the field of corporate law, banking and finance and legal work. She has served as an independent director in the erstwhile Anmol Biscuits Limited. She received a certificate of doctor of excellence in the field of management in the 3<sup>rd</sup> Intelligentsia Summit in 2017. She has been the Chairperson of the Eastern India Regional Council of the ICSI in 2010 and the President of the ICSI in 2016-2017. She was appointed as a Non-Executive, Independent Director of our Company with effect from July 10, 2017.

**Sumit Malhotra** is a Non-Executive, Independent Director of our Company. He holds a bachelor's degree in pharmacy with honours from Banaras Hindu University and a post-graduate diploma in management from the Indian Institute of Management, Ahmedabad. He has several years of experience in the consumer goods sector. He has served as an independent director in the erstwhile ABL. He is currently the managing director of Bajaj Corp Limited. He was appointed as a Non-Executive, Independent Director of our Company with effect from July 10, 2017.

**Sunil Kumar Agarwal** is a Non-Executive, Independent Director of our Company. He is a fellow member of the ICAI. He has over 22 years of experience in the field of auditing, taxation, company law matters, corporate and management advisors and compliance audit. He is a practicing chartered accountant and is currently the senior managing partner of R Gopal and Associates. He was appointed as a Non-Executive, Independent Director with effect from February 24, 2018.

**Debanjan Mandal** is an Additional Non-Executive, Independent Director of our Company. He holds a bachelor's degree in law from the University of Burdwan and was enrolled as an advocate with the Bar Council of West Bengal in 1999. He has over 18 years of experience in the field of corporate and commercial laws, banking and finance, real estate, infrastructure, succession and trusts, dispute resolution, mergers and acquisitions, private equity and venture capital. He is a Lawyer and Partner at Fox & Mandal, Kolkata. He was appointed as an Additional Non-Executive, Independent Director with effect from April 23, 2018 until the ensuing Annual General Meeting.

#### **Arrangement or understanding with major Shareholders, customers, suppliers or others**

There is no arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which any of our Directors have been appointed either as a Director or member of senior management.

#### **Confirmations**

Except as stated below, none of our Directors is or was a director of any listed company during the last five years preceding the date of this Draft Red Herring Prospectus, whose shares have been or were suspended from being traded on BSE or NSE.

Mamta Binani, one of our Independent Directors, was appointed as an Independent Director in Kkalpana Industries (India) Limited on September 30, 2015 for a period of five years up to the fifth consecutive annual general meeting of the company in 2020. Kkalpana Industries (India) Limited is listed on BSE and NSE. The SEBI pursuant to an ex-parte order dated August 7, 2017 directed the stock exchanges to treat it as a 'suspected shell company' and to suspend daily trading of its securities on the stock exchanges by moving the securities to Stage VI of Graded Surveillance Measure. The Securities Appellate Tribunal vide its order dated August 11, 2017, stayed the operation of SEBI's order. The shares of the company are no longer suspended and are trading on the stock exchanges.

None of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange.

No proceedings/ investigations have been initiated by SEBI against any company, the board of directors of which also comprise any of our Directors.

#### **Terms of appointment of Executive Directors**

##### ***Biswanath Choudhary***

Biswanath Choudhary was appointed as our Whole-Time Director pursuant to a resolution passed by our Shareholders at the EGM held on May 19, 2017 for a period of five years with effect from May 19, 2017 and as the Chairman of our Board with effect from May 31, 2017. Pursuant to the employment agreement dated May 19, 2017 entered into between our Company and Biswanath Choudhary (the "**Employment Agreement III**") and the resolution passed by our Shareholders at the EGM held on May 19, 2017, he shall be entitled to the following remuneration, including salary and perquisites:

Particulars	Remuneration
Salary	₹ 2.00 million per month (with annual increment as per decision of the Board, subject to ceiling prescribed under Companies Act)
Commission	Commission of 3% on the net profits of the Company (subject to the ceiling prescribed under Companies Act)

In addition to the above, Biswanath Choudhary is entitled to (a) allowances such as leave travel concession, medical facilities, (b) perquisites such as company car, residential telephones, club fees, member of profession institutes / bodies, and (c) retirement

benefits. It has been agreed that if our Company incurs a loss or if our profits are inadequate during any Financial Year during the currency of tenure of his service, our Company shall pay Biswanath Choudhary such remuneration not exceeding the limits specified under Schedule V of the Companies Act, 2013.

Further, pursuant to the terms of Employment Agreement III, Biswanath Choudhary has been granted substantial powers of management and is required to exercise these powers in accordance with the directions of the Board. During the term of his employment, Biswanath Choudhary is not permitted to disclose any confidential information relating to our Company to any outsider. Either party may terminate the Employment Agreement III by giving the other party a notice of two months.

#### ***Dilip Kumar Choudhary***

Dilip Kumar Choudhary was appointed as our Whole-Time Director pursuant to a resolution passed by our Shareholders at the EGM held on May 19, 2017 for a period of five years with effect from May 19, 2017 and as the Vice-Chairman of our Board with effect from May 31, 2017. Pursuant to the employment agreement dated May 19, 2017 entered into between our Company and Dilip Kumar Choudhary (the “**Employment Agreement IV**”) and the resolution passed by our Shareholders at the EGM held on May 19, 2017, he shall be entitled to the following remuneration, including salary and perquisites:

<b>Particulars</b>	<b>Remuneration</b>
Salary	₹ 2.00 million per month (with annual increment as per decision of the Board, subject to ceiling prescribed under Companies Act)
Commission	Commission of 3% on the net profits of the Company (subject to the ceiling prescribed under Companies Act)

In addition to the above, Dilip Kumar Choudhary is entitled to (a) allowances such as leave travel concession, medical facilities, (b) perquisites such as company car, residential telephones, club fees, member of profession institutes / bodies, and (c) retirement benefits. It has been agreed that if our Company incurs a loss or if our profits are inadequate during any Financial Year during the currency of tenure of his service, our Company shall pay Dilip Kumar Choudhary such remuneration not exceeding the limits specified under Schedule V of the Companies Act, 2013.

Further, pursuant to the terms of Employment Agreement IV, Dilip Kumar Choudhary has been granted substantial powers of management and is required to exercise these powers in accordance with the directions of the Board. During the term of his employment, Dilip Kumar Choudhary is not permitted to disclose any confidential information relating to our Company to any outsider. Either party may terminate the Employment Agreement IV by giving the other party a notice of two months.

#### ***Bimal Kumar Choudhary***

Bimal Kumar Choudhary was appointed as our Managing Director pursuant to a resolution passed by our Shareholders at the EGM held on May 19, 2017 for a period of five years with effect from May 19, 2017. Pursuant to the employment agreement dated May 19, 2017 entered into between our Company and Bimal Kumar Choudhary (the “**Employment Agreement I**”) and the resolution passed by our Shareholders at the EGM held on May 19, 2017, he shall be entitled to the following remuneration, including salary and perquisites:

<b>Particulars</b>	<b>Remuneration</b>
Salary	₹ 2.00 million per month (with annual increment as per decision of the Board, subject to ceiling prescribed under Companies Act)
Commission	Commission of 3% on the net profits of the Company (subject to the ceiling prescribed under Companies Act)

In addition to the above, Bimal Kumar Choudhary is entitled to (a) allowances such as leave travel concession, medical facilities, (b) perquisites such as company car, residential telephones, club fees, member of profession institutes / bodies, and (c) retirement benefits. It has been agreed that if our Company incurs a loss or if our profits are inadequate during any Financial Year during the currency of tenure of his service, our Company shall pay Bimal Kumar Choudhary such remuneration not exceeding the limits specified under Schedule V of the Companies Act, 2013.

Further, pursuant to the terms of Employment Agreement I, Bimal Kumar Choudhary has been granted substantial powers of management and is required to exercise these powers in accordance with the directions of the Board. During the term of his employment, Bimal Kumar Choudhary is not permitted to disclose any confidential information relating to our Company to any outsider. Either party may terminate the Employment Agreement I by giving the other party a notice of two months.

#### ***Gobind Ram Choudhary***

Gobind Ram Choudhary was appointed as our Managing Director pursuant to a resolution passed by our Shareholders at the EGM held on May 19, 2017 for a period of five years with effect from May 19, 2017. Pursuant to the employment agreement dated May 19, 2017 entered into between our Company and Gobind Ram Choudhary (the “**Employment Agreement II**”) and the resolution passed by our Shareholders at the EGM held on May 19, 2017, he shall be entitled to the following remuneration, including salary and perquisites:

Particulars	Remuneration
Salary	₹ 2.00 million per month (with annual increment as per decision of the Board, subject to ceiling prescribed under Companies Act)
Commission	Commission of 3% on the net profits of the Company (subject to the ceiling prescribed under Companies Act)

In addition to the above, Gobind Ram Choudhary is entitled to (a) allowances such as leave travel concession, medical facilities, (b) perquisites such as company car, residential telephones, club fees, member of profession institutes / bodies, and (c) retirement benefits. It has been agreed that if our Company incurs a loss or if our profits are inadequate during any Financial Year during the currency of tenure of his service, our Company shall pay Gobind Ram Choudhary such remuneration not exceeding the limits specified under Schedule V of the Companies Act, 2013.

Further, pursuant to the terms of Employment Agreement II, Gobind Ram Choudhary has been granted substantial powers of management and is required to exercise these powers in accordance with the directions of the Board. During the term of his employment, Gobind Ram Choudhary is not permitted to disclose any confidential information relating to our Company to any outsider. Either party may terminate the Employment Agreement II by giving the other party a notice of two months.

### Remuneration paid to Directors of our Company

The sitting fees/other remuneration paid to our Directors in Financial Year 2018 are as follows:

#### 1. *Remuneration to Executive Directors:*

Bimal Kumar Choudhary and Gobind Ram Choudhary have been appointed as Managing Directors in Financial Year 2018. During Financial Year 2018, an amount of ₹ 23.25 million and ₹ 23.52 million was paid to them, respectively. Biswanath Choudhary and Dilip Kumar Choudhary have been appointed as Whole-Time Directors in Financial Year 2018. During Financial Year 2018, an amount of ₹ 23.25 million and ₹ 23.25 million was paid to them, respectively.

#### 2. *Remuneration to Non-Executive Directors:*

Our Company has, pursuant to a resolution passed by our Board at its meeting held on December 23, 2017, fixed the sitting fees payable to our Non-Executive, Independent Directors at ₹ 0.04 million per meeting for attending the meetings of our Board and ₹ 0.02 million per meeting for attending the meetings of the committees thereof.

Mamta Binani, Sumit Malhotra, Sunil Kumar Agarwal have been appointed as Independent Directors in Financial Year 2018. During Financial Year 2018, an amount of ₹ 0.22 million, ₹ 0.22 million, and ₹ 0.04 million was paid to them, respectively. Debanjan Mandal has been appointed as an Additional Non-Executive, Independent Director in Financial Year 2019, and accordingly has not received any remuneration in Financial Year 2018.

### Payment or benefit to Directors of our Company

Except as stated above and as stated in “*Related Party Transactions*” on page 163, no payment or benefit has been given to the Directors of our Company.

### Shareholding of Directors in our Company

Our Directors are not required to hold any qualification shares.

As on the date of filing this Draft Red Herring Prospectus, none of our Directors hold any shares in our Company.

### Appointment of relatives of our Directors to any office or place of profit

Except as stated below, there are no relatives (as defined under the Companies Act, 2013) of our Directors who currently hold any office or place of profit in our Company.

Name of Relative	Position held	Relationship with our Directors
Ankit Choudhary	Director - International Trade and Modern Trade	Son of Dilip Kumar Choudhary
Vikash Choudhary	Director - Operation	Son of Biswanath Choudhary
Sunil Choudhary	Director - Procurement	Son of Biswanath Choudhary
Deepak Choudhary	Director - Operation	Son of Biswanath Choudhary
Aman Choudhary	Director - Operation	Son of Gobind Ram Choudhary
Keshav Choudhary	Management - Trainee	Son of Bimal Kumar Choudhary
Surabhi Choudhary	Management - Trainee	Daughter of Bimal Kumar Choudhary
Palak Choudhary	Management - Trainee	Daughter of Gobind Ram Choudhary

## Interest of Directors

Our Directors may be deemed to be interested to the extent of remuneration and sitting fees payable, as applicable to them for attending meetings of our Board or committees thereof as well as to the extent of reimbursement of expenses payable under our Articles of Association.

Except as stated in “*Related Party Transactions*” beginning on page 163, and except as stated below, our Directors do not have any other interest in our business:

1. Our Directors may be regarded as interested in the Equity Shares, if any, that may be held by the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters.
2. The Directors may also be regarded as interested in the Equity Shares that may be subscribed by or allotted to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer.
3. All of our Directors may also be deemed to be interested to the extent of the transactions entered into in the ordinary course of business with the companies in which our Directors hold directorship.

Our Directors have no interest in any property acquired by our Company two years prior to the date of this Draft Red Herring Prospectus, or proposed to be acquired by our Company.

Further, our Directors have no interest in any transaction by our Company for acquisition of land, construction of buildings or supply of machinery.

Except Bimal Kumar Choudhary, Gobind Ram Choudhary, Biswanath Choudhary and Dilip Kumar Choudhary, our Directors have no interest in the promotion of our Company.

Except as stated in “*Related Party Transactions*” on page 163, none of the beneficiaries of loans, advances and sundry debtors are related to our Directors.

There is no profit or bonus sharing plan for our Directors.

As on the date of the Draft Red Herring Prospectus, no loans have been availed by the Directors from our Company.

Except as stated in “*Our Management – Terms of appointment of Executive Directors*” on page 136, no officer of our Company, including our Directors and the Key Management Personnel, has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment (excluding statutory benefits upon termination of their employment).

No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested as a member by any person either to induce him to become, or to help him qualify as a Director, or otherwise for services rendered by him or by the firm or company in which he is interested, in connection with the promotion or formation of our Company.

## Changes in our Board in the last three years

Name	Date of Appointment/ Change/Cessation	Reason
Debanjan Mandal	April 23, 2018	Appointed as Additional Non-Executive and Independent Director
Sunil Kumar Agarwal	February 24, 2018	Appointed as Non-Executive and Independent Director
Mamta Binani	July 10, 2017	Appointed as Non-Executive and Independent Director
Sumit Malhotra	July 10, 2017	Appointed as Non-Executive and Independent Director
Ankit Choudhary	May 31, 2017	Ceased to be a Director
Pawan Kumar Agarwal	May 31, 2017	Ceased to be a Director
Pranab Kumar Maity	May 31, 2017	Ceased to be a Director
Biswanath Choudhary <sup>(1)</sup>	May 19, 2017	Appointed as Whole-Time Director
Bimal Kumar Choudhary	May 19, 2017	Appointed as Managing Director
Dilip Kumar Choudhary <sup>(2)</sup>	May 19, 2017	Appointed as Whole-Time Director
Vikash Choudhary	April 19, 2017	Ceased to be a Managing Director
Deepak Choudhary	April 19, 2017	Ceased to be a Whole-Time Director
Gobind Ram Choudhary <sup>(3)</sup>	March 7, 2017	Appointed as Additional Director

Name	Date of Appointment/ Change/Cessation	Reason
Deepak Choudhary <sup>(4)</sup>	June 20, 2015	Appointed as Additional director
Mool Chand Choudhary	June 20, 2015	Ceased to be a Director
Pawan Kumar Agarwal <sup>(5)</sup>	March 23, 2015	Appointed as Additional director
Pranab Kumar Maity <sup>(6)</sup>	March 23, 2015	Appointed as Additional director

<sup>(1)</sup> Biswanath Choudhary was appointed as the Chairman of our Board on May 31, 2017.

<sup>(2)</sup> Dilip Kumar Choudhary was appointed as the Vice-Chairman of our Board on May 31, 2017.

<sup>(3)</sup> Our Shareholders approved the regularisation of Gobind Ram Choudhary as an Additional Director and he was appointed as a Managing Director on May 19, 2017.

<sup>(4)</sup> Our Shareholders approved the regularisation of Deepak Choudhary as an Additional Director and he was appointed as a Whole-Time Director on September 28, 2015.

<sup>(5)</sup> Our Shareholders approved the regularisation of Pawan Kumar Agarwal as an Additional Director on September 28, 2015.

<sup>(6)</sup> Our Shareholders approved the regularisation of Pranab Kumar Maity as an Additional Director on September 28, 2015.

## Borrowing Powers of Board

In accordance with our Articles of Association and pursuant to a resolution passed by our Shareholders on July 10, 2017 and the resolution passed by our Board on May 31, 2017, our Board is authorized to borrow from time to time any sum or sums of money, which together with the monies already borrowed by our Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of our Company and its free reserves that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of ₹ 3,000.00 million. Our Board pursuant to the resolution dated September 12, 2017 reduced this borrowing limit to ₹ 2,000.00 million. Our Board is empowered and authorized to arrange or settle the terms and conditions of all such monies to be borrowed from time to time as to interest, repayment, security or otherwise as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required.

## Corporate Governance

The corporate governance provisions of the Listing Regulations will be applicable to us immediately upon the listing of the Equity Shares on the Stock Exchanges. The corporate governance framework is based on an effective independent board of directors, separation of the board of directors' supervisory role from the executive management team, constitution of the committees of the board of directors and formulation of policies, each as required under law, including the Listing Regulations. We are in compliance with the applicable requirements, including the Listing Regulations, the Companies Act and the ICDR Regulations, in respect of corporate governance particularly in relation to constitution of our Board and committees thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the Listing Regulations. Currently, our Board has eight Directors. In compliance with the requirements of the Listing Regulations, we have two Managing Directors, two Whole-Time Directors and four Non-Executive Directors and Independent Directors, including one woman Director on our Board.

Our Board functions either as a full board or through various committees constituted to oversee specific operational areas. The executive management provides our Board detailed periodic reports on its performance.

## Committees of our Board

In addition to the committees of our Board detailed below, our Board may from time to time, constitute committees for various functions.

### Audit Committee

The members of the Audit Committee are:

1. Mamta Binani, Non-Executive, Independent Director (Chairperson);
2. Sumit Malhotra, Non-Executive, Independent Director;
3. Bimal Kumar Choudhary, Managing Director; and
4. Sunil Kumar Agarwal, Non-Executive Independent Director

The Audit Committee was constituted by a resolution passed by the Board on July 7, 2014 and was last re-constituted by a resolution passed by the Board on February 24, 2018. The terms of reference of the Audit Committee were last revised by a meeting of the Board on February 24, 2018. The scope and functions of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013, Regulation 18 of the Listing Regulations and its terms of reference include the following:

- (a) Oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;

- (b) Make recommendations for appointment, remuneration and terms of appointment of auditors of the Company;
- (c) Approve payment to statutory auditors for any other services rendered by them;
- (d) Review with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - (i) matters required to be included in the Director's Responsibility Statement to be included in the Board report in terms of clause (c) of sub-Section 3 of Section 134 of the Companies Act, 2013;
  - (ii) changes, if any, in accounting policies and practices and reasons for the same;
  - (iii) major accounting entries involving estimates based on the exercise of judgment by the management of the Company;
  - (iv) significant adjustments made in the financial statements arising out of audit findings;
  - (v) compliance with listing and other legal requirements relating to financial statements;
  - (vi) disclosure of any related party transactions (as defined under applicable law); and
  - (vii) modified opinion(s) in the draft audit report.
- (e) Review, with the management, the quarterly financial statements before submission to the Board for their approval;
- (f) Review, 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 utilised for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter;
- (g) Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- (h) Approve or subsequently modify transactions of the Company with related parties;
- (i) Scrutinise inter-corporate loans and investments;
- (j) Conduct valuation of undertakings or assets of the Company, wherever it is necessary;
- (k) Evaluate internal financial controls and risk management systems;
- (l) Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (m) Review 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;
- (n) Discuss with internal auditors of any significant findings and follow up there on;
- (o) Review 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;
- (p) Discuss 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;
- (q) Look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- (r) Review the functioning of the whistle blower mechanism / vigil mechanism;
- (s) Approve the appointment of the Chief Financial Officer of the Company after assessing the qualifications, experience and background, etc. of the candidate;

- (t) Carry out any other function as is mentioned in the terms of reference of the Audit Committee and any other terms of reference as may be decided by the Board of the Company or specified / provided under the Companies Act, 2013 or by the SEBI Listing Regulations or by any other regulatory authority.

The Audit Committee shall mandatorily review the following information:

- (a) Management discussion and analysis of financial condition and results of operations;
- (b) Statement of significant related party transactions (as defined by the Audit Committee), submitted by the management of the Company;
- (c) Management letters / letters of internal control weaknesses issued by the statutory auditors of the Company;
- (d) Internal audit reports relating to internal control weaknesses;
- (e) The appointment, removal and terms of remuneration of the chief internal auditor; and;
- (f) Statement of deviations in terms of the SEBI Listing Regulations:
  - (i) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; and
  - (ii) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI Listing Regulations.

The Audit Committee met six times in the Financial Year 2018.

#### ***Nomination and Remuneration Committee***

The members of the Nomination and Remuneration Committee are:

1. Mamta Binani, Non-Executive, Independent Director (Chairperson);
2. Sumit Malhotra, Non-Executive, Independent Director; and
3. Sunil Kumar Agarwal, Non-Executive, Independent Director

The Nomination and Remuneration Committee was constituted by a resolution passed by the Board on July 7, 2014 and was last re-constituted by a meeting of the Board held on February 24, 2018. The terms of reference of the Nomination and Remuneration Committee were last revised by a meeting of the Board on February 24, 2018. The scope and functions of the Nomination and Remuneration Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations. The terms of reference include the following:

- (a) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, key managerial personnel and other employees;
- (b) Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- (c) Devising a policy on Board diversity;
- (d) Identifying persons who are qualified to become directors of the Company and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report of the Company;
- (e) Analysing, monitoring and reviewing various human resource and compensation matters;
- (f) Determining the Company's policy on specific remuneration packages for Executive Directors including pension rights and any compensation payment, and determining remuneration packages of such directors;
- (g) Determining compensation levels payable to the senior management personnel and other staff (as deemed necessary), usually consisting of a fixed and variable component;



- (h) Reviewing and approving compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws;
- (i) Determining whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
- (j) Administering the employee stock option plan of the Company;
- (k) Determining the eligibility of employees to participate under ESOP;
- (l) Granting options to eligible employees and determining the date of grant;
- (m) Determining the number of options to be granted to an employee;
- (n) Determining the exercise price under ESOP;
- (o) Construing and interpreting ESOP and any agreements defining the rights and obligations of the Company and eligible employees under the plan, and prescribing, amending and/or rescinding rules and regulations relating to the administration of the Plan;
- (p) Framing suitable policies, procedures and systems to ensure that there is no violation of securities laws, as amended from time to time, including:
  - (i) the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended; and
  - (ii) the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 2003, as amended, by the trust, the Company and its employees, as applicable.
- (q) Performing such other activities as may be delegated by the Board and/or are statutorily prescribed under any law to be attended to by the Nomination and Remuneration Committee.

#### ***Stakeholders' Relationship Committee***

The members of the Stakeholders' Relationship Committee are:

1. Sunil Kumar Agarwal, Non-Executive, Independent Director (Chairman);
2. Bimal Kumar Choudhary, Managing Director; and
3. Dilip Kumar Choudhary, Vice-Chairman and Whole-Time Director.

The Stakeholders' Relationship Committee was constituted by a meeting of our Board held on February 24, 2018. The scope and functions of the Stakeholders' Relationship Committee is in accordance with Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations. The terms of reference include the following:

- (a) Redressal of all security holders' and investors' grievances such as complaints related to transfer of shares, including non-receipt of share certificates and review of cases for refusal of transfer/transmission of shares and debentures, non-receipt of balance sheet, non-receipt of declared dividends, non-receipt of annual reports, etc. and assisting with quarterly reporting of such complaints;
- (b) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- (c) Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
- (d) Overseeing the performance of the registrars and transfer agents of our Company and to recommend measures for overall improvement in the quality of investor services; and
- (e) Carrying out such other functions as may be specified by the Board from time to time or specified / provided under the Companies Act, 2013 or SEBI Listing Regulations, or by any other regulatory authority.

### ***Corporate Social Responsibility Committee***

The members of the Corporate Social Responsibility Committee are:

1. Mamta Binani, Non-Executive, Independent Director (Chairperson);
2. Sumit Malhotra, Non-Executive, Independent Director;
3. Sunil Kumar Agarwal, Non-Executive, Independent Director; and
4. Bimal Kumar Choudhary, Managing Director.

The Corporate Social Responsibility Committee was constituted by a resolution passed by the Board on July 7, 2014 and was last re-constituted by a resolution passed by the Board on February 24, 2018. The terms of reference of the Corporate Social Responsibility Committee were last revised on February 24, 2018. The scope and functions of Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013. Its terms of reference include the following:

- (a) To formulate and recommend to the Board, a corporate social responsibility policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of the Companies Act, 2013 and make any revisions therein as and when decided by the Board;
- (b) To recommend the amount of expenditure to be incurred on the activities referred to in (a);
- (c) To monitor the corporate social responsibility policy of the Company from time to time;
- (d) To institute a transparent monitoring mechanism for implementation of the corporate social responsibility projects or programs or activities undertaken by the Company; and
- (e) To do such other acts, deeds and things as may be directed by the Board and required to comply with the applicable laws.

### ***IPO Committee***

The members of the IPO Committee are:

1. Bimal Kumar Choudhary, Managing Director (Chairman);
2. Biswanath Choudhary, Chairman and Whole-Time Director; and
3. Dilip Kumar Choudhary, Vice-Chairman and Whole-Time Director.

The IPO Committee was constituted by a resolution passed by the Board on September 12, 2017. The terms of reference include the following:

- (a) To decide on the size, timing, pricing, discount (if any) and all the terms and conditions of the transfer of the Equity Shares including the number of the Equity Shares to be offered pursuant to the Offer (including any reservation, green shoe option and any rounding off in the event of any oversubscription), and to accept any amendments, modifications, variations or alterations thereto;
- (b) To appoint and enter into arrangements with the book running lead managers for the Offer, underwriters to the Offer, syndicate members to the Offer, brokers to the Offer, escrow collection bankers to the Offer, refund bankers to the Offer, registrar(s), legal advisors, advertising agency(ies) and any other agencies or persons or intermediaries to the Offer and to negotiate and finalise the terms of their appointment, including but not limited to execution of the mandate letter with the BRLMs, negotiation, finalisation and execution of the offer agreement with the BRLMs, etc.;
- (c) To negotiate, finalise, settle, execute and deliver or arrange the delivery of the syndicate agreement, underwriting agreement, escrow agreement, agreements with the registrar to the Offer and the advertising agency(ies) and all other documents, deeds, agreements, memorandum of understanding and other instruments whatsoever with the registrar to the Offer, legal advisors, auditors, stock exchange(s), BRLMs and any other agencies / intermediaries in connection with the Offer with the power to authorise one or more officers of the Company to negotiate, execute and deliver all or any of the aforesaid documents;
- (d) To finalise, settle, approve and adopt the draft red herring prospectus, the red herring prospectus, the prospectus, the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto, for

the issue of Equity Shares and take all such actions in consultation with the BRLMs as may be necessary for the submission and filing of these documents including incorporating such alterations/corrections/ modifications as may be required by the Securities and Exchange Board of India, the Registrar of Companies, or any other relevant governmental and statutory authorities;

- (e) To finalise and send to the shareholders, the letter of invitation to participate in the Offer, including any modification, revisions and amendments thereto;
- (f) To make applications to, seek clarifications and obtain approvals from, if necessary, the Reserve Bank of India, the SEBI, the relevant Registrar of Companies or any other statutory or governmental authorities in connection with the Offer and, wherever necessary, incorporate such modifications / amendments / alterations / corrections as may be required in the Draft Red Herring Prospectus, Red Herring Prospectus, and the Prospectus;
- (g) To approve suitable policies on insider trading, whistle-blowing, risk management, and any other policies as may be required under applicable law and the listing agreement to be entered into by the Company with the relevant stock exchanges;
- (h) To approve any corporate governance requirements, code of conduct for the Board, officers and other employees of the Company that may be considered necessary by the Board or the IPO Committee or as may be required under the applicable laws or the listing agreement to be entered into by the Company with the relevant stock exchanges;
- (i) Taking all actions as may be necessary or authorized in connection with any Offer for Sale;
- (j) To seek, if required, the consent of the lenders to the Company and its subsidiaries, parties with whom the Company has entered into various commercial and other agreements, all concerned government and regulatory authorities in India or outside India, and any other consents that may be required in relation to the Offer or any actions connected therewith;
- (k) To open and operate bank account(s) of the Company in terms of the escrow agreement for handling of refunds for the Offer and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (l) To open and operate bank accounts of the Company in terms of Section 40(3) of the Companies Act, 2013, as amended, and to authorise one or more officers of the Company to execute all documents/deeds as may be necessary in this regard;
- (m) To determine and finalise, along with the Selling Shareholders, and in consultation with the BRLMs, the bid opening and bid closing dates (including bid opening and bid closing dates for anchor investors), the floor price / price band for the Offer (including issue price for anchor investors), approve the basis of allotment and confirm allocation / allotment of the equity shares to various categories of persons as disclosed in the Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus, and do all such acts and things as may be necessary and expedient for, and incidental and ancillary to the Offer including any alteration, addition or making any variation in relation to the Offer;
- (n) To issue receipts / allotment letters / confirmations of allotment notes either in physical or electronic mode representing the underlying equity shares in the capital of the Company with such features and attributes as may be required and to provide for the tradability and free transferability thereof as per market practices and regulations, including listing on one or more stock exchange(s), with power to authorise one or more officers of the Company to sign all or any of the aforestated documents;
- (o) To make applications for listing of the shares in one or more recognised stock exchange(s) for listing of the equity shares of the Company and to execute and to deliver or arrange the delivery of necessary documentation to the concerned stock exchange(s) in connection with obtaining such listing, including, without limitation, entering into the listing agreements;
- (p) To do all such deeds and acts as may be required to dematerialise the equity shares of the Company and to sign and/or modify, as the case may be, agreements and/or such other documents as may be required with National Securities Depository Limited, Central Depository Services (India) Limited, registrar and transfer agents and such other agencies, as may be required in this connection with power to authorise one or more officers of the Company to execute all or any of the aforestated documents;
- (q) To authorize and approve in consultation with the BRLMs the incurring of expenditure and payment of fees, commissions, brokerage, remuneration and reimbursement of expenses in connection with the Offer;

- (r) To authorize and approve notices, advertisements in relation to the Offer in consultation with the relevant intermediaries appointed for the Offer;
- (s) To settle any question, difficulty or doubt that may arise in connection with the Offer including the transfer and allotment of the Equity Shares as aforesaid in consultation with the BRLMs and to further delegate the powers conferred hereunder subject to such restrictions and limitations as it may deem fit and in the interest of the Company and to the extent allowed under applicable laws and to do all such acts and deeds in connection therewith and incidental thereto, as the Committee may in its absolute discretion deem fit; and
- (t) To execute and deliver any and all other documents or instruments and doing or causing to be done any and all acts or things as the IPO Committee may deem necessary, appropriate or advisable in order to carry out the purposes and intent of the foregoing or in connection with the Offer and any documents or instruments so executed and delivered or acts and things done or caused to be done by the IPO Committee shall be conclusive evidence of the authority of the IPO Committee in so doing.

### **Risk Management Committee**

The members of Risk Management Committee are:

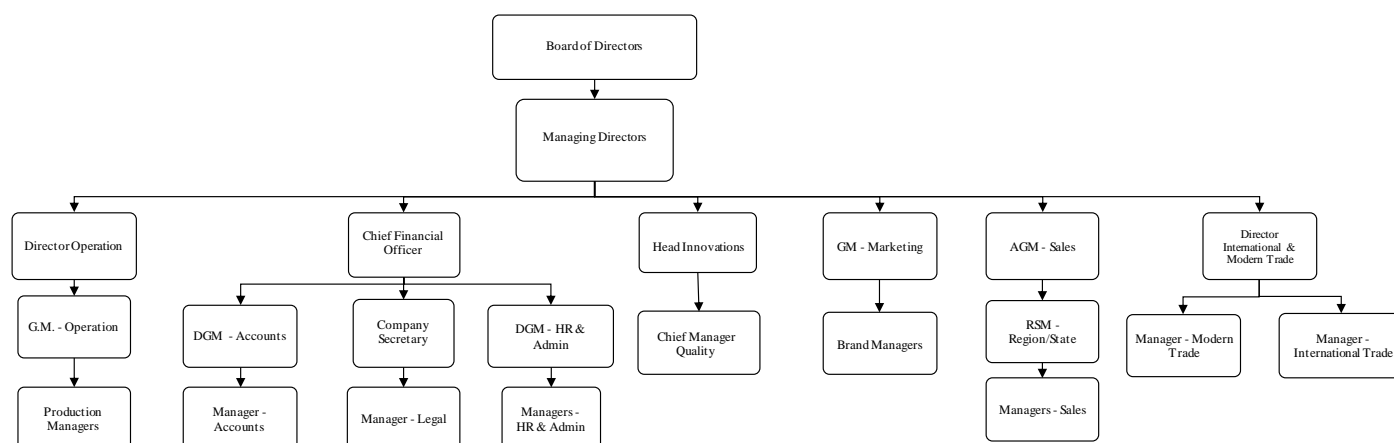
1. Bimal Kumar Choudhary, Managing Director; (Chairman)
2. Gobind Ram Choudhary, Managing Director;
3. Biswanath Choudhary, Chairman and Whole-Time Director; and
4. Dilip Kumar Choudhary, Vice-Chairman and Whole-Time Director.

The Risk Management Committee was constituted by a resolution passed by the Board on February 24, 2018. The terms of reference include the following:

- (a) To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof;
- (b) To frame, devise and monitor risk management plan and policy of the Company;
- (c) To review and recommend potential risk involved in any new business plans and processes; and
- (d) Any other similar or other functions as may be laid down by Board from time to time.

### **Management Organisation Chart**

Organisation Chart of Anmol Industries Limited



### **Key Management Personnel**

The details of the Key Management Personnel are as follows:

**Biswanath Choudhary** is the Chairman and Whole-Time Director of our Company. For further details in relation to Biswanath Choudhary, see “Our Management– Brief Biographies of Directors” and “Our Management– Remuneration paid to the Directors of our Company” on pages 135 and 138 respectively.

**Dilip Kumar Choudhary** is the Vice-Chairman and Whole-Time Director of our Company. For further details in relation to Dilip Kumar Choudhary, see “*Our Management– Brief Biographies of Directors*” and “*Our Management– Remuneration paid to the Directors of our Company*” on pages 135 and 138 respectively.

**Bimal Kumar Choudhary** is the Managing Director of our Company. For further details in relation to Bimal Kumar Choudhary, see “*Our Management– Brief Biographies of Directors*” and “*Our Management– Remuneration paid to the Directors of our Company*” on pages 135 and 138 respectively.

**Gobind Ram Choudhary** is the Managing Director of our Company. For further details in relation to Gobind Ram Choudhary, see “*Our Management– Brief Biographies of Directors*” and “*Our Management– Remuneration paid to the Directors of our Company*” on pages 135 and 138 respectively.

**Brundaban Behera** is the Company Secretary and Compliance Officer of our Company. He became an associate of the ICSI in 2008. He is responsible for advising our Board in relation to compliance requirements. He has over nine years of experience in the field of secretarial compliance. He has served as Company Secretary at Petro Carbon and Chemicals Private Limited and of the erstwhile ABL. He has been associated with the Anmol group for eight years. He was appointed as Company Secretary of our Company with effect from April 21, 2017. During Financial Year 2018, an amount of ₹ 1.45 million was paid to him.

**Poonam Chandra Tibrewal** is the Chief Financial Officer of our Company. He became an associate of the Institute of Chartered Accountants of India in 1997 and he holds a final examination certificate from the Institute of Cost and Works Accountants of India also obtained in 1997. He is responsible for the financial functions and for managing the financial risks of our Company. He has over 20 years of experience in the field of accounting, taxation, banking, finance, legal, etc. He has served as the chief financial officer of the erstwhile ABL. He has been associated with the Anmol group for over 20 years. He was appointed as Chief Financial Officer of our Company with effect from April 21, 2017. During Financial Year 2018, an amount of ₹ 4.24 million was paid to him.

**Shridhar Deshpande** is the Head Innovations of our Company. He holds a bachelor’s degree in science (agriculture) from Andhra Pradesh Agricultural University and a master’s degree in science (food technology) from Central Food Technological Research Institute, University of Mysore. He is responsible for new product launching and quality control of all the manufacturing facilities of our Company. He has over 29 years of experience in the field of manufacturing and product innovations for food companies in India. He has served as Head - Research and Development at General Mills India Private Limited, Scientific Officer (Production Development) at Britannia Industries Limited and Senior Food Technologist at Interfood Limited. He has been associated with the Anmol group for over 14 years. He was appointed as a Head-Innovations of our Company with effect from October 1, 2017. During Financial Year 2018, an amount of ₹ 5.14 million was paid to him.

**Ankit Choudhary** is the Director - International Trade and Modern Trade of our Company. He holds a master’s degree in arts (management) from the University of Nottingham. He is responsible for exports, modern trade, institutional sales and sales of biscuits and cakes under the Mukund brand. He has around eight years of experience in the field of exports, modern trade, institutional sales and sales of biscuits and cakes under the Mukund brand. He has served as the Director - International Trade & Modern Trade of the erstwhile Anmol Biscuits Limited and as a Director of our Company. He was appointed as Director - International Trade and Modern Trade with effect from May 1, 2017. He has been associated with the Anmol group for over eight years. During Financial Year 2018, an amount of ₹ 11.23 million was paid to him.

**Vikash Choudhary** is the Director - Operation of our Company. He holds bachelor’s degree in commerce from University of Calcutta. He is responsible for operations and logistics management of our Company’s manufacturing facilities located at Hajipur and Bhubaneswar. He has over eight years of experience in the field of factory operations and logistics management. He has served as the Managing Director of our Company. He was appointed as Director – Operations with effect from April 22, 2017. He has been associated with the Anmol group for over eight years. During Financial Year 2018, an amount of ₹ 11.25 million was paid to him.

**Venugopalan Seshadri** is the Senior General Manager - Operation of our Company. He holds a diploma of mechanical engineering from the State Board of Technical Education and TRAI Department of Technical Education and master’s degree in arts (public administration) from Annamalai University. He is responsible for production, project implementation and operations of our manufacturing facilities. He has over six years of experience in the field of management. He has served as the General Manager (Biscuit & Bakery Division) and the Senior Production Manager at Shakti Bhog Foods Limited. He was appointed as Senior General Manager - Operation with effect from August 1, 2016. He has been associated with the Anmol group for over four years. During Financial Year 2018, an amount of ₹ 3.04 million was paid to him.

**Saswata Dutta** is the Assistant General Manager - Sales of our Company. He holds a bachelor’s degree in engineering from the Visveswaraiah Technological University, Belgaum and a post graduate diploma in management from Lal Bahadur Shastri Institute of Management, Delhi. He is responsible for sales, business development and new area penetration of our Company. He has over nine years of experience in the field of Sales management. He has served as the Area Sales and Customer Manager at Hindustan Unilever Limited and as Business Development Manager in Manager Grade IIIA at Britannia Industries Limited. He was appointed as Assistant General Manager - Sales with effect from November 1, 2017. During Financial Year 2018, an amount of ₹ 1.81 million was paid to him.

**Avik Mukherjee** is the Deputy General Manager - HR & Admin of our Company. He holds a bachelor's degree in science from University of Calcutta. He has also completed a training course in Labour Welfare conducted by the Labour Department, Government of West Bengal. He is responsible for human resource management and administration of our Company. He has over 28 years of experience in the field of human resources. He has served as the Deputy General Manager - HR & Admin of the erstwhile ABL, General Manager - HR at Rohit Ferro Tech Limited, Head - Personnel at Exide Industries Limited, Deputy General Manager (HR & Training) at Paradeep Phosphates Limited, Manager (HR) at Avery India Limited, Assistant Manager (HRD) at Cookson India Limited and the Welfare Officer at Bijonagar Tea Company Limited. He was appointed as Deputy General Manager – HR & Admin with effect from April 2, 2018. Prior to that, he was associated with the Anmol group for over two years. During Financial Year 2018, before his resignation on January 13, 2018, an amount of ₹ 1.20 million was paid to him.

#### **Nature of any Family Relationship between any of the Key Management Personnel**

Except for Bimal Kumar Choudhary, Gobind Ram Choudhary, Biswanath Choudhary, Dilip Kumar Choudhary, who are brothers, and Ankit Choudhary who is the son of Dilip Kumar Choudhary and Vikash Choudhary who is the son of Biswanath Choudhary, none of our Key Management Personnel are related to any of our Directors or to each other.

All the Key Management Personnel are permanent employees of our Company.

#### **Shareholding of Key Management Personnel**

As on the date of filing this Draft Red Herring Prospectus, the following Key Management Personnel hold shares in our Company:

Sl. No	Name	Number of Equity Shares
(1)	Poonam Chandra Tibrewal	3,700
(2)	Shridhar Deshpande	3,700
(3)	Brundaban Behera	1,850
(4)	Venugopalan Seshadri	1,850
	<b>Total</b>	<b>11,100</b>

#### **Bonus or profit sharing plan of the Key Management Personnel**

There is no bonus or profit sharing plan for the Key Management Personnel.

#### **Interests of Key Management Personnel**

For interest of Executive Directors, see “*Our Management – Interest of Directors*” on page 139.

Our Key Management Personnel are interested in our Company to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

None of the Key Management Personnel have been paid any consideration of any nature from our Company other than their remuneration. Further, there is no contingent or deferred compensation payable to our Key Management Personnel which does not form part of their remuneration.

As on the date of the Draft Red Herring Prospectus, no loans have been availed by the Key Management Personnel from our Company.

#### **Arrangement or understanding with major shareholders, customers, suppliers or others**

There is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any Key Management Personnel was selected as a Director or member of senior management.

#### **Changes in the Key Management Personnel**

Except as stated under “*Our Management - Changes in our Board in the last three years*”, the changes in the Key Management Personnel in the last three years are as follows:

Name	Designation	Date of change	Reason for change
Avik Mukherjee	Deputy General Manager - HR & Admin	April 2, 2018	Appointment
Avik Mukherjee	Deputy General Manager - HR & Admin	January 13, 2018	Ceased to be a Deputy General Manager - HR & Admin
Saswata Dutta	Assistant General Manager – Sales	November 1, 2017	Appointment
Shridhar Deshpande	Head Innovations	October 1, 2017	Appointment

Name	Designation	Date of change	Reason for change
Ankit Chaudhary	Director - International Trade and Modern Trade	May 1, 2017	Appointment
Vikash Chaudhary	Director Operation	April 22, 2017	Appointment
Poonam Chandra Tibrewal	Chief Financial Officer	April 21, 2017	Appointment
Brundaban Behera	Company Secretary	April 21, 2017	Appointment
Seshadri Venugopalan	Senior General Manager - Operation	August 1, 2016	Appointment
Avik Mukherjee	Deputy General Manager - HR & Admin	February 15, 2016	Appointment

In relation to our Managing Directors and Whole-Time Directors, see – “*Our Management - Changes in our Board in the last three years*” on page 139.

#### **Payment or benefit to officers of our Company**

Except the remuneration, the allowances and commission received for services rendered as an officer of our Company and as stated in “*Related Party Transactions*” beginning on page 163, 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 the officers of our Company.

#### **ESOP plan**

Our Company does not have any ESOP plan.

## OUR PROMOTERS AND PROMOTER GROUP

Our Promoters are Biswanath Choudhary, Dilip Kumar Choudhary, Gobind Ram Choudhary, Bimal Kumar Choudhary (collectively, the “**Individual Promoters**”) and the BCF Trust.

While the Individual Promoters do not directly hold any Equity Shares in our Company, BCF Trust holds, in aggregate, 51,132,585 Equity Shares, representing 82.75 % of the issued and paid-up Equity Share capital of our Company as on the date of this Draft Red Herring Prospectus.

### Details of our Promoters



#### ***Biswanath Choudhary***

Biswanath Choudhary, aged 59 years, is the Chairman and Whole-Time Director of our Company. For further details of his educational qualifications, personal address, experience, positions and posts held in the past, other directorships, see “*Our Management*” beginning on page 133.

His driving license number is WB-0119930697866 and his voter’s identification card number is WB/23/150/015214.



#### ***Dilip Kumar Choudhary***

Dilip Kumar Choudhary, aged 56 years, is the Vice-Chairman and Whole-Time Director of our Company. For further details of his educational qualifications, personal address, experience, positions and posts held in the past, other directorships, see “*Our Management*” beginning on page 133.

His driving license number is WB-0119920504570 and his voter’s identification card number is LFB3865037.



#### ***Gobind Ram Choudhary***

Gobind Ram Choudhary, aged 52 years, is a Managing Director of our Company. For further details of his educational qualifications, personal address, experience, positions and posts held in the past, other directorships, see “*Our Management*” beginning on page 133.

His driving license number is DL-0320040210697 and his voter’s identification card number is NWD2015139.



#### ***Bimal Kumar Choudhary***

Bimal Kumar Choudhary, aged 50 years, is a Managing Director of our Company. For further details of his educational qualifications, personal address, experience, positions and posts held in the past, other directorships, see “*Our Management*” beginning on page 133.

Bimal Kumar Choudhary does not have a driving license and his voter’s identification card number is LFB3865045.

### ***Bajinath Choudhary & Family Trust, represented through its Trustees (“BCF Trust”)***

#### ***Information and history***

BCF Trust was formed pursuant to a trust deed dated February 9, 2017 (the “**Trust Deed**”). The registered office of the BCF Trust is situated at 37A, New Alipore, Block B, Police Station and Post Office, New Alipore, Kolkata 700 053.

The overall objective of BCF Trust is to, *inter alia*, hold, deploy, maximize the wealth, use and administer the trust property (as defined in the Trust Deed) for the welfare and benefit of the beneficiaries of the BCF Trust, hold assets (including intangible assets), nurture and grow business of controlled entities i.e. companies, partnership firms, limited liability partnerships or other entities of which 25 % or more of the total outstanding capital or voting rights or interest are directly or indirectly held by the BC Family (as defined in the Trust Deed), consolidate the business of BC Family in a common vehicle, set-up or invest or become partner in new business revenue or entities, as may be agreed by the Trustee, to invest in any type of securities issued by controlled entities and any other entities, may be agreed by the Trustees; and to provide for management and control of the controlled entities, in the manner provided in the Trust Deed.



### *Trustees and settlors*

The Individual Promoters and Baijnath Choudhary are the founder trustees and Durga Devi Choudhary is the settlor of the BCF Trust.

### *Beneficiaries*

The beneficiaries of the BCF Trust are Biswanath Choudhary Family Trust, Dilip Choudhary Family Trust, Gobind Ram Choudhary Family Trust, Bimal Choudhary Family Trust, BNC Trust and any eligible additional beneficiary after being added or admitted as an “*additional beneficiary*” in accordance with the provisions of the Trust Deed. The ultimate beneficiaries of the BCF Trust are Baijnath Choudhary, Biswanath Choudhary, Shashikala Choudhary, Dilip Kumar Choudhary, Saroj Choudhary, Bimal Kumar Choudhary, Bela Choudhary, Surabhi Choudhary (for the limited time period till the date she gets married), Vikash Choudhary, Deepak Choudhary, Sunil Choudhary, Ankit Choudhary, Ashish Choudhary, Keshav Choudhary, Gobind Ram Choudhary, Sunita Choudhary, Aman Choudhary, Palak Choudhary (for the limited time period till the date she gets married), Radhesh Choudhary, and the spouses of the male beneficiaries (upon the demise of their respective husbands), lineal descendants of the male beneficiaries (male lineal descendants and female lineal descendants (for the limited time period till the date they get married)) and other additional beneficiaries that might be appointed in accordance with the respective trust deeds.

Our Company confirms that the permanent account numbers, bank account numbers and the passport numbers of our Individual Promoters, and the permanent account number and bank account numbers of the BCF Trust will be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

### **Changes in the management and control of our Company**

Other than as disclosed in “*Capital Structure – Build-up of our Promoters’ shareholding in our Company*” on page 68, there has not been any change in the management or control of our Company in five years immediately preceding the date of this Draft Red Herring Prospectus.

### **Interest of our Promoters**

Our Promoters are interested in our Company to the extent that they have promoted our Company. Further, our corporate Promoter, BCF Trust is interested in our Company to the extent of its shareholding in our Company and the dividend payable, if any, and other distributions in respect of the Equity Shares held by it. For further details in relation to the shareholding of BCF Trust, see “*Capital Structure – Details of Equity Shares held by our Promoter and Promoter Group in our Company*” on page 72 and for further details in relation to the interest of our Promoters, see “*Our Group Companies*” beginning on page 157. Our Individual Promoters are interested to the extent of being Directors and Key Management Personnel of our Company and to the extent of the remuneration and reimbursement payable by our Company to them. For further details, see “*Our Management*” beginning on page 133.

Our Promoters are not interested in (i) any property acquired by our Company in the two years preceding the date of filing of this Draft Red Herring Prospectus, or (ii) any property proposed to be acquired by our Company.

Our Promoters are not interested in any transaction in acquisition of land, construction of building or supply of machinery.

Our Promoters are not interested as a member of a firm or a company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Except as stated in “*Related Party Transactions*” beginning on page 163, there has been no payment or benefit to our Promoters or Promoter Group during the two years preceding the date of filing of this Draft Red Herring Prospectus and there is no intention to pay or give any benefit to our Promoters or Promoter Group.

### **Companies or firms with which our Promoters have disassociated in the last three years**

Our Promoters have not disassociated themselves from any company or firm during the three years preceding the date of filing of this Draft Red Herring Prospectus, except as stated below:

S. No.	Name of Promoter	Company/firm from which disassociated	Details of disassociation	Reasons / Circumstances leading to disassociation
1	Biswanath Choudhary	(a) Choudhary Udyog Private Limited	Sold shares on April 21, 2017	Voluntary disassociation
		(b) Bansal Cement Private Limited		
2	Dilip Kumar Choudhary	(a) Choudhary Udyog Private Limited		
		(b) Bansal Cement Private Limited		

S. No.	Name of Promoter	Company/firm from which disassociated	Details of disassociation	Reasons / Circumstances leading to disassociation
3	Bimal Kumar Choudhary	(a) Choudhary Udyog Private Limited		
		(b) Bansal Cement Private Limited		

### Confirmations

Our Promoters, the relatives of Promoters and members of our Promoter Group have not been declared as Wilful Defaulters.

Our Promoters, the Trustees of BCF Trust and members of our Promoter Group have not been debarred or prohibited from accessing the capital market for any reasons by SEBI or any other authorities.

Our Promoters and members of our Promoter Group are not and have never been promoter, director or a person in control of any other company which is prohibited from accessing or operating in capital markets.

Except as disclosed in “*Related Party Transactions*” on page 163, none of the sundry debtors of our Company or beneficiaries of loans and advances are related to our Promoters.

Except as stated in “*Risk Factors - Our Promoters and Group Companies have unsecured loans, which may be recalled at any time. Any recall of such loans, which may have an adverse effect on our business, prospects, financial condition and results of operations*”, on page 30, none of our Promoters have taken any unsecured loans which can be recalled by the lenders at any time.

Except for our Group Companies, and as set out in the section “*Our Management*” beginning on page 133, our Promoters are not involved in any other ventures. Further, our Promoters do not have any direct interest in any venture that is involved in activities similar to those conducted by our Company.

### Promoter Group

As on the date of this Draft Red Herring Prospectus, the persons constituting the Promoter Group of our Company in terms of Regulation 2 (1) (zb) of the ICDR Regulations, except the Promoters, are set out below:

#### *Natural persons forming part of our Promoter Group*

1. Baijnath Choudhary;
2. Durga Devi Choudhary;
3. Kusum Sanwaria;
4. Uma Goyal;
5. Sashikala Choudhary;
6. Vikash Choudhary;
7. Deepak Choudhary;
8. Sunil Choudhary;
9. Jaiprakash Dalmia;
10. Ramesh Dalmia;
11. Bimla Rajgaria;
12. Urmila Choudhary;
13. Sangita Saraf;
14. Kanchan Agarwal;
15. Bela Choudhary;
16. Keshav Choudhary;

17. Surabhi Chowdhary;
18. Savitri Devi Agarwal;
19. Bajranglal Agarwal;
20. Suchitra Jhunjhunwala;
21. Usha Agarwal;
22. Bimala Agarwal;
23. Kusum Bajaj;
24. Manu Agarwal;
25. Sunita Choudhary;
26. Aman Choudhary;
27. Radhesh Choudhary;
28. Palak Choudhary;
29. Pushpa Devi Agarwal;
30. Hari Narayan Agarwal;
31. Deepak Agarwal;
32. Saroj Choudhary;
33. Ankit Choudhary;
34. Ashish Choudhary;
35. Anuradha Agarwal;
36. Kamala Devi Goyal;
37. Rajiv Kumar Goyal;
38. Sanjiv Kumar Goyal;
39. Vikash Goyal;
40. Kusum Mahipal;
41. Manju Gupta;
42. Minu Agarwal; and
43. Neelam Agarwal.

***Entities forming part of our Promoter Group***

1. Anmol Projects Private Limited;
2. J4F Nutriplus Private Limited
3. Anmol Realty Builders Private Limited;
4. Panchkoti Realtors Private Limited;
5. Anumati Consultancy & Services Private Limited;

6. Anmol Healthcare Private Limited;
7. Baid Holdings Private Limited;
8. Anmol Stainless Private Limited;
9. Monarch Shelter Private Limited;
10. Triloki Greenfields Private Limited;
11. Nagarjun Promoter Private Limited;
12. Highrise Plaza Private Limited;
13. Akash Owner Private Limited;
14. Rockson Properties and Traders Private Limited;
15. Kajal Marketing Private Limited;
16. Aarna Projects Private Limited;
17. Nilambur Promoter Private Limited;
18. Darshanand Holding Private Limited;
19. Asha Realcon Private Limited;
20. BDJ Glass Industries Private Limited;
21. Shree Balaji Glass Manufacturing Private Limited;
22. Sona Proteins Private Limited;
23. Vedant Edifice Private Limited;
24. Azalea Merchants Private Limited;
25. Vanaspati Distributors Private Limited;
26. Aarav Casings Private Limited;
27. Choudhary Realtors LLP;
28. Radhey Realtors LLP;
29. Jyotim Construction LLP;
30. SKG Land Developers LLP;
31. Anmol Agrofarm LLP;
32. Zen Healthcare Products LLP;
33. Liza Marketing LLP;
34. Tip-Top Nirman LLP;
35. Nabo Tracom LLP;
36. Royal Procon LLP;
37. Shangrilla Commercial Co LLP;
38. Shivmani Developers LLP;

39. Commercial Developers LLP;
40. Investors Nirman LLP;
41. Delta Nirman LLP;
42. Baijnath Developers LLP;
43. Anmol Hi-Cool LLP;
44. Urban Nirman LLP;
45. Blue Moon Nirman LLP;
46. Mukund Nirman LLP;
47. Wonderland Realtors LLP;
48. Anant Udyog LLP;
49. Subhrekha Realtors LLP;
50. Puneet Mercantiles LLP;
51. Oracle Consultants LLP;
52. Vikash Goyal HUF;
53. SouthCity Infrapark LLP;
54. SKDJ SKY Height LLP;
55. AHW Unimark Consortium LLP;
56. Biswanath Choudhary Family Trust;
57. Baijnath Choudhary Charitable Trust;
58. Bimal Choudhary Family Trust;
59. Gobindram Choudhary Family Trust;
60. Dilip Choudhary Family Trust;
61. Anjani Highrise LLP;
62. S. B. Corrugators LLP;
63. Stationery World (Proprietorship business);
64. Glittr 'N' Shine Partnership firm;
65. Pradeep Kumar Jhunjhunwala HUF;
66. Sanjeev Kumar Goyal HUF;
67. Pradeep Kumar Gaurav Agarwal HUF;
68. Hari Narayan Agarwal HUF;
69. Deepak Agarwal HUF;
70. Bajrang Lal Agarwal HUF;
71. Bishan Das Goyal HUF;

- 72. Ankit Choudhary HUF;
- 73. Vikash Choudhary HUF;
- 74. Sunil Choudhary HUF;
- 75. Deepak Choudhary HUF;
- 76. BNC Trust;
- 77. Bilashrai Dulichand HUF; and
- 78. Pradeep Kumar Sanwaria HUF.

## OUR GROUP COMPANIES

In terms of the ICDR Regulations and pursuant to the resolution passed by our Board at its meeting held on February 24, 2018, the group companies of our Company are (i) all related parties disclosed in the Restated Financial Statements, excluding (a) such companies that are consolidated in accordance with relevant accounting standards; and (b) such related party companies that have ceased to be related parties of the Company; (ii) companies which subsequent to the last date up to which the Restated Financial Statements have been prepared, would require disclosure in the audited financial statements of the Company for subsequent periods as related parties covered under Accounting Standard 18 or Ind AS 24; and (iii) other companies considered material by our Board.

Pursuant to the aforesaid resolution of our Board, for the purposes of disclosure in relation to the Offer, a company shall be considered 'material' and disclosed as a Group Company (i) if such company has been disclosed as a member of the Promoter Group, and (ii) with whom transactions entered into exceed 5 % or more of the total revenue of our Company as per the Restated Financial Statements.

Accordingly, in terms of the above policy adopted by our Board for determining group companies, we have set out below the details of our Group Companies. Our Board has also approved that, as on the date of the aforesaid resolution, there are no other group companies of our Company other than the companies disclosed below.

The following companies are our Group Companies:

1. Monarch Shelter Private Limited;
2. Anumati Consultancy & Services Private Limited;
3. Anmol Stainless Private Limited;
4. Baid Holdings Private Limited;
5. J4F Nutriplus Private Limited; and
6. Anmol Projects Private Limited.

### A. Details of the top five Group Companies (based on total income)

#### 1. *Monarch Shelter Private Limited ("Monarch")*

##### *Corporate information and nature of business*

Monarch was incorporated on November 11, 1993 in Kolkata as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC.

Monarch is engaged in the business of building, engineering, contracting, developing and consultancy services.

##### *Interest of Promoters*

Our Promoters are interested in Monarch to the extent of their shareholding and directorship in Monarch and the shareholding of their relatives in Monarch and in any dividend distribution and corporate benefits which may be made by Monarch in the future. The details of the shareholding of the BCF Trust in Monarch is set out below:

Sr. No.	Name of Promoter	No. of equity shares held by the Promoter	Percentage of interest (%)
1.	BCF Trust	758,000	50.19

##### *Financial Performance*

The financial information derived from the audited financial results of Monarch for the Financial Years ended 2015, 2016 and 2017 are set forth below:

*(in ₹ million, except share data)*

Particulars	Financial Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity capital*	15.10	15.10	15.10
Reserves (excluding revaluation reserves)	86.41	80.25	65.20
Sales / Revenue from operations	-	-	-
Total Income	8.69	17.30	7.87
Profit / (Loss) after tax	6.03	15.05	5.23
Basic EPS (in ₹)	3.99	9.97	3.47
Diluted EPS (in ₹)	3.99	9.97	3.47
Net asset value per share (in ₹)	67.22	63.14	53.17

\* Face value of every equity share is ₹ 10.

There are no significant notes of the auditors in relation to the aforesaid financial statements.

## 2. **Anumati Consultancy & Services Private Limited (“ACSPL”)**

### *Corporate Information and nature of business*

ACSPL was incorporated on March 25, 1994 in Kolkata as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC and is an NBFC registered with RBI. Pursuant to a scheme of amalgamation approved by the National Company Law Tribunal, Kolkata Bench through its order dated November 23, 2017, Gangaur Properties Private Limited, Jamboodweep Finance Private Limited, Rajmandir Estates Private Limited, Devesh Management Services Private Limited, Juhi Garment Suppliers Private Limited, Kavita Autopart Sales Private Limited, Bhupati Trading Private Limited, Green Valley Tradecom Private Limited, Sairam Vinimay Private Limited, Megasin Vincom Private Limited and Satyam Financial Advisory Private Limited amalgamated with ACSPL.

ACSPL is engaged in the business of (i) providing consultancy services on matters relating to, *inter alia*, industries, administration, management organisation accountancy, taxation, costing, financial, shares and secretarial marketing, import, export, commercial or economic activities; and (ii) acting as, *inter alia*, importers and exporters, buyers, sellers, traders, merchants, indentors, brokers, agents, commission agents, distributors and hire purchasers of and in all kinds of rubberised cloth, dairy products, electric and electronics components, textile, chemicals, fertilizers and all other kinds of goods and merchandise, commodities and articles of consumption of all kinds in India and elsewhere.

### *Interest of Promoters*

Our Promoters are interested in ACSPL to the extent of their shareholding and directorship in ACSPL and the shareholding of their relatives in ACSPL and in any dividend distribution and corporate benefits which may be made by ACSPL in the future. The details of the shareholding of our Promoters in ACSPL is set out below:

Sr. No.	Name of Promoter	Number of equity shares held by the Promoter	Percentage of interest (%)
1.	Biswanath Choudhary	215,436	2.76
2.	Dilip Kumar Choudhary	303,000	3.88
3.	Gobind Ram Choudhary	419,300	5.37
4.	Bimal Kumar Choudhary	93,250	1.19

### *Financial Performance*

The financial information derived from the audited financial results of ACSPL for the Financial Years ended 2015, 2016 and 2017 are set forth below:

Particulars	(in ₹ million, except share data)		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity capital*	28.65	28.65	28.65
Reserves (excluding revaluation reserves)	328.63	270.66	253.85
Sales / Revenue from operations	9.43	5.72	13.84
Total Income	77.86	22.64	33.06
Profit / (Loss) after tax	58.13	16.88	20.27
Basic EPS (in ₹)	20.29	5.89	7.08
Diluted EPS (in ₹)	20.29	5.89	7.08
Net asset value per share (in ₹)	124.70	104.47	98.60

\* Face value of every equity share is ₹ 10.

There are no significant notes of the auditors in relation to the aforesaid financial statements.

## 3. **Anmol Stainless Private Limited (“ASPL”)**

### *Corporate Information and nature of business*

ASPL was incorporated on May 13, 2010 as Anmol Energy Private Limited in Kolkata as a private limited company under the Companies Act, 1956 with the RoC. Subsequently, the name of the company was changed to ASPL and a fresh certificate of incorporation issued by the RoC on May 12, 2011. ASPL is engaged in the business



of manufacture, trade, deal, import and export of stainless steel and casting of steel, stainless steel and special steel including manufacturing, trading, exporting, importing and dealing in, *inter alia*, all types of steels, steels accessories, fabrication of steel, all types of ferrous and non- ferrous alloys.

#### *Interest of Promoters*

Our Promoters are interested in ASPL to the extent of their shareholding and directorship in ASPL and the shareholding of their relatives in ASPL and in any dividend distribution and corporate benefits which may be made by ASPL in the future. The details of the shareholding of our Promoters in ASPL is set out below:

Sr. No.	Name of Promoter	No. of equity shares held by the Promoter	Percentage of interest (%)
1.	Dilip Kumar Choudhary	200,000	4.01

#### *Financial Performance*

The financial information derived from the audited financial results of ASPL for the Financial Years ended 2015, 2016 and 2017 are set forth below:

(in ₹ million, except share data)

Particulars	Financial Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity capital*	49.83	49.83	49.83
Reserves (excluding revaluation reserves)	(35.81)	(35.81)	3.78
Sales / Revenue from operations	491.98	436.16	286.34
Total Income	495.63	445.78	289.43
Profit / (Loss) after tax	0.003	(39.59)	(72.86)
Basic EPS (in ₹)	0.00	(7.94)	(14.62)
Diluted EPS (in ₹)	0.00	(7.94)	(14.62)
Net asset value per share (in ₹)	2.81	2.81	10.76

\* Face value of every equity share is ₹ 10.

In the Financial Years 2016 and 2017, ASPL has not complied with the requirement of AS-15, “Employee Benefits” in accordance with Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 by providing gratuity and leave encashment on an estimated basis in its financial statements.

Except as stated above, there are no significant notes of the auditors in relation to the aforesaid financial statements.

#### 4. ***Baid Holdings Private Limited (“BHPL”)***

##### *Corporate Information and nature of business*

BHPL was incorporated on October 3, 1985 in Kolkata as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC. BHPL is an NBFC. It is engaged in the business of (i) acting as, *inter alia*, exporter, importer, buyers, sellers, processor of all kinds of industrial, consumer (durable and non- durable) and intermediate products; (ii) acting as consultants and advisors on all aspects of corporate, commercial and industrial, management or activity, *inter alia*, including production, manufacturing, personal and to make evaluations, feasibility studies, project reports, forecasts and surveys and to give expert advice and suggest ways and means of improving efficiency in companies and industries of all kinds in India and elsewhere; (iii) carrying the businesses of, *inter alia*, finance, investment and trading, hire purchase, leasing, purchasing and selling all kinds of plant and machinery and equipment; (iv) acting as investors, guarantors, underwriters, financiers, and to finance, lend and advance money to such person, firm or body corporate with the object of financing industrial enterprises; and (v) investing, acquiring, selling, transferring, holding or disposing of any securities issued or guaranteed by any company carrying on business in India or elsewhere either out of its own funds or funds it might borrow.

#### *Interest of Promoters*

Our Promoters are interested in BHPL to the extent of their shareholding and directorship in BHPL and the shareholding of their relatives in BHPL and in any dividend distribution and corporate benefits which may be made by BHPL in the future. The details of the shareholding of our Promoters in BHPL is set out below:

Sr. No.	Name of Promoter	No. of equity shares held by the Promoter	Percentage of interest (%)
1.	Biswanath Choudhary	80,000	1.09
2.	Dilip Kumar Choudhary	80,510	1.10
3.	Bimal Kumar Choudhary	80,150	1.10

#### Financial Performance

The financial information derived from the audited financial results of BHPL for the Financial Years ended 2015, 2016 and 2017 are set forth below:

(in ₹ million, except share data)

Particulars	Financial Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity capital*	73.08	73.08	73.08
Reserves (excluding revaluation reserves)	557.64	527.36	524.62
Sales / Revenue from operations	10.97	3.58	4.34
Total Income	39.82	6.47	19.27
Profit / (Loss) after tax	30.75	2.69	14.02
Basic EPS (in ₹)	4.21	0.37	1.92
Diluted EPS (in ₹)	4.21	0.37	1.92
Net asset value per share (in ₹)	86.31	82.16	81.79

\* Face value of every equity share is ₹ 10.

There are no significant notes of the auditors in relation to the aforesaid financial statements.

#### 5. J4F Nutriplus Private Limited (“JNPL”)

##### Corporate Information and nature of business

JNPL was incorporated on December 24, 2001 in Kolkata as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC. JNPL is engaged in the business of (i) acting as, *inter alia*, manufacturers, fabricators, processors, producers, growers, makers of all kinds of process foods, agro- foods, snacks and ayurvedic products and materials required or used for preparation of or being articles for foods including breads of all kinds; and (ii) manufacture, process, prepare, preserve, can, refine, bottle, buy, sell and deal in beverages, cordials and aerated mineral waters and food- stuffs and consumables provisions of every description for human or animal consumption.

##### Interest of Promoters

Our Promoters are interested in JNPL to the extent of their shareholding and directorship in JNPL and the shareholding of their relatives in JNPL and in any dividend distribution and corporate benefits which may be made by JNPL in the future. The details of the shareholding of our Promoters in JNPL is set out below:

Sr. No.	Name of Promoter	No. of equity shares held by the Promoter	Percentage of interest (%)
1.	Biswanath Choudhary	13,795	4.17
2.	Dilip Kumar Choudhary	26, 253	7.94
3.	Gobind Ram Choudhary	7,215	2.18

#### Financial Performance

The financial information derived from the audited financial results of JNPL for the Financial Years ended 2015, 2016 and 2017 are set forth below:

(in ₹ million, except share data)

Particulars	Financial Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Equity capital*	3.31	3.31	3.31
Reserves (excluding revaluation reserves)	15.26	15.22	15.15
Sales / Revenue from operations	-	-	-
Total Income	0.28	0.47	0.33
Profit / (Loss) after tax	0.04	0.07	(0.06)
Basic EPS (in ₹)	0.13	0.20	(0.18)

Particulars	Financial Year ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Diluted EPS (in ₹)	0.13	0.20	(0.18)
Net asset value per share (in ₹)	56.17	56.04	55.84

\* Face value of every equity share is ₹ 10.

There are no significant notes of the auditors in relation to the aforesaid financial statements.

### Other Group Companies

The details of APPL is provided below:

#### 6. *Anmol Projects Private Limited (“APPL”)*

##### *Corporate information and nature of business*

APPL was incorporated on June 8, 1999 in Kolkata as a private limited company under the Companies Act, 1956, pursuant to a certificate of incorporation issued by the RoC.

APPL is engage in the business of establishing, developing, operating, selling, leasing out, disposing off or otherwise, dealing in any manner any real or personal estate, industrial estate or park, commercial estate, food park or complex of any nature including land, buildings, factories, mills, houses, cottages, resorts, club house, club home, recreation or amusement parks, shops, depots, warehouses, roads, water works, concessions, privileges, licenses, easement or interest in or with respect to any of such property.

##### *Interest of Promoters*

Our Promoters are interested in APPL to the extent of their shareholding and directorship in APPL and the shareholding of their relatives in APPL and in any dividend distribution and corporate benefits which may be made by APPL in the future. The details of the shareholding of our Promoters in APPL is set out below:

Sr. No.	Name of Promoter	No. of equity shares held by the Promoter	Percentage of interest (%)
1.	Dilip Kumar Choudhary	100,000	23.44

#### B. **Details of our Group Companies with negative net worth:**

None of our Group Companies have a negative net worth.

#### C. **Details of our loss-making Group Companies:**

The following table sets forth the details of our Group Companies which have incurred losses in the last Financial Year and profit/loss made by them in the last three Financial Years:

Particulars	Financial Year 2017	Financial Year 2016	Financial Year 2015
APPL	(0.92)	0.13	0.04

### Nature and extent of interest of our Group Companies

#### 1. *In the promotion of our Company*

None of our Group Companies have any interest in the promotion of our Company.

#### 2. *In the properties acquired by our Company in the past two years before filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company*

None of our Group Companies is interested in any property acquired by our Company within two years of the date of filing of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

#### 3. *In transactions for acquisition of land, construction of building and supply of machinery*

None of our Group Companies is interested in any transaction for acquisition of land, construction of building or supply of machinery.

### **Common pursuits between our Group Companies and our Company**

There are no common pursuits between our Group Companies and our Company.

### **Related business transactions with our Group Companies and significance on the financial performance of our Company**

For further information, see “*Related Party Transactions*” beginning on page 163.

### **Sale / purchase between our Group Companies and our Company**

None of our Group Companies is involved in any sales or purchase with our Company where such sales or purchases exceed in value in the aggregate 10% of the total sales or purchases of our Company.

### **Business interest of our Group Companies**

None of our Group Companies have any business or other interest in our Company, except for business conducted on arms’ length basis or to the extent of any Equity Shares held by them in our Company.

### **Defunct Group Companies**

None of our Group Companies is defunct and no application has been made to the registrar of companies for striking off the name of any of our Group Companies during the five years preceding the date of filing of this Draft Red Herring Prospectus.

### **Other confirmations**

None of the securities of our Group Companies are listed on any stock exchange and none of our Group Companies have made any public or rights issue of securities in the preceding three years.

None of our Group Companies fall within the definition of sick company under SICA or other applicable law and it is not under winding up.

None of our Group Companies has been identified as a Wilful Defaulter.

None of our Group Companies has been prohibited from accessing the capital markets for any reason by SEBI or any other authorities.

Except as stated in “*Risk Factors - Our Promoters and Group Companies have unsecured loans, which may be recalled at any time. Any recall of such loans may have an adverse effect on our business, prospects, financial condition and results of operations*”, on page 30, none of our Group Companies has taken any unsecured loan which can be recalled by the lenders at any time.

## **RELATED PARTY TRANSACTIONS**

For details of related party transactions, as per the requirements under the relevant accounting standards and as reported in the Restated Financial Statements, see “*Financial Statements – Note 49 – Related Party Disclosure*” beginning on page 224.

## DIVIDEND POLICY

The declaration and payment of dividends on our Equity Shares, if any, will be recommended by our Board and approved by our Shareholders, at their discretion, subject to the provisions of the Articles of Association and applicable law, including the Companies Act. Our Company has no formal dividend policy.

The dividends, if any, will depend on other factors, including the outlook for the economy, outlook for the industry, the business environment for our Company's business, the profitability of our Company, capital requirements for future expansion plans, rate of dividend distribution tax, contractual obligations, applicable legal restrictions, and restrictive covenants under loan or financing arrangements which our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details of the restrictive covenants under our loan or financing arrangements, see "*Financial Indebtedness*" beginning on page 283.

Except for Financial Years 2017, 2016 and 2015, our Company has not declared or paid any dividend on the Equity Shares during the last five Financial Years. The details of dividend on the Equity Shares provided by our Company are given below:

Financial Year	No. of Equity Shares	Dividend paid per Equity Share (in ₹)	Rate of dividend on Equity Shares (in %)	Total dividend on Equity Shares (in ₹ million)*	Dividend distribution tax (in ₹ million)
2017**	12,357,708	5	50	61.79	12.58
2016	4,660,200	10	100	46.60	9.50
2015	4,660,200	5	50	23.30	3.95

\* Excluding dividend distribution tax.

\*\* Dividend for the Financial Year 2017 has been declared at the AGM held on September 25, 2017 and accordingly has been accounted for in the Financial Year 2018 in terms of applicable accounting standards.

However, the amounts as dividends in the past are not necessarily indicative of our dividend amounts, if any, or our dividend policy, in the future. Future dividends will depend on our revenues, profits, cash flow, financial condition, capital requirements and other factors. For details in relation to the risk involved see "*Risk Factors- Our ability to pay dividends in the future will depend upon our future earnings and restrictive covenants in our financing arrangements.*" on page 25.

## SECTION V: FINANCIAL INFORMATION

### FINANCIAL STATEMENTS

Particulars	Page numbers
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## EXAMINATION REPORT ON RESTATED FINANCIAL INFORMATION

The Board of Directors  
Anmol Industries Limited  
229, AJC Bose Road  
3rd Floor, Crescent Tower  
Kolkata 700020

Dear Sirs,

- (1) We have examined the attached Restated Financial Information of **Anmol Industries Limited** (the “**Company**”) which comprise of the Restated Summary Statements of Assets and Liabilities as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Restated Summary Statements of Profit and Loss (including Other Comprehensive Income, wherever applicable), Restated Statements of Changes in Equity (where applicable) and the Restated Summary Statement of Cash Flows for the nine months period ended December 31, 2017 and for each of the years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, the Summary of Significant Accounting Policies and notes thereon and Other Restated Financial Information (together referred to as “**Restated Financial Information**”) as stated in paragraph 8 below together with the Annexures thereto.

The Restated Financial Information as stated above include the following financial statements which have been prepared as per the accounting standard and practices given here under:

- (a) Restated Financial Information as at and for the years ended March 31, 2014 and March 31, 2013 prepared as per Indian GAAP Accounting Standards and Policies applicable for the relevant year;
- (b) Restated Proforma Ind AS Financial Information as at and for the years ended March 31, 2016 and March 31, 2015 prepared applying the principles and provisions provided under Indian Accounting Standards (IND AS);
- (c) Restated Ind AS Financial Information as at and for the nine months period ended December 31, 2017 and for the year ended March 31, 2017 prepared as per IND AS.

The Restated Financial Information of the Company have been approved by the Board of Directors of the Company in their meeting held on April 23, 2018 for the purpose of inclusion in the Draft Red Herring Prospectus (the “**DRHP**”) prepared by the Company in connection with the proposed initial public offering of equity shares by certain existing shareholders of the Company (“**Offer**”) in terms of the requirements of:

- (a) Section 26 of Part I of Chapter III of the Companies Act, 2013 (“**the Act**”) read with Rules 4 to 6 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (“**the Rules**”);
  - (b) the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended from time to time in pursuance of provisions of Securities and Exchange Board of India Act, 1992 (“**SEBI ICDR Regulations**”); and
  - (c) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (“**ICAI**”) hereafter referred to as “the Guidance Note”.
- (2) The preparation of the Restated Financial Information of the Company in accordance with the accounting standard and practices as stated in Paragraph 1 above is the responsibility of the Management. The Management’s responsibility includes designing, implementing and maintaining adequate internal control relevant to the preparation and presentation of the Restated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the Rules and SEBI ICDR Regulations.
- (3) We have examined such Restated Financial Information taking into consideration:
- (a) The terms of reference and terms of our engagement agreed upon in accordance with our engagement letter dated 26th February 2018 in connection with the Offer; and
  - (b) The Guidance Note on Reports in Company Prospectuses (Revised 2016) issued by the Institute of Chartered Accountants of India (“**ICAI**”) hereafter referred to as “the Guidance Note”.
- (4) These Restated Financial Information have been examined based on:
- (a) the Audited Financial Statements of the Company prepared as per Indian GAAP Accounting Standards and Policies as at and for the financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 which have been approved by the Board of Directors at their meetings held on September 12, 2017, August 01, 2016, September 04, 2015, September 02, 2014 and June 25, 2013, respectively.



The audit of the financial statements of the Company as at and for the financial years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 was conducted by S. Poddar & Co., Chartered Accountants (the “**Previous Auditor**”) and accordingly reliance has been placed by us on these financial statements audited by Previous Auditor for the said years for the purpose of examination of the restated financial information.

- (b) the audited financial statement of the Company for the period April 1, 2017 to December 31, 2017 prepared for the purpose of disclosure in the DRHP of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards prescribed under section 133 of the Act, as applicable. These financial statements have been approved by the Board of Directors at their meeting held on April 23, 2018.
- (5) Based on our examination as above and information and explanations given to us and in accordance with the requirements of Section 26 of Part I of Chapter III of the Act read with the Rules, the SEBI ICDR Regulations and the Guidance Note, as amended from time to time and in terms of our engagement agreed with you, we report that:
- (a) The Restated Statement of Assets and Liabilities and Restated Statement of Changes in Equity (where applicable) of the Company as at December 31, 2017, March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 as set out in **Annexure I, Annexure VI and Annexure III** to the Restated Financial Information have been arrived at after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Summary Statement of Adjustments to the Audited Financial Statements as enclosed to the Restated Financial Information as given in **Note 60 of Annexure V and Note 34 of Annexure IX**;
- (b) The Restated Statement of Profit and Loss (including Other Comprehensive Income, wherever applicable) of the Company for the nine months period ended 31st December 2017, and the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 as set out in **Annexure II and Annexure VII** to the Restated Financial Information have been arrived at after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Summary Statement of Adjustments to the Audited Financial Statements as enclosed to the Restated Financial Information as **Note 60 of Annexure V and Note 34 of Annexure IX**;
- (c) The Restated Statement of Cash Flows of the Company for the nine months period ended 31st December 2017, and the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 as set out in **Annexure III and Annexure VIII** to the Restated Financial Information have been arrived at after making adjustments and regroupings as in our opinion, were appropriate and more fully described in the Summary Statement of Adjustments to the Audited Financial Statements as enclosed to the Restated Financial Information as **Note 60 of Annexure V and Note 34 of Annexure IX**;
- (d) As a result of the adjustments as stated above, the amounts reported 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.
- (6) Based on the above, and based on the reliance placed on the Financial Statements audited by the previous auditor for the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013, we further report that the Restated Financial Information:
- (i) have been made after incorporating adjustments for material changes in accounting policies in respective financial years to reflect the uniform accounting treatment as applicable to all the reporting years;
- (ii) have been made after incorporating adjustments for material prior period and other amounts in the respective financial years to which they relate;
- (iii) do not contain any extraordinary items which need to be disclosed separately (other than those presented) in the Restated Financial Information in the respective period/financial years.
- (iv) do not contain any qualifications in the Auditors’ Report which require any corrective adjustments in the Restated Financial Information. Matter referred to in the financial statements for the year ended March 31, 2017 and the nine month period ended December 31, 2017 which need to be emphasised and reported as “Emphasis of Matter”, which however, as such do not require any corrective adjustment as stated above in the Restated Financial Information, are as follows:

Attention is drawn to Note 56 of the restated financial information dealing with amalgamation of Anmol Biscuits Limited and Anmol Bakers Private Limited with the Company with effect from April 1, 2016 and April 2, 2016 respectively and demerger of Corporate Management & Treasury (CMT) Division of the Company to Anant Udyog Private Limited with effect from March 22, 2017 pursuant to the Scheme of Arrangement (“the scheme”) sanctioned by the National Company Law Tribunal (NCLT). The accounting treatment of the said amalgamation

being given effect to in these restated financial statements pursuant to the said Scheme in accordance with “Purchase Method” as per Accounting Standard 14 – Accounting for Amalgamations (AS 14) in terms of then applicable generally accepted accounting standards/ principles is different from the method prescribed under Ind AS 103–‘Business Combinations’ for business combination of entities under common control. Considering that the Scheme has been approved by NCLT and has to be mandatorily followed, no adjustment in this respect has been carried out. Had the accounting treatment prescribed under Ind AS 103 “Pooling of Interest Method” been followed (a) the goodwill of Rs. 5,950.07 millions accounted on amalgamation would not have been recognised and resultant adjustment of Rs. 1,190.01 millions p.a. against Securities Premium in terms of the Scheme would therefore not be required; (b) the differential of purchase consideration with share capital amounting to Rs 13,766.27 millions (including Rs. 180.54 millions pertaining to cost of investment in amalgamating subsidiary company being written off on amalgamation) would have been debited to Capital Reserve and shown under other equity; (c) securities premium reserve, general reserve and balance of surplus would be higher by Rs. 5,302.30 millions, Rs. 111.40 millions and Rs. 2,214.72 millions respectively and thereby balance of Equity would have been lower by Rs. 6,137.85 millions.

Our opinion is not modified in this respect.

- (v) do not contain any adverse remarks/ comments in the Companies (Auditor’s Report) Order, 2003 / Companies (Auditor’s Report) Order, 2015 / Companies (Auditor’s Report) Order, 2016 (‘the Order’) issued by the Central Government of India (together referred to as ‘CARO’) except as given in **Annexure A**.
- (7) We have also examined the following Restated Financial Information as set out in Annexures prepared by the management based on the Restated Financial Information relating to the Company for the nine months period ended 31 December 2017, and the financial years ended 31 March 2017, 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013. In respect of the years ended 31 March 2016, 31 March 2015, 31 March 2014 and 31 March 2013 these information have been included based on the reliance placed on the Financial Statements audited by the previous auditor.
  - (i) Summary Statement of Adjustments to the Audited Financial Statements appearing in **Note 60 of Annexure V** and **Note 34 of Annexure IX** to the Restated Financial Information;
  - (ii) Summary Statement of Net Worth and Accounting Ratios as appearing in **Annexure X** to the Restated Financial Information;
  - (iii) Summary Statement of Capitalisation as appearing in **Annexure XI** to the Restated Financial Information;
  - (iv) Summary Statement of Dividend paid/proposed as appearing in **Annexure XII** to the Restated Financial Information; and
  - (v) Summary Statement of Tax Shelter as appearing in **Annexure XIII** to the Restated Financial Information.
- (8) According to the information and explanations given to us and also as per the reliance placed on the financial statements audited by the previous auditor, in our opinion, the Restated Financial Information and the above restated information contained in **Annexure X** to **Annexure XIII** accompanying this report, read with Significant Accounting Policies and Other notes, are prepared after making adjustments and regroupings as considered appropriate in accordance with Section 26 of Part I of Chapter III of the Act read with the Rules, SEBI ICDR Regulations and the Guidance Note and in terms of our engagement as agreed in this respect.
- (9) This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by previous auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
- (10) We have no responsibility to update our report for events and circumstances occurring after the date of the report.
- (11) Our report is intended solely for the use of management for inclusion in the DRHP to be filed with Securities and Exchange Board of India, the stock exchanges where the equity shares are proposed to be listed and Registrar of Companies in connection with the proposed OFS. Our report should not be used, referred to or distributed for any other purpose, except with our prior written consent.

For Lodha & Co  
Chartered Accountants  
Firm’s ICAI Registration No: 301051E

R.P.Singh  
Membership No.: 52438  
Date: April 23, 2018  
Place: Kolkata

## Annexure A

Summary statement of remarks/comments in CARO for respective financial year.

**For the year ended March 31, 2017:**

**(Para (i)(c) of CARO)**

- (a) The title deeds of immovable property are held in the name of the company except in respect of the following which have been acquired on amalgamation of various companies and are pending transfer in favour of the Company:

	No. of cases	Gross Block	Net Block
Land – Freehold	111	484.89	484.89
Land- Leasehold	9	191.26	184.43
Building	26	1,273.65	1,150.73

(Rs. In Million)

For the aforesaid purpose, land deed/ lease deed has been taken as the basis for verification of self-constructed building thereon

**(Para vii (b) of CARO)**

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales Tax, Value added Tax, Service Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of dispute except as given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Millions) (*)	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty	6.36	2006-07	Appellate (Tribunal)
	CENVAT Credit	9.97	March 2007 to May-07	Commissioner of Central Excise
	CENVAT Credit	0.82	2008-09	Commissioner of Central Excise
	CENVAT Credit	5.90	2013-14 & 2014-15	Assistant Commissioner
	Service Tax Credit	2.75	Jan 2005 to Sep 2007	CESTAT
	Excise Duty	18.73	2010-11	CESTAT, Allahabad
The West Bengal Value Added Tax Act 2003	Value Added Tax	0.91	2011-13	Revisional Board
Bihar Value Added Tax Act, 2005	Central Sales Tax	0.22	2014-15	Joint Commissioner, Appeals (Office of the Commercial Tax)
UP Sales Tax	Sales Tax including Penalty	38.38	2006-07 2007-08	Hon'ble Supreme Court
	Sales tax	0.08	2008-09	Tribunal(Appeals) Commercial Tax, Noida
	Sales tax	17.40	2014-15	Additional Commissioner (Appeals) Commercial Tax, Noida
Punjab Value Added Tax Act, 2005	Sales Tax including penalty	22.11	2005-06	Excise & Taxation Commissioner, Patiala (since set aside) (Note 46.1 to the Restated Financial Statements)
Income Tax Act, 1961	Income Tax	0.56	2002-03, 2003-04 and 2006-07 to 2008-09	Deputy Commissioner of Income Tax

\* excluding interest and penalty amount in respect of which amount is not ascertainable.

**For the year ended March 31, 2016:****(Para vii (a) & (b) of CARO)**

- (a) According to the records, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and any other statutory dues as applicable to the company with appropriate authorities except slight delay in Service Tax, Tax Collected at Source and Employee State Insurance. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company examined by us and the information and explanations given to us, there are no dues of Income tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax and Cess which have not been deposited on account of dispute except as given below:

Name of the Statute	Nature of the Dues	Amount (Rs. in Millions)	Period to which the amount relates	Forum where dispute is pending
Bihar Value Added Tax Act, 2005	Central Sales Tax	0.22	2014-15	Joint Commissioner, Appeals (Office of the Commercial Tax)

**For the year ended March 31, 2015:****(Para vii (a) & (b) of CARO)**

- (a) According to the records, the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Custom Duty, Income Tax, Duty of Excise, Sales Tax, Cess and any other material statutory dues as applicable to the company with appropriate authorities and we have been informed that there are no arrears of outstanding statutory dues as at the last day of financial year under audit for a period of more than six months from the date become payable. However there has been a slight delay in a few cases in payment of Provident Fund, Service Tax and Tax Deducted at Source.
- (b) According to information and explanation given to us, there are no dues of Income Tax, Sales Tax, Service Tax, Custom Duty, Wealth Tax, Excise Duty and Cess which have not been deposited on account of dispute except as given below :

Name of the Statute	Nature of the Dues	Amount (Rs. in Millions)	Period to which the amount relates	Forum where dispute is pending
Bihar Value Added Tax Act, 2005	Central Sales Tax	0.22	2014-15	Joint Commissioner, Appeals (Office of Commercial Tax)

**For the year ended March 31, 2014:****(Para ix (a) of CARO)**

- (a) According to information and explanation given to us and the records of the company examined by us, in our opinion the company is generally regular in depositing undisputed statutory dues including Provident Fund, Employee State Insurance, Custom Duty, Sales Tax, Income Tax, Service Tax, Excise Duty, Cess and other material statutory dues as applicable to the company, with appropriate authorities except slight delay in few cases of Provident fund and Tax Deducted at Source. According to information and explanation given to us, no undisputed statutory dues, as at the year end, outstanding for a period of more than six months from the date they become payable.

**For the year ended March 31, 2013:****(Para ix (a) & (b) and xvii of CARO)**

- (a) According to information and explanation given to us and the records of the company examined by us, in our opinion the company is generally regular in depositing undisputed statutory dues including Provident fund, Employee State Insurance, Custom Duty, Sales Tax, Income Tax, Service Tax, Cess and other material statutory dues as applicable to the company, with appropriate authorities except slight delay in few cases of Provident fund and Tax Deducted at Source. According to information and explanation given to us, no undisputed statutory dues, as at the year end, outstanding for a period of more than six months from the date they become payable.

Further, since the Central Government has till date not prescribed the amount of cess payable under section 441A of the Companies Act, 1956, we are not in a position to comment upon the regularity otherwise of the company in depositing the same.

- (b) According to the information and explanations given to us, there are no dues of Income tax, Sales Tax, Value added Tax, Service Tax, Wealth Tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of dispute except as given below:

<b>Name of the Statute</b>	<b>Nature of the Dues</b>	<b>Amount (Rs. in Millions)</b>	<b>Period to which the amount relates</b>	<b>Forum where dispute is pending</b>
Bihar Value Added Tax Act, 2005	Value Added Tax	0.16	2012-13	Appeal u/s 74 with Commissioner of Commercial Tax, Patna

- (c) On the basis of overall examination of the balance sheet of the company, in our opinion, and according to the information and explanation given to us, we report the funds raised on short term basis aggregating to Rs 137.10 million have been used for repayment of term loans and for strengthening the production capacity.

**ANMOL INDUSTRIES LIMITED**
**Annexure I – Restated Statements of Assets & Liabilities**
**(Rs. in Millions)**

Particulars	Note No.	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>ASSETS</b>					
<b>Non-current assets</b>					
(a) Property, Plant and Equipment	5	3,447.23	3,568.09	634.67	692.93
(b) Capital work-in-progress	5	108.67	97.02	-	0.29
(c) Goodwill on Amalgamation	6	3,867.55	4,760.06	-	-
(d) Other Intangible assets	7	1.08	1.37	0.00	0.01
(e) Financial Assets					
(i) Investments	8	44.05	44.05	33.83	-
(ii) Loans	9	3.06	1.38	-	-
(iii) Other financial assets	10	114.48	131.34	43.74	58.18
(f) Deferred tax assets(net)	26	-	-	-	43.05
(g) Other non-current assets	11	4.51	9.59	12.00	20.98
		<b>7,590.63</b>	<b>8,612.90</b>	<b>724.24</b>	<b>815.44</b>
<b>Current assets</b>					
(a) Inventories	12	382.09	335.50	58.38	65.74
(b) Financial Assets					
(i) Investments	13	-	-	805.72	87.24
(ii) Trade receivables	14	43.62	30.58	7.10	10.40
(iii) Cash and cash equivalents	15	49.45	29.64	60.91	31.49
(iv) Bank balances (other than (iii) above)	16	60.79	114.82	201.00	-
(v) Loans	17	8.31	2.56	47.73	52.64
(vi) Other financial assets	18	191.80	67.44	70.65	53.40
(c) Other current assets	19	148.68	159.83	15.42	14.93
		<b>884.74</b>	<b>740.37</b>	<b>1,266.91</b>	<b>315.84</b>
<b>Total Assets</b>		<b>8,475.37</b>	<b>9,353.27</b>	<b>1,991.15</b>	<b>1,131.28</b>
<b>EQUITY AND LIABILITIES</b>					
<b>Equity</b>					
(a) Equity Share capital	20	123.58	123.58	46.60	46.60
(b) Other Equity	21	6,165.99	6,514.59	1,357.64	825.17
		<b>6,289.57</b>	<b>6,638.17</b>	<b>1,404.24</b>	<b>871.77</b>
<b>Liabilities</b>					
<b>Non-current liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	22	316.11	538.37	72.44	33.05
(ii) Other financial liabilities	23	-	-	0.15	0.05
(b) Government Grants	24	37.44	51.94	45.30	59.62
(c) Provisions	25	27.52	29.23	1.61	1.05
(d) Deferred tax liabilities (Net)	26	324.39	275.48	44.62	-
(e) Other non-current liabilities	27	-	1.27	-	-
		<b>705.46</b>	<b>896.29</b>	<b>164.12</b>	<b>93.77</b>
<b>Current liabilities</b>					
(a) Financial Liabilities					
(i) Borrowings	28	201.85	707.52	208.20	29.09
(ii) Trade payables	29	497.13	407.09	61.64	69.57
(iii) Other financial liabilities	30	303.16	339.04	48.25	19.09
(b) Other current liabilities	31	277.05	249.30	26.77	15.81
(c) Government Grants	32	17.60	15.34	14.32	14.32
(d) Provisions	33	98.09	92.74	0.05	0.04
(e) Current Tax Liabilities (Net)	34	85.46	7.78	63.56	17.82
		<b>1,480.34</b>	<b>1,818.81</b>	<b>422.79</b>	<b>165.74</b>
<b>Total Equity and Liabilities</b>		<b>8,475.37</b>	<b>9,353.27</b>	<b>1,991.15</b>	<b>1,131.28</b>

Significant Accounting policies and other accompanying notes as appearing in Annexure V (Note 1 to 62) forms an integral part of the Restated Financial Information.

As per our report of even date

**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Biswanath Choudhary**  
**(Chairman)**

**Bimal Kumar Choudhary**  
**(Managing Director)**

R.P Singh  
Partner

Place: Kolkata

**Brundaban Behera**

**Poonam Chandra Tibrewal**

**ANMOL INDUSTRIES LIMITED****Annexure II Restated Statement of Profit and Loss**

(Rs. in Millions)

Particulars	Note No.	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated	Ind AS	Restated	Proforma Ind AS
<b>REVENUE</b>					
Revenue From Operations	35	8,579.18	12,363.31	2,929.32	2,720.01
Other Income	36	9.63	44.85	8.06	6.10
<b>Total income</b>		<b>8,588.81</b>	<b>12,408.16</b>	<b>2,937.38</b>	<b>2,726.11</b>
<b>EXPENSES</b>					
Cost of materials consumed	37	5,304.30	8,465.30	1,595.02	1,804.67
Purchases of stock-in-trade	38	1.97	5.05	30.71	22.22
Changes in inventories of finished goods, stock-in-trade and work-in-progress	39	(25.75)	3.55	(6.78)	13.06
Excise Duty on sale of goods		86.69	95.02	5.15	36.82
Employee benefits expense	40	465.52	528.22	34.85	28.17
Finance costs	41	71.86	81.59	25.85	13.79
Depreciation and amortisation expense	42	208.03	219.44	59.20	44.12
Other expenses	43	1,491.33	1,910.41	273.68	281.99
<b>Total expenses</b>		<b>7,603.95</b>	<b>11,308.58</b>	<b>2,017.68</b>	<b>2,244.84</b>
Profit before Tax and Exceptional Items		984.86	1,099.58	919.70	481.27
Exceptional Items	57	-	204.19	-	-
<b>Profit before tax from continuing operations</b>		<b>984.86</b>	<b>895.39</b>	<b>919.70</b>	<b>481.27</b>
Tax expense:					
Current tax	53	317.02	318.94	233.71	109.69
Deferred tax	26	49.14	(28.12)	90.65	(32.14)
		366.16	290.82	324.36	77.55
<b>Profit after Tax from continuing operations</b>		<b>618.70</b>	<b>604.57</b>	<b>595.34</b>	<b>403.72</b>
Profit from discontinuing operations	58	-	127.70	(8.24)	4.99
Tax expense of discontinuing operations	58	-	15.38	(1.44)	1.60
<b>Profit after Tax from discontinuing operations</b>		<b>-</b>	<b>112.32</b>	<b>(6.80)</b>	<b>3.39</b>
<b>Profit for the year</b>		<b>618.70</b>	<b>716.89</b>	<b>588.54</b>	<b>407.11</b>
<b>Other Comprehensive Income</b>					
Items that will not be reclassified to profit or loss					
Remeasurement of defined benefit plan	SOCE	(0.65)	3.57	0.05	0.02
Income tax on above	26	(0.23)	1.24	0.02	0.01
<b>Other Comprehensive Income for the year</b>		<b>(0.42)</b>	<b>2.33</b>	<b>0.03</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year</b>		<b>618.28</b>	<b>719.22</b>	<b>588.57</b>	<b>407.12</b>
<b>Earnings per equity share</b>					
Equity Share of face value of Rs. 10/- each					
Basic and Diluted (From Continuing Operations)	50	10.01	9.78	127.75	86.63
Basic and Diluted (From Discontinuing Operations)	50	-	1.82	(1.46)	0.73
Basic and Diluted (Total)	50	10.01	11.60	126.29	87.36

Significant Accounting policies and other accompanying notes as appearing in Annexure V (Note 1 to 62) forms an integral part of the Restated Financial Information.

As per our report of even date  
**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Biswanath Choudhary**  
**(Chairman)**

**Bimal Kumar Choudhary**  
**(Managing Director)**

R.P Singh  
 Partner

Place: Kolkata

**Brundaban Behera**

**Poonam Chandra Tibrewal**

**ANMOL INDUSTRIES LIMITED****Annexure III Statement of changes in Equity (SOCE)****A. Equity Share Capital**

<b>(Rs. in Millions)</b>	
<b>Particulars</b>	<b>Amount</b>
<b>Balance as at April 1, 2014</b>	<b>46.60</b>
Changes during the year	-
<b>Balance as at March 31, 2015</b>	<b>46.60</b>
Changes during the year	-
<b>Balance as at March 31, 2016</b>	<b>46.60</b>
Shares Issued during the year (Refer Note No 56A (b))	123.58
Shares adjusted on account of Scheme of arrangement (Refer Note No 56A(c))	46.60
<b>Balance as at March 31, 2017</b>	<b>123.58</b>
Changes during the period 1st April, 2017 to 31st December, 2017	-
<b>Balance as at December 31, 2017</b>	<b>123.58</b>

**B. Other Equity****As at December 31, 2017****(Rs. in Millions)**

<b>Particulars</b>	<b>Reserves and Surplus</b>			<b>Items of other comprehensive income</b>	<b>Total</b>
	<b>Securities Premium Reserve</b>	<b>General Reserve</b>	<b>Retained Earnings</b>	<b>Re-measurement of defined benefit plans</b>	
<b>Balance as at April 01, 2017</b>	<b>4,647.53</b>	<b>100.00</b>	<b>1,764.69</b>	<b>2.37</b>	<b>6,514.59</b>
Profit for the year			618.70		618.70
Other comprehensive income for the year, net of income tax		-	-	(0.42)	(0.42)
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>618.70</b>	<b>(0.42)</b>	<b>618.28</b>
Amortisation of Goodwill (Note 6)	(892.51)	-	-	-	(892.51)
Dividends including dividend distribution tax		-	(74.37)	-	(74.37)
<b>Balance at December 31, 2017</b>	<b>3,755.02</b>	<b>100.00</b>	<b>2,309.02</b>	<b>1.95</b>	<b>6,165.99</b>

**As at March 31, 2017****(Rs. in Millions)**

<b>Particulars</b>	<b>Reserves and Surplus</b>			<b>Items of other comprehensive income</b>	<b>Total</b>
	<b>Securities Premium Reserve</b>	<b>General Reserve</b>	<b>Retained Earnings</b>	<b>Re-measurement of defined benefit plans</b>	
<b>Balance as at April 01, 2016</b>	<b>25.50</b>	<b>-</b>	<b>1,332.10</b>	<b>0.04</b>	<b>1,357.64</b>
IND AS Adjustments to balances of assets and liabilities considering transition date as 01.04.2016 (Note 59)	-	-	3.49	-	3.49
IND AS Adjustments to balances of assets and liabilities acquired in terms of scheme of arrangement (Note 56D)	-	-	(187.79)	-	(187.79)
Profit for the year	-	-	716.89	-	716.89
Other comprehensive income for the year	-	-	-	2.33	2.33
<b>Total Comprehensive Income for the year</b>	<b>-</b>	<b>-</b>	<b>716.89</b>	<b>2.33</b>	<b>719.22</b>
Shares issued in terms of scheme of arrangement (Note 56 (A)(b))	13,694.42	-	-	-	13,694.42
Cancellation of shares in terms of scheme of arrangement (Note 56 (A)(c))	(5,172.40)	-	-	-	(5,172.40)
Adjustment on account of demerger of CMT division in terms of scheme of arrangement (Note 56 (B)(ii))	(2,709.98)	-	-	-	(2,709.98)
Amortisation of Goodwill (Note 6)	(1,190.01)	-	-	-	(1,190.01)
Transfer from Retained earning to general reserve	-	100.00	(100.00)	-	-



Particulars	Reserves and Surplus			Items of other comprehensive income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Re-measurement of defined benefit plans	
Balance at March 31, 2017	4,647.53	100.00	1,764.69	2.37	6,514.59

As at March 31, 2016 (Rs. in Millions)

Particulars	Reserves and Surplus			Items of other comprehensive income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Re-measurement of defined benefit plans	
Balance as at April 01, 2015	25.50	-	799.66	0.01	825.17
Profit for the year	-	-	588.54	-	588.54
Other comprehensive income for the year	-	-	-	0.03	0.03
<b>Total Comprehensive Income for the year</b>	-	-	<b>588.54</b>	<b>0.03</b>	<b>588.57</b>
Dividends including dividend distribution tax	-	-	(56.10)	-	(56.10)
Balance at March 31, 2016	25.50	-	1,332.10	0.04	1,357.64

As at March 31, 2015 (Rs. in Millions)

Particulars	Reserves and Surplus			Items of other comprehensive income	Total
	Securities Premium Reserve	General Reserve	Retained Earnings	Re-measurement of defined benefit plans	
Balance as at April 01, 2014	25.50	-	419.80	-	445.30
Profit for the year	-	-	407.11	-	407.11
Other comprehensive income for the year	-	-	-	0.01	0.01
<b>Total Comprehensive Income for the year</b>	-	-	<b>407.11</b>	<b>0.01</b>	<b>407.12</b>
Dividends including dividend distribution tax	-	-	(27.25)	-	(27.25)
Balance at March 31, 2015	25.50	-	799.66	0.01	825.17

Refer note 21 For nature and purpose of reserves

Significant Accounting policies and other accompanying notes as appearing in Annexure V (Note 1 to 62) forms an integral part of the Restated Financial Information.

As per our report of even date

**For Lodha & Co**  
Chartered Accountants

**For and on behalf of the Board of Directors**

**Biswanath Choudhary**  
(Chairman)

R.P Singh  
Partner

**Bimal Kumar Choudhary**  
(Managing Director)

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
(Company Secretary)

**Poonam Chandra Tibrewal**  
(Chief Financial Officer)

**ANMOL INDUSTRIES LIMITED**  
**Annexure IV Cash Flow Statement**

**Rs in Millions**

Particulars	For the Period ended 31st December, 2017		For the Year ended 31st March, 2017		For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	Restated Ind AS				Restated Proforma Ind AS			
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>								
Net Profit before taxes		984.86		1,023.09		911.46		486.26
Adjustments for:								
Depreciation and amortisation expenses	208.03		220.73		59.20		44.12	
Provision for Doubtful Debt	-		1.20		-		-	
Provision for Slow Moving Materials	0.73		1.28		-		-	
Provision For Doubtful Advances	-		2.20		-		-	
Provision for Indirect taxes	-		89.79		-		-	
Bad Debt	-		0.26		-		-	
(Profit) / Loss on Sale / Discard of Fixed Assets	0.46		0.01		(0)		(0.17)	
Interest Credited	(6.06)		(66.19)		(12.83)		(3.35)	
Finance Costs	71.86		83.55		25.85		13.79	
Profit on sale of Investment	-		(76.19)		(2.48)		(0.12)	
Net Gain on Fair Value Measurement	-		-		-		(2.12)	
Provision written back on current investment	(0.73)		-		-		-	
Liability no longer required written back	-		(0.30)		-		-	
Vat Subsidy	-		-		-		-	
Dividend Income	-	274.29	(10.23)	246.11	(7.09)	62.65	-	52.15
Operating Profit before Working Capital Changes		1,259.15		1,269.20		974.11		538.41
Adjustments for Changes in Working Capital:								
(Increase)/ Decrease in Trade and Other Receivables	(134.07)		(0.54)		10.90		26.10	
(Increase)/ Decrease in Inventories	(45.87)		15.06		7.36		7.71	
Increase/ (Decrease) in Other Current Liabilities	26.17		162.74		11.25		3.02	
Increase/ (Decrease) in Trade Payables and Provisions	93.67	(60.10)	(69.56)	107.70	24.40	53.91	(4.41)	32.42
Cash Generated from Operations		1,199.05		1,376.90		1,028.02		570.83
Taxes paid (net)		(239.39)		(387.77)		(189.53)		(109.51)
Net Cash from Operating Activities		959.66		989.13		838.49		461.32
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>								
Purchase of Fixed Assets/ movements in Capital work-in-progress/Capital Advances	(98.78)		(454.12)		(23.82)		(138.54)	
Sale of Fixed Assets	3.93		8.89		0.14		1.18	
(Purchase)/ Sale of Investments	-		(699.42)		(775.55)		(85.00)	
Loan (given) / Recovered to / from body Corporate	-		(187.23)		5.00			
Fixed Deposit Matured / (Taken)	71.28		333.60		(201.00)			
Interest Received	6.06		82.38		12.83		3.35	
Dividend Received	-	(17.51)	10.23	(905.67)	7.09	(975.31)	-	(219.01)

Particulars	For the Period ended 31st December, 2017		For the Year ended 31st March, 2017		For the Year ended 31st March, 2016		For the Year ended 31st March, 2015	
	Restated Ind AS				Restated Proforma Ind AS			
Net Cash Used in Investing Activities		(17.51)		(905.67)		(975.31)		(219.01)
C: CASH FLOW FROM FINANCING ACTIVITIES:								
Proceeds from Borrowings	(786.51)		14.46		248.42		(174.56)	
Buyback of shares	-		(65.38)					
Interest Paid	(61.46)		(86.02)		(26.08)		(14.86)	
Dividend Paid	(61.79)		-		(46.60)		(23.30)	
Tax on Dividend	(12.58)	(922.34)	-	(136.94)	(9.50)	166.24	(3.95)	(216.67)
Net Cash from / (Used) in Financing Activities		(922.34)		(136.94)		166.24		(216.67)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)		19.81		(53.48)		29.42		25.64
Opening Balance of Cash and Cash Equivalents (Refer Note 15)		29.64		60.91		31.49		5.85
Opening Balance of Cash and Cash Equivalents acquired on account of Scheme of arrangement (Refer Note: 56A)		-		22.21				
Closing Balance of Cash and Cash Equivalents (Refer Note 15)		49.45		29.64		60.91		31.49

Note:

- The Cash Flow Statement has been prepared under the “Indirect Method” set out in Ind AS - 7 on “Statement of Cash Flows”.
- Cash Flow from discontinuing operation has been given in note 58(c) .

Significant Accounting policies and other accompanying notes as appearing in Annexure V (Note 1 to 62) forms an integral part of the Restated Financial Information.

As per our report of even date.

**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of the Board of Directors**

**Biswanath Choudhary**  
**(Chairman)**

**Bimal Kumar Choudhary**  
**(Managing Director)**

**Poonam Chandra Tibrewal**  
**(Chief Financial Officer)**

R.P Singh  
Partner

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
**(Company Secretary)**

**ANMOL INDUSTRIES LIMITED**  
**Annexure V - Notes to Restated Financial Statements**

**1. Corporate Information**

Anmol Industries Limited ('the company') is a public limited company incorporated and domiciled in India with its registered office situated at Crescent Tower, 3rd Floor, 229 A.J.C. Bose Road, Kolkata - 700020 and is engaged in the manufacture and sale biscuits and other bakery products.

Pursuant to a restructuring exercise carried out among the group companies Anmol Biscuits Limited and Anmol Bakers Limited were amalgamated with Bansal Biscuit Private Limited with effect from 1st April, 2016 and 2nd April, 2016 respectively and thereafter Corporate Management and Treasury Division was demerged to another group company leaving the core operation of biscuits and bakery products with the company.

The name of Bansal Biscuits Private Limited was changed to Anmol Industries Private Limited on 23rd May, 2016 and subsequently to Anmol Industries Limited on 30th March, 2017.

***Purpose of the Financial Statement***

The Restated Financial Statement comprising of Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of changes in Equity, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes (herein after referred as Financial Statement) have been prepared by the management in connection with the proposed listing of Equity shares of the Company and for filing of the same with the Securities and Exchange Board of India (SEBI), Registrar of Companies, West Bengal (ROC) and the concerned Stock Exchange keeping in view the requirements of:

- (a) Section 26 read with applicable provisions as provided therein and Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013;
- (b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI regulations"); and
- (c) Guidance note on reports in Company prospectuses issued by the Institute of Chartered Accountants of India (ICAI).

This restated financial statement is therefore may not be suitable for any purpose other than stated above.

**2. Statement of Compliance and Recent Pronouncements**

**2.1 Statement of Compliance**

The restated financial statements have been prepared in accordance with the Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) read with Section 133 of the Companies Act, 2013 ("the Act") except to the extent of departure of accounting of Business Combinations as per the provisions of Ind AS-103 "Business Combinations" due to the reasons stated in note no. 56 of Annexure V.

The restated financial statements for nine months ended on December 31, 2017 and for year ended March 31, 2017 are Ind AS financial statements. The date of transition to Ind AS required in terms of Notification dt. February 16, 2015 issued by Ministry of Corporate Affairs is April 1, 2016. In order to comply with the provisions of notification no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 issued by SEBI, financial statements for March 31, 2016 and March 31, 2015 have also been restated on Proforma basis by applying the principals and provisions of Ind AS and thereby, the transition date for this limited purpose has been assumed to be April 1, 2014.

The financial statement up to the year ended March 31, 2017, were prepared under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles and Accounting Standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014 then applicable (Previous GAAP) to the Company.

In accordance with Ind AS 101- "First Time adoption of Indian Accounting Standards" (Ind AS 101), the company has presented (Note No. 61), a reconciliation of Shareholders' equity as given earlier under Previous GAAP and those considered in these accounts as per Ind AS at March 31, 2017, March 31, 2016 and March 31, 2015 and also the Net Profit as per Previous GAAP and that arrived including Other Comprehensive Income under Ind AS for the year ended March

31,2017, March 31,2016 and March 31,2015. The mandatory exceptions and optional exemptions availed by the Company on First-time adoption have been detailed in Note No. 60 of the financial statement.

## 2.2 **Recent Pronouncements**

On March 28, 2018, Ministry of Corporate Affairs (“MCA”) has issued the Companies (Indian Accounting Standards) Amendment Rules, 2018 notifying Ind AS 115, “Revenue from Contract with Customers” and Appendix B to Ind AS 21 “Foreign currency transactions and advance consideration” which are applicable with effect from financial periods beginning on or after April 1, 2018.

### *Ind AS 115 – Revenue from Contract with Customers*

The standard requires that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity’s contracts with customers. The effect of this amendment on the financial statements of the company is being evaluated.

### *Ind AS 21 – Appendix B “Foreign currency transactions and advance consideration”*

This Appendix applies to a foreign currency transaction (or part of it) when an entity recognises a non-monetary asset or non-monetary liability arising from the payment or receipt of advance consideration before the entity recognises the related asset, expense or income (or part of it). The Company has evaluated the effect of this on the financial statements and the impact is not material.

## 3. **Significant Accounting Policies**

### 3.1 **Basis of Preparation**

The Financial Statements have been prepared under the historical cost convention on accrual basis excepting certain financial instruments which are measured in terms of relevant Ind AS at fair value/ amortized costs at the end of each reporting period, certain class of Property, Plant and Equipment i.e. freehold land and building which as on the date of transition have been fair valued to be considered as deemed cost and certain assets which were acquired in terms of Scheme of Arrangement as stated in Note No. 56.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have duration of 12 months. All Assets and Liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 ‘Presentation of Financial Statements’ and Schedule III to the Companies Act, 2013.

The Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal million except otherwise stated.

### *Measurement of Fair Values*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

The company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant observable and unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

### 3.2 ***Property, Plant & Equipment (PPE)***

Property, Plant and Equipment are stated at deemed cost/ cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose cost include deemed cost on the date of transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and other cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects, interest and other costs incurred on / related to borrowings to finance such projects or fixed assets during construction period and related pre-operative expenses are capitalized.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure there to on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company and its cost can be measured reliably. The costs of the regular upkeep and repairing of property, plant and equipment are recognised in the income statement when incurred.

Capital Work-in-progress includes preoperative and development expenses, equipment's to be installed, construction and erection materials, advances etc. Such items are classified to the appropriate categories of PPE when construction and installation thereof are completed and these are ready for intended use.

#### ***Depreciation and Amortization***

Depreciation is provided, on PPE having been put to use, based on useful life of the respective assets, in the following manner:

- (i) Leasehold land is amortized over the period of respective lease.
- (ii) Except as stated in (i) above, depreciation on PPE is provided on Straight Line Method at the rates determined with reference to the useful life as specified in Schedule II of the Companies Act, 2013.
- (iii) For the purpose of (ii) above, residual value of tangible assets, where considered, has been taken to be equivalent to five percent of the original cost of respective assets.

Based on above, the estimated useful lives of various assets have been arrived as follows:

Category	Useful life (year)
Leasehold Land	84 to 90 years
Buildings	
- Factory Building (RCC Frame Structure)	30 years
- Non-Factory Building (RCC Frame Structure)	60 years
Roads	5 years
Electrical Installation	10 years
Plant and Equipments	7.5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### 3.3 ***Intangible Assets***

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amortization and impairment losses. Such assets are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of same.

Computer software is amortized over a period of 3 years, on straight line basis.

### 3.4 ***Derecognition of Tangible and Intangible Assets***

An item of tangible and intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise therefrom. Gain or loss on the disposal or retirement of an item of asset is determined as the difference between

the sales proceeds/net realizable value and the carrying amount of the asset, is recognized in the Statement of Profit and Loss.

### 3.5 ***Leases***

Leases are classified as finance leases where the company as a lessee, has substantially all the risks and rewards incidental to the ownership of an asset. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct costs of the lease is added to the amount recognized as an above. The Assets are depreciated over their expected useful lives. Each Lease payments is apportioned between finance charges and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease agreement is structured to increase the amount in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

### 3.6 ***Impairment of Tangible and Intangible Assets***

Tangible and Intangible asset are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of asset is determined. An impairment loss is recognised, whenever the carrying amounts of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The impairment loss so recognized is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a pro-rata basis.

### 3.7 ***Financial Assets and Financial Liabilities***

Financial assets and financial liabilities (financial instruments) are recognized when Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of the company or otherwise these are classified as non-current.

The financial instruments are subsequently classified at amortised cost, at Fair Value Through Profit and Loss (FVTPL) or Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual term to which they relate. Classification of financial instruments are determined on initial recognition.

#### (i) ***Cash and cash equivalents***

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### (ii) ***Financial Assets and Financial Liabilities measured at amortized cost***

Financial Assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above financial assets and financial liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) Method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the Financial Assets or Financial Liability to the gross carrying amount of the financial asset or

to the amortized cost of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) *Financial Asset at Fair Value through Other Comprehensive Income*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein, are recognized directly in Other Comprehensive Income.

(iv) For the purpose of Para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) *Financial Assets and Financial Liabilities at Fair value through profit or loss*

Financial Instruments which does not meet the criteria of amortized cost or fair value through other comprehensive income are classified as Fair Value through Profit or loss. Upon initial recognition, attributable transaction costs are recognized in the income statement when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in the income statement.

### 3.8 *Impairment of financial assets*

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

### 3.9 *De-recognition of financial instruments*

The Company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designed at FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in profit or loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if the Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

### 3.10 *Inventories*

Inventories are valued at cost or net realisable value whichever is lower.

Cost for the purpose of raw materials, packing materials and stores and spares and consumables comprise of the respective purchase costs including inward freight and non-reimbursable duties and taxes.

Cost in respect of finished goods represent material, labour, other direct cost and appropriate overheads and duties and taxes, where applicable.

For the above purposes, Cost of inventories are determined on Weighted Average basis.

Provision for inventory obsolescence is made wherever considered necessary and the same is assessed regularly.



### 3.11 ***Foreign Currency Transactions***

Transactions in foreign currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign currency monetary assets and liabilities at the yearend are translated using closing rates. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as income or expenses in the Statement of Profit and Loss. Foreign exchange gain/loss to the extent considered as an adjustment to Interest Cost are considered as part of borrowing cost.

### 3.12 ***Equity Share Capital***

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as Securities Premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### 3.13 ***Borrowing Cost***

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the Statement of Profit and Loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### 3.14 ***Provision, Contingent Liabilities and Contingent Assets***

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of a past event and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements. Such disclosure is made when there is a possible obligation arising from past events, the existence of which is expected to be confirmed only by occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events and it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

### 3.15 ***Revenue Recognition***

#### *Sale of goods*

Revenue from sales of goods are recognised on transfer of significant risk and rewards of ownership on delivery to the buyers in terms of agreement with them.

Sales are net of Indirect taxes, Sales returns , Discounts etc. there against.

#### *Interest and Dividend Income*

Dividend income is accounted for in the year in which the right to receive the same is established.

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

### 3.16 ***Government Grants***

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss by way of deduction from depreciation expense on a systematic basis over the useful life of the asset.

### 3.17 ***Employee Benefit***

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to the defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

Long term employee benefits consisting of Leave Encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the Statement of profit and loss.

### 3.18 ***Taxation***

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

### 3.19 ***Earnings Per Share***

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### 3.20 ***Segment Reporting***

Operating segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

## 4. **Critical accounting judgments, assumptions and key sources of estimation and uncertainty**

The preparation of the financial statements in conformity with the measurement principle of Ind AS requires management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Differences between the

actual results and estimates are recognized in the year in which the results are known / materialized and, if material, their effects are disclosed in the notes to the financial statements.

Application of accounting policies that require significant areas of estimation, uncertainty and critical judgments and the use of assumptions in the financial statements have been summarised below. The key assumptions concerning the future and other key sources of estimation uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year have also be summarised here under:

#### **4.1 *Depreciation / amortization and impairment on property, plant and equipment / intangible assets.***

Property, plant and equipment and intangible assets are depreciated/ amortized on straight-line basis over the estimated useful lives (or lease term if shorter) in accordance with Schedule II of the Companies Act, 2013, taking into account the estimated residual value, wherever applicable. The Company reviews the estimated useful lives of the assets regularly in order to determine the amount of depreciation / amortization and amount of impairment expense to be recorded during any reporting period.

The company reviews its carrying value of its Tangible and Intangible Assets whenever there is objective evidence that the assets are impaired. In such situation Assets' recoverable amount is estimated which is higher of asset's or cash generating units (CGU) fair value less cost of disposal and its value in use. In assessing value in use the estimated future cash flows are discounted using pre-tax discount rate which reflect the current assessment of time value of money. In determining fair value less cost of disposal, recent market realisations are considered or otherwise in absence of such transactions appropriate valuations are adopted. The reassessment may result in change due to variation in estimates assumption in future period.

#### **4.2 *Leases and classification of leases***

The company enters into various lease arrangements. The determination of lease and classification of the arrangement as a finance lease or operating lease is based on assessment of several factors, including but not limited to transfer of ownership of assets at the end of the lease term, lessee's option to purchase and estimated certainty of exercising such option and proportion of present value of minimum lease payments to fair value of leasehold assets.

#### **4.3 *Impairment allowances on trade receivables***

The Company evaluates whether there is any objective evidence that trade receivables are impaired and determines the amount of impairment allowance as a result of the inability of the customers to make required payments. The Company bases the estimates on the ageing of the trade receivables balance, credit-worthiness of the trade receivables and historical write-off experience and these factors are subject to variations leading to consequential impact on the amounts considered in the financial statement.

#### **4.4 *Income taxes***

Management judgment is required for the calculation of provision for income taxes and deferred tax assets and liabilities. Availability of future taxable profits against which tax losses carried forward can be used also involves management judgement. The factors used in estimates may differ from actual outcome which could lead to significant adjustment to the amounts reported in the financial statements.

#### **4.5 *Defined benefit obligation (DBO)***

Critical estimate of the DBO involves a number of critical underlying assumptions such as standard rates of inflation, mortality, discount rate, anticipation of future salary increases etc. as estimated by Independent Actuary appointed for this purpose by the Management. Variation in these assumptions may significantly impact the DBO amount and the annual defined benefit expenses.

#### **4.6 *Provisions and Contingencies***

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

Management judgment is required for estimating the possible outflow of resources, if any, in respect of contingencies/claim/litigations/ against the Company as it is not possible to predict the outcome of pending matters with accuracy.

The carrying amounts of provisions and liabilities and estimation for contingencies are reviewed regularly and revised to take account of changing facts and circumstances.

**ANMOL INDUSTRIES LIMITED**  
**Annexure V - Notes to Financial Statements**

**5. Property, Plant and Equipment**

**As at December 31, 2017**

**(Rs. in Millions)**

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
<b>Gross Block</b>										
<b>As at April 1, 2017</b>	<b>484.89</b>	<b>254.30</b>	<b>1,446.13</b>	<b>1,291.77</b>	<b>54.30</b>	<b>65.50</b>	<b>39.79</b>	<b>70.53</b>	<b>67.79</b>	<b>3,775.01</b>
Additions	-	-	64.86	34.54	1.11	-	2.00	0.13	0.88	103.51
Disposals	-	-	-	0.54	-	5.49	0.06	0.55	-	6.64
<b>As at December 31, 2017</b>	<b>484.89</b>	<b>254.30</b>	<b>1,510.99</b>	<b>1,325.77</b>	<b>55.41</b>	<b>60.00</b>	<b>41.73</b>	<b>70.12</b>	<b>68.66</b>	<b>3,871.88</b>
<b>Accumulated Depreciation</b>										
As at April 1, 2017	-	3.52	36.15	146.56	6.66	1.66	5.72	4.88	1.76	206.92
Charge for the period	-	2.38	41.18	139.32	5.16	8.31	7.99	6.40	9.23	219.97
Disposals/other adjustments	-	(1.00)	-	0.11	-	2.92	0.06	0.15	-	2.24
<b>As at December 31, 2017</b>	<b>-</b>	<b>6.90</b>	<b>77.33</b>	<b>285.77</b>	<b>11.82</b>	<b>7.05</b>	<b>13.65</b>	<b>11.13</b>	<b>10.99</b>	<b>424.65</b>
<b>Net carrying amount</b>										
<b>As at December 31, 2017</b>	<b>484.89</b>	<b>247.40</b>	<b>1,433.66</b>	<b>1,040.00</b>	<b>43.59</b>	<b>52.95</b>	<b>28.08</b>	<b>58.99</b>	<b>57.67</b>	<b>3,447.23</b>
<b>Add: Capital work in progress</b>										<b>108.67</b>
<b>Total</b>										<b>3555.90</b>

**As at March 31, 2017**

**(Rs. in Millions)**

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
<b>Gross Block</b>										
<b>Cost or deemed cost as at April 1, 2016 (also refer note 59)</b>	<b>-</b>	<b>58.55</b>	<b>268.08</b>	<b>258.37</b>	<b>6.85</b>	<b>19.35</b>	<b>1.08</b>	<b>18.42</b>	<b>7.50</b>	<b>638.20</b>
Additions in terms of scheme of Arrangement (Note. 56A) (Also Refer Note 5.4 below)	666.51	285.23	626.94	517.74	41.24	36.72	12.57	13.63	4.26	<b>2,204.84</b>
Additions	0.57	0.22	567.46	532.31	6.21	20.06	26.22	38.48	56.03	<b>1,247.56</b>
Disposals	2.29	-	1.27	16.65	-	10.63	0.08	-	-	<b>30.92</b>
Transfer in terms of scheme of Arrangement (Note 56B).	179.90	89.70	15.07	-	-	-	-	-	-	<b>284.68</b>
<b>As at March 31, 2017</b>	<b>484.89</b>	<b>254.30</b>	<b>1,446.13</b>	<b>1,291.77</b>	<b>54.30</b>	<b>65.50</b>	<b>39.79</b>	<b>70.53</b>	<b>67.79</b>	<b>3,775.01</b>
<b>Accumulated Depreciation</b>										
<b>As at April 1, 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Charge for the period	-	4.30	37.02	159.87	6.66	9.80	5.72	4.88	1.76	<b>230.02</b>
Disposals	-	-	0.57	13.31	-	8.14	0.00	-	-	<b>22.02</b>
Transfer in terms of scheme of Arrangement	-	0.77	0.29	-	-	-	-	-	-	<b>1.07</b>

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
(Note 56B).										
As at March 31, 2017	-	3.52	36.15	146.56	6.66	1.66	5.72	4.88	1.76	206.92
Net carrying amount										
As at March 31, 2017	484.89	250.78	1,409.98	1,145.21	47.64	63.84	34.07	65.65	66.03	3,568.09
Add: Capital work in progress										97.02
Total										3665.11

As at March 31, 2016

(Rs. in Millions)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
<b>Gross Block</b>										
As at April 1, 2015	-	55.81	283.55	358.14	8.75	9.48	2.72	23.13	8.91	750.49
Additions	-	-	0.43	2.37	0.02	12.51	0.06	-	-	15.39
Disposals	-	-	-	0.24	-	-	-	-	-	0.24
As at March 31, 2016	-	55.81	283.98	360.27	8.77	21.99	2.78	23.13	8.91	765.64
<b>Accumulated Depreciation</b>										
As at April 1, 2015	-	0.61	6.80	44.79	0.91	1.26	0.86	2.04	0.29	57.56
Charge for the period	-	0.65	9.16	57.23	1.01	1.38	0.84	2.68	0.56	73.51
Disposals	-	-	-	0.10	-	-	-	-	-	0.10
As at March 31, 2016	-	1.26	15.96	101.92	1.92	2.64	1.70	4.72	0.85	130.97
Net carrying amount										
As at March 31, 2016	-	54.55	268.02	258.35	6.85	19.35	1.08	18.41	8.06	634.67

As at March 31, 2015

(Rs. in Millions)

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
<b>Cost or derived cost/deemed cost as at April 1, 2014</b>	-	50.29	175.95	218.77	6.65	8.63	2.65	15.18	4.84	482.96
Additions	-	5.52	107.60	140.64	2.10	0.85	0.07	8.28	4.07	269.15
Disposals	-	-	-	1.27	-	-	-	0.33	-	1.60
As at March 31, 2015	-	55.81	283.55	358.14	8.75	9.48	2.72	23.13	8.91	750.49
<b>Accumulated Depreciation</b>										
As at April 1, 2014	-	-	-	-	-	-	-	-	-	-
Charge for the period	-	0.61	6.80	45.25	0.91	1.26	0.86	2.17	0.29	58.15
Disposals	-	-	-	0.46	-	-	-	0.13	-	0.59
As at March 31, 2015	-	0.61	6.80	44.79	0.91	1.26	0.86	2.04	0.29	57.56
Net carrying amount										

Particulars	Freehold land	Leasehold land	Buildings	Plant and Equipments	Furniture and Fixtures	Motor Vehicles	Office Equipment	Electrical Installation	Roads	Total
As at March 31, 2015	-	55.20	276.75	313.35	7.84	8.22	1.86	21.09	8.62	<b>692.93</b>
Add: Capital work in Progress										<b>0.29</b>
<b>Total</b>										<b>693.22</b>

Notes:

- 5.1 The Gross Block as on the transition date i.e. April 01, 2014 includes certain Property, Plant and Equipment i.e. freehold land and building which have been arrived at in the proforma financial statements by using the fair value as at 1st April, 2016 valued by an Independent valuer as the base after adjusting depreciation thereon and this has been considered as “deemed cost” as on that date as per the provision of Ind AS 101 “First-time Adoption of Indian Accounting Standards”- Refer note no 60.
- 5.2 Plant and Equipments includes gross block of machineries amounting to Rs. 4.52 million (Rs. 4.52 Millions as at 31.3.2017 , Rs. Nil as at 31.3.2016, and Rs NIL as at 31.3.2015) and net block Rs. 0.45 Millions as at 31.12.2017 (Rs. 0.561 Millions as at 31.3.17 , Rs. Nil as at 31.3.16, Rs NIL as at 31.3.15) lying with converters of finished goods of the company.
- 5.3 During the year ended 31st March, 2015 , depreciation has been provided based on the life of the assets as specified under Schedule II of the Companies Act, 2013 and consequently, depreciation charged for the year was higher by Rs. 36.09 Millions.
- 5.4 Assets acquired in terms of Scheme of Amalgamation (note 56(A)) includes Tangible Assets of Rs 2196.26 Millions, Intangible Assets amounting to Rs 7.14 Millions and Capital work in progress of Rs 806.65 Millions. Further, it includes adjustment due to recognition of finance lease in terms of IND AS 17 “Leases” amounting to Rs. 8.59 Millions

6. Goodwill on Amalgamation

(Rs. in Millions)

Particulars	Note No.	As at December 31, 2017	As at 31st March, 2017	As at 31st March, 2016	As at March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Opening Balance</b>		<b>4,760.06</b>	-	-	-
Add: Adjustments due to amalgamation	56A(a)	-	5,950.07	-	-
Less: Amount amortised through Securities Premium	SOCE/56A(e)	892.51	1,190.01	-	-
<b>Closing Balance</b>		<b>3,867.55</b>	<b>4,760.06</b>	-	-

7. Other Intangible Assets

(Rs. in Millions)

Particulars	Note No.	As at December 31, 2017	As at March, 31, 2017	As at March, 31, 2016	As at March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Computer Softwares</b>					
<b>Gross Block</b>					
Opening Balance		7.71	0.30	0.30	0.30
Additions in terms of scheme of Arrangement	56A(a) & 5.4	-	7.14	-	-
Additions		-	0.27	-	-
Disposals		-	-	-	-
<b>Closing Balance</b>		<b>7.71</b>	<b>7.71</b>	<b>0.30</b>	<b>0.30</b>
<b>Accumulated Amortisation</b>					
Opening Balance		6.34	0.30	0.29	-
Charge for the period		0.29	6.04	0.01	0.29
Disposals		-	-	-	-
<b>Closing Balance</b>		<b>6.63</b>	<b>6.34</b>	<b>0.30</b>	<b>0.29</b>
<b>Net Block</b>		<b>1.08</b>	<b>1.37</b>	<b>0.00</b>	<b>0.01</b>

- 7.1 The Gross Block as on the transition date i.e. 1st April 2014 given herein above represents previous GAAP written down value of Other Intangible assets which has been considered as “deemed cost” as per the provision of Ind AS 101 “First-time Adoption of Indian Accounting Standards”- refer note no. 60

8. Non Current Investments (Long-Term)

(Rs. in Millions)

Particulars	Note No	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>(Other than trade)</b>					
<b>Quoted</b>					
<b>Alternate Investment Fund (AIF) (at FVTPL)</b>					
Multiples private equity fund II LLP (37250 Nos)			-	33.83	-
<b>TOTAL (A)</b>		-	-	<b>33.83</b>	-
<b>Unquoted</b>					
<b>Bond (at Amortised Cost)</b>			-	-	-
Rural Electrification Bond (500 Nos of Rs. 1000 each)		5.00	5.00	-	-
<b>Equity Shares of Rs. 10 each (at FVTPL)</b>					
Bengal Anmol South City Infrastructure Limited (28200 shares)		6.69	6.69	-	-
Baid Holding Private Limited (375000 shares)		32.36	32.36	-	-
<b>TOTAL (B)</b>		<b>44.05</b>	<b>44.05</b>	-	-
<b>TOTAL (A+B)</b>		<b>44.05</b>	<b>44.05</b>	<b>33.83</b>	-



(Rs. in Millions)

Particulars	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
<b>Additional Information</b>				
AGREEGATE AMOUNT OF QUOTED INVESTMENTS	-	-	33.83	-
AGREEGATE AMOUNT OF UNQUOTED INVESTMENTS	44.05	44.05	-	-
AGREEGATE AMOUNT OF MARKET VALUE OF QUOTED INVESTMENTS	-	-	33.83	-

**9. Loans**

(at Amortised Cost)

(Rs. in Millions)

PARTICULARS	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Unsecured , Considered Good</b>					
Loans and Advances to Employees	9.1	1.56	1.38	-	-
Loans and Advances to Key Management Personnel	9.1 & 49	1.50	-		
		<b>3.06</b>	<b>1.38</b>	-	-

9.1 Loans and advances to employees have been granted for personal purposes as per the company's policy in this respect.

**10. Other Financial Assets**

(Carried at amortised cost)

(Rs. in Millions)

PARTICULARS	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Fixed Deposit with Banks	10.1	16.21	33.46	6.30	5.71
(Including Interest accrued thereon)					
Security Deposits		33.95	33.09	2.44	2.47
Government grant receivable for capital investment		64.32	64.79	35.00	50.00
		<b>114.48</b>	<b>131.34</b>	<b>43.74</b>	<b>58.18</b>

10.1 Fixed Deposits with banks have been kept as margin money against guarantees issued by banks on behalf of the company to third parties.

**11. Other Non-Current Assets**

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Unsecured</b>					
<b>Considered Good</b>					
Capital Advances		0.88	5.96	12.00	9.98
<b>Others</b>					
Balances with Government Authorities		3.63	3.63	-	11.00
		4.51	9.59	12.00	20.98
<b>Considered Doubtful</b>					
Capital Advances		3.53	3.65	-	-
Less: Provision For Doubtful Advances	11.1	3.53	3.65	-	-
		-	-	-	-
		<b>4.51</b>	<b>9.59</b>	<b>12.00</b>	<b>20.98</b>

- 11.1 The movements in Impairment Allowance for doubtful advances in respect of capital advances during the year are as follows

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Balance at the beginning of the year		3.65	-	-	-
Add - Recognised during the year		-	3.65	-	-
Less - Reversal during the year		0.12	-	-	-
<b>Balance at the end of the year</b>		<b>3.53</b>	<b>3.65</b>	-	-

## 12. Inventories

(At cost or net realisable value whichever is lower)

(Rs. in millions)

PARTICULARS	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
(As valued and certified by the Management)					
Raw Materials		111.07	124.26	22.98	22.98
Packing Materials		83.50	56.48	11.19	25.30
Work in Progress		2.81	0.78	0.02	0.02
Finished Goods		141.97	118.25	16.83	11.64
Goods in Transit		-	-	1.78	-
Stock-in-trade (in respect of Goods acquired for trading)		-	-	1.08	-
Stores and Spares & others		44.74	37.01	4.50	5.80
Less: Provision for Slow Moving Stores and Spares & Others	12.2	(2.00)	(1.28)	-	-
		<b>382.09</b>	<b>335.50</b>	<b>58.38</b>	<b>65.74</b>

- 12.1 During the year ending 31st March 2015, Inventories have been valued applying Weighted Average Method as against First in First Out Method adopted in earlier years. Due to above, profit for the year and inventories as at the Balance Sheet date are higher by Rs. 0.32 millions

- 12.2 The movements in Impairment Allowance for slow moving store materials during the year are as follows

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Balance at the beginning of the year		1.28	-	-	-
Recognised during the year		0.72	1.28	-	-
Reversal during the year		-	-	-	-
Balance at the end of the year		2.00	1.28	-	-

**13. Current Investments**  
(At FVTPL)

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017		As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
		Restated Ind AS				Restated Proforma Ind AS			
		Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount
Quoted									
Measured at Fair value through profit and loss							-		-
Investment in mutual funds									
Birla Sun Life Frontline Equity Fund -Growth- Direct Plan		-	-	-	-	1,26,872	20.28	51,201	8.54
HDFC Balanced Fund -Direct Plan - Growth Option		-	-	-	-	1,39,447	15.19	26,834	2.92
HDFC Mid Cap Opportunities Fund -Direct Plan - Growth Option		-	-	-	-	5,82,953	21.64	-	-
HDFC Prudence Fund - Growth Option		-	-	-	-	6,794	2.40	-	-
ICICI Prudential Balanced Plan-Growth Option		-	-	-	-	1,40,779	12.60	31,446	2.88
ICICI Prudential Balanced Fund - Direct Plan - Growth		-	-	-	-	49,015	4.52	49,015	4.58
ICICI Prudential Flexible Income Plan Premium-Growth		-	-	-	-	12,423	3.56	53,857	14.17
ICICI Prudential Focused Equity Fund - Retail Growth Plan		-	-	-	-	8,13,810	22.40	2,82,634	8.33
ICICI Prudential Discovery Fund-Growth Option		-	-	-	-	2,50,636	27.27	24,279	2.77
Reliance Money Manager Fund-Institutional Plan Growth Option		-	-	-	-	557	1.16	3,943	8.39
Tata Balanced Fund - Growth		-	-	-	-	1,02,334	16.74	27,192	4.65
Tata Treasury Manager Fund High Investment Plan Growth		-	-	-	-	527	1.05	2,819	5.19
UTI - Equity Fund-Growth Option - Direct		-	-	-	-	1,06,928	10.44	14,593	1.51
Sundaram Bnp Paribas Growth Fund-Growth		-	-	-	-	43,064	4.57	-	
ICICI Prudential MIDCAP FUND Growth		-	-	-	-	74,716	4.87		
ICICI Prudential Equity & Derivatives Fund-Wealth Optimiser Plan-Retail Growth Option		-	-	-	-	59,618	1.53	-	-
Reliance Top 200 Fund - Growth Plan Growth Option		-	-	-	-	4,53,791	10.07	-	-
SBI Premier Liquid Fund - Super Institutional - Growth		-	-	-	-	1,078	2.56	-	-
Birla Sun Life Cash Plus-Institutional Premium Plan (Growth)		-	-	-	-	10,466	2.53	-	-
Templeton India Treasury Management Account-Super Institutional Plan - Growth		-	-	-	-	562	1.27	-	-
Sundaram Bnp Paribas Money Fund Super Institutional Growth		-	-	-	-	39,830	1.27	-	-
Kotak Floater Long-Term-Growth		-	-	-	-	1,05,921	2.55	-	-
Birla Sun Life Savings Fund-Growth		-	-	-	-	5,219	1.53	492	0.13
UTI - Floating Rate Stp-Growth		-	-	-	-	309	0.76	56	0.13
HDFC Cash Management Fund Treasury Advantage -Retail Plan Growth Option		-	-	-	-	75,168	2.39	4,62,958	13.88
Birla Sun Life Frontline Equity Fund-Plan A (Growth)		-	-	-	-	20,150	3.13	-	-
HDFC Balanced Fund - Growth Option		-	-	-	-	26,874	2.86	-	-
HDFC Mid-Cap Opportunities Fund - Growth Option		-	-	-	-	58,242	2.11	26,569	0.99
UTI - Equity Fund-Growth Option		-	-	-	-	16,255	1.57	-	-
SBI Blue Chip Fund-Growth		-	-	-	-	4,59,425	12.58	-	-
Franklin India Smaller Companies Fund - Direct - Growth		-	-	-	-	1,50,981	5.96	-	-
Sundaram S.M.I.L.E.Fund-Growth		-	-	-	-	95,863	6.11	-	-
Kotak Emerging Equity Scheme - Growth (Regular Plan)		-	-	-	-	5,03,532	12.67	-	-
Birla Sun Life Top 100 Fund -Growth Option		-	-	-	-	3,09,692	12.67	-	-
Franklin India Smaller Companies Fund-Growth		-	-	-	-	1,67,587	6.40	-	-
Kotak Select Focus Fund - Growth		-	-	-	-	2,26,203	5.01	-	

Particulars	Notes	As at 31st December, 2017		As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
		Restated Ind AS				Restated Proforma Ind AS			
		Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount
Reliance Equity Opportunities Fund-Growth Plan-Growth Option		-	-	-	-	69,922	4.64	-	-
HDFC Equity Fund - Growth Option		-	-	-	-	11,142	4.64	-	-
ICICI Prudential Mutual Fund Collection		-	-	-	-	-	-	-	-
HDFC Floating Rate Income Fund		-	-	-	-	-	-	2,09,991	5.61
HDFC Prudence Fund Growth		-	-	-	-	-	-	6,794	2.56
ICICI Prudential Equity Arbitrage Fund		-	-	-	-	36,27,473	49.88	-	-
Investment in Equity Share									
Titan Company Ltd			-		-	2,000	0.68		-
Kaveri Seed Company Ltd		-	-	-	-	24,000	9.06	-	-
Tata Motors Ltd		-	-	-	-	16,500	6.38	-	-
Ashok Leyland Ltd		-	-	-	-	15,000	1.63	-	-
Force Motors Ltd		-	-	-	-	600	1.71	-	-
Bosch Ltd		-	-	-	-	265	5.51	-	-
Motherson Sumi Systems Ltd		-	-	-	-	18,000	4.80	-	-
Interglobe Aviation Ltd		-	-	-	-	10,000	8.73	-	-
Jet Airways (India) Ltd.		-	-	-	-	200	0.11	-	-
Spicejet Ltd		-	-	-	-	30,000	1.92	-	-
Andhra Bank		-	-	-	-	37,000	1.93	-	-
Axis Bank Ltd.		-	-	-	-	12,500	5.55	-	-
State Bank of India		-	-	-	-	40,500	7.87	-	-
Bank Of Baroda		-	-	-	-	3,000	0.44	-	-
ICICI Bank Ltd		-	-	-	-	20,700	4.90	-	-
IndusInd Bank Ltd		-	-	-	-	500	0.48	-	-
Oriental Bank Of Commerce		-	-	-	-	7,500	0.69	-	-
Yes Bank Ltd		-	-	-	-	9,000	7.79	-	-
Goldman Sachs Banking Index Exchange Traded Scheme		-	-	-	-	9,510	15.46	-	-
Dewan Housing Finance Corporation Ltd		-	-	-	-	27,000	5.30	-	-
Industrial Financial Corporation of India Ltd		-	-	-	-	1,17,000	2.89	-	-
Larson & Toubro Finance Holdings Ltd		-	-	-	-	14,500	0.93	-	-
Power Finance Corporation Ltd.		-	-	-	-	5,500	0.94	-	-
Repcos Home Finance Ltd		-	-	-	-	1,000	0.58	-	-
Shriram Transport Finance Co Ltd		-	-	-	-	8,500	8.10	-	-
Bharat Electronics Limited		-	-	-	-	700	0.86	-	-
Aia Engineering Ltd		-	-	-	-	7,000	6.58	-	-
Ambuja Cements Ltd		-	-	-	-	20,500	4.77	-	-
Associate Cement Companies Limited		-	-	-	-	3,000	4.15	-	-
Tata Chemicals Ltd		-	-	-	-	3,000	1.12	-	-
Himadri Chemicals And Industries Ltd		-	-	-	-	6,00,000	9.45	-	-
Larsen & Toubro Ltd		-	-	-	-	7,590	9.23	-	-
Bharat Forge Ltd		-	-	-	-	10,500	9.17	-	-
Irb Infrastructure Developers Ltd		-	-	-	-	6,000	1.40	-	-
Reliance Infrastructure Limited		-	-	-	-	2,300	1.23	-	-

Particulars	Notes	As at 31st December, 2017		As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
		Restated Ind AS				Restated Proforma Ind AS			
		Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount
National Thermal Power Corporation Ltd		-	-	-	-	13,500	1.74	-	-
Century Plyboards Ltd.		-	-	-	-	23,000	3.93	-	-
Asian Paints Ltd		-	-	-	-	2,700	2.34	-	-
Cera Sanitaryware Ltd		-	-	-	-	700	1.28	-	-
Sintex Industries Ltd		-	-	-	-	7,000	0.54	-	-
Symphony Ltd		-	-	-	-	700	1.66	-	-
Whirlpool Of India Ltd		-	-	-	-	1,500	1.05	-	-
Avanti Feeds Ltd		-	-	-	-	10,000	3.98	-	-
United Spirits Ltd		-	-	-	-	150	0.37	-	-
Coffee Day Enterprises Ltd		-	-	-	-	5,000	1.13	-	-
Hindustan Unilever Ltd		-	-	-	-	10,000	8.70	-	-
Indian Tobacco Company Ltd		-	-	-	-	7,500	2.46	-	-
Britannia Industries Ltd		-	-	-	-	1,000	2.69	-	-
Emami Ltd		-	-	-	-	16,000	14.92	-	-
Tata Global Beverages Ltd		-	-	-	-	1,500	0.18	-	-
Delta Corp Limited		-	-	-	-	3,000	0.20	-	-
Infosys Ltd		-	-	-	-	3,600	4.39	-	-
Tata Consultancy Services Ltd		-	-	-	-	2,500	6.30	-	-
Hcl Infosystems Ltd		-	-	-	-	8,628	0.37	-	-
Kpit Technologies Ltd.		-	-	-	-	7,000	1.03	-	-
Persistent Systems Ltd		-	-	-	-	1,900	1.45	-	-
Rolta India Ltd.		-	-	-	-	3,400	0.26	-	-
Wipro Ltd		-	-	-	-	3,000	1.69	-	-
Tata Elxsi Ltd		-	-	-	-	500	0.94	-	-
Just Dial Ltd		-	-	-	-	4,888	3.75	-	-
Snowman Logistics Ltd		-	-	-	-	53,000	2.81	-	-
Zee Entertainment Enterprises Ltd		-	-	-	-	200	0.08	-	-
Hindalco Industries Ltd.		-	-	-	-	1,02,000	8.97	-	-
Tata Steel Limited		-	-	-	-	15,000	4.80	-	-
Coal India Ltd		-	-	-	-	10,000	2.92	-	-
National Aluminium Co Ltd		-	-	-	-	1,42,877	5.64	-	-
National Mineral Development Corporation Limited		-	-	-	-	30,000	2.94	-	-
Tata Sponge Iron Ltd		-	-	-	-	1,000	0.47	-	-
Vedanta Ltd		-	-	-	-	54,000	4.85	-	-
Dredging Corporation Of India Ltd		-	-	-	-	10,500	3.98	-	-
Aban Offshore Ltd		-	-	-	-	17,000	3.00	-	-
Oil and Natural Gas Corporation Limited		-	-	-	-	12,000	2.57	-	-
Reliance Industries Ltd		-	-	-	-	3,200	3.34	-	-
Cairn India Ltd		-	-	-	-	2,600	0.40	-	-
Gas Authority of India Ltd		-	-	-	-	4,500	1.60	-	-
Alkem Laboratories Ltd		-	-	-	-	750	1.02	-	-
Biocon Ltd.		-	-	-	-	6,000	2.90	-	-

Particulars	Notes	As at 31st December, 2017		As at 31st March, 2017		As at 31st March, 2016		As at 31st March, 2015	
		Restated Ind AS				Restated Proforma Ind AS			
		Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount	Units/ Numbers	Amount
Sun Pharmaceutical Industries Ltd		-	-	-	-	12,500	10.25	-	-
Strides Shasun Ltd.		-	-	-	-	562	0.61	-	-
Vinati Organics Ltd		-	-	-	-	8,500	3.31	-	-
Morepen Laboratories Ltd		-	-	-	-	50,000	1.31	-	-
Cipla Ltd		-	-	-	-	2,000	1.02	-	-
Granules India Ltd		-	-	-	-	7,000	0.84	-	-
Sunpharma Advance Research Co. Ltd		-	-	-	-	3,500	1.00	-	-
Wockhardt Ltd		-	-	-	-	1,300	1.27	-	-
Delhi land and finance Limited		-	-	-	-	12,000	1.38	-	-
Housing Devevelopment & Infrastructure Ltd		-	-	-	-	1,07,000	7.83	-	-
Prestige Estates Projects Ltd		-	-	-	-	10,000	1.73	-	-
Unitech Ltd		-	-	-	-	4,10,000	2.03	-	-
Balrampur Chini Mills Ltd		-	-	-	-	28,000	3.02	-	-
East India Distilleries Parry India Ltd		-	-	-	-	3,000	0.65	-	-
Andhra Sugars Ltd		-	-	-	-	2,000	0.28	-	-
Tata Communications Ltd		-	-	-	-	1,600	0.60	-	-
Himachal Futuristic Communications Ltd		-	-	-	-	5,67,000	9.19	-	-
Reliance Communications Ltd		-	-	-	-	79,000	3.95	-	-
Kitex Garments Ltd		-	-	-	-	14,000	6.09	-	-
Welspun India Ltd		-	-	-	-	15,000	1.48	-	-
Monte Carlo Fashion Ltd		-	-	-	-	5,500	1.93	-	-
Page Industries Ltd		-	-	-	-	200	2.42	-	-
Rupa And Company Ltd		-	-	-	-	29,626	8.10	-	-
Nifty Benchmark Index Fund		-	-	-	-	45,788	36.23	-	-
Reliance ETF Junior Bees Ltd		-	-	-	-	62,682	11.79	-	-
Investment in PMS							90.06	-	
Total			-		-		805.72		87.24

Additional Information	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
AGGREGATE AMOUNT OF QUOTED INVESTMENTS	-	-	805.72	87.24
AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS	-	-	-	-
AGGREGATE AMOUNT OF MARKET VALUE OF QUOTED INVESTMENTS	-	-	805.72	87.24

**14. Trade Receivables**  
(Unsecured, Considered Good, Unless Stated Otherwise) (Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Considered good</b>					
Outstanding for period exceeding six months from the date they are due for payment		0.47	3.29	0.08	0.07
Others		43.15	27.29	7.02	10.33
<b>SUBTOTAL</b>		<b>43.62</b>	<b>30.58</b>	<b>7.10</b>	<b>10.40</b>
<b>Considered Doubtful</b>					
Outstanding for period exceeding six months from the date they are due for payment		4.63	4.63	-	-
Less: Impairment Allowances for Doubtful Receivables		4.63	4.63	-	-
<b>SUBTOTAL</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>		<b>43.62</b>	<b>30.58</b>	<b>7.10</b>	<b>10.40</b>

The average credit period respect of institutional customers ranges between 15 days to 30 days. In respect of wholesaler/super-stockist/distributors the company generally receives the amount in advance.

**14.1 Ageing of Trade Receivables is as below:**

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
1-180 Days		43.15	27.29	7.02	10.33
More than 180 days		5.10	7.92	0.08	0.07
<b>Total</b>		<b>48.25</b>	<b>35.21</b>	<b>7.10</b>	<b>10.40</b>
Current Trade Receivables		48.25	35.21	7.10	10.40
Non- Current Trade Receivables		-	-	-	-
<b>Total</b>		<b>48.25</b>	<b>35.21</b>	<b>7.10</b>	<b>10.40</b>

**14.2 The movements in Impairment Allowance for doubtful receivables in respect of trade receivables during the year are as follows**

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Balance at the beginning of the year</b>		<b>4.63</b>	<b>-</b>	<b>-</b>	<b>-</b>
Recognised during the year		-	4.63	-	-
Reversal during the year		-	-	-	-
<b>Balance at the end of the year</b>		<b>4.63</b>	<b>4.63</b>	<b>-</b>	<b>-</b>

15. Cash and Cash Equivalents

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
In Current Accounts with Banks		48.29	28.37	60.44	31.34
Cash Balance on hand		1.16	1.27	0.47	0.15
		<b>49.45</b>	<b>29.64</b>	<b>60.91</b>	<b>31.49</b>

16. Bank Balances other than Cash and Cash Equivalents

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Other Balances with Banks</b>					
Fixed Deposits having original maturity of more than 3 months and remaining maturity of less than 12 months from the reporting date (Including Interest accrued thereon)	16.1	60.79	114.82	201.00	-
		<b>60.79</b>	<b>114.82</b>	<b>201.00</b>	<b>-</b>

16.1 Fixed Deposits have been kept as margin money against Bank guarantees and as security deposits with other parties.

17. Loans

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>(Unsecured, Considered good)</b>					
Loans and Advances to Employees	17.1	2.31	2.56	0.23	0.14
Loans and Advances to Key Management Personnel	17.1 & 49	6.00	-	-	-
Loans and Advances to Body Corporates	49	-	-	47.50	52.50
		<b>8.31</b>	<b>2.56</b>	<b>47.73</b>	<b>52.64</b>

17.1 Loans and advances to employees have been granted for personal purposes as per the company's policy in this respect.

18. Other Financial Assets

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Insurance claim receivable		0.37	0.66	0.12	-
Interest Accrued on Fixed Deposits		-	0.39	-	-
Interest Receivable on Loan		-	1.19	7.42	2.47
Incentive Receivable		191.43	65.19	63.11	50.93
Others		-	0.01	-	-
		<b>191.80</b>	<b>67.44</b>	<b>70.65</b>	<b>53.40</b>



## 19. Other Current Assets

(Rs. in Millions)

Particulars	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Advances to Suppliers and Others	39.50	25.39	3.46	3.65
Balances with Government Authorities	108.54	130.55	11.51	11.28
Prepaid Expenses	0.64	3.89	0.45	-
	<b>148.68</b>	<b>159.83</b>	<b>15.42</b>	<b>14.93</b>

## 20. Equity Share Capital

(a)

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Authorised Share Capital:</b> 43,000,000 (Previous Year 16-17 43,000,000; Previous Year 15-16 5,000,000; Previous Year 14-15 5,000,000) Equity Shares of Rs.10/- each.		430.00	430.00	50.00	50.00
<b>Issued, Subscribed and fully Paid up Share Capital:</b> 1,23,57,708 (Previous Year 16-17 1,23,57,708; Previous Year 15-16 4,66,020; Previous Year 14-15 4,66,020) Equity Shares of Rs 10/- each fully paid up.		123.58	123.58	46.60	46.60

(b) The Company has only one class of Equity Share having par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share. In the event of liquidation of the Company, the holders of the Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them.

(c) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Sl No.	Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
			Number of Shares	Number of Shares	Number of Shares	Number of Shares
a	Shares outstanding at the beginning of the year		1,23,57,708	46,60,200	46,60,200	46,60,200
b	Shares Issued during the year pursuant to the Scheme *	56(A)(b)	-	1,23,57,708	-	-
c	Shares adjustment on account of Scheme of arrangement	56(A)(d)	-	46,60,200	-	-
d	Shares outstanding at the end of the year		1,23,57,708	1,23,57,708	46,60,200	46,60,200

\* Shares issued for consideration other than Cash.

(d) Details in respect of shares in the company held by each shareholder holding more than 5 percent shares:

Sl No.	Name of the Shareholder	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Number of Shares	Number of Shares	Number of Shares	Number of Shares
1	Anmol Biscuits Limited	-	-	46,60,200.00	46,60,200.00
2	Bajjnath Choudhary & Family Trust	1,02,26,517.00	1,02,26,517.00	-	-

Sl No.	Name of the Shareholder	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Number of Shares	Number of Shares	Number of Shares	Number of Shares
3	Monarch Shelter Private Limited	15,60,298.00	15,60,298.00	-	-

- (e) Authorised Capital has increased pursuant to Scheme of arrangement referred to in note no. 56 (A)
- (f) In terms of the resolution dated 2nd September, 2016 passed by the shareholders of erstwhile Anmol Biscuits Limited, 65,38,469 equity shares have been bought back at Rs. 10 each and Rs. 653.85 millions payable in this respect have been considered as a liability and impact thereof including resultant capital redemption reserve etc. has been given effect to on recognition of amalgamation of ABL with the Company in terms of the relevant accounting standard and the scheme of arrangement dealt hereunder in Note 56.
- (g) The company has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs 10 each fully paid up. Accordingly the Authorised Capital has been increased to Rs 700 million under the approval of member meeting held on 24.02.2018

## 21. Other Equity

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Securities Premium Reserve	21.1	3,755.02	4,647.53	25.50	25.50
General Reserve	21.2	100.00	100.00	-	-
Retained Earnings	21.3	2,309.02	1,764.69	1,332.10	799.66
Other Comprehensive Income:					
Re-measurement of Defined benefit plans	21.4	1.95	2.37	0.04	0.01
<b>TOTAL</b>		<b>6,165.99</b>	<b>6,514.59</b>	<b>1,357.64</b>	<b>825.17</b>

Refer Statement of Changes in Equity (SOCE) for movement of changes in reserves

### 21.1 *Securities Premium Reserve*

Securities Premium Reserve represents the amount received in excess of par value of securities and is available for utilisation as specified under Section 52 of Companies Act, 2013. It also includes an amount of Rs 13,694.42 millions arising pursuant to scheme of Arrangement as stated in note no 56(A)(b) and 56(A)(c). In terms of the scheme of arrangement, the goodwill arising on amalgamation is amortised over a period of five years against the Securities Premium account as stated in 56(A)(e).

### 21.2 *General Reserve*

The general reserve is created from time to time by appropriating profits from retained earnings. The general reserve is created by a transfer from one component of equity to another and accordingly it is not reclassified to the Statement of profit and loss.

### 21.3 *Retained Earnings*

Retained earnings generally represents the undistributed profit/ amount of accumulated earnings of the company.

This includes Rs. 48.08 millions (March 31, 2017 Rs. 48.81 millions, March 31, 2016 Rs. 46.30 millions and March 31, 2015 Rs 47.61 millions) which is not available for distribution as these are represented by change in carrying amount of Property, Plant and Equipments being measured at fair value as on the date of transition to Ind AS.

### 21.4 *Other Comprehensive Income*

Other Comprehensive Income (OCI) represent the balance in equity for items to be accounted under OCI and comprises of actuarial gains and losses arising on defined benefit obligations have been recognised in OCI. The same cannot be reclassified to profit or loss.

- 21.5 In respect of the year ended March 31, 2017, the shareholders of the company in its Annual General meeting has approved the dividend of Rs 5/- per share each aggregating to Rs 61.79 millions, which was paid during the current period ended on December 31, 2017.

## 22. Borrowings

(At Amortised Cost)

(Rs. in Millions)

PARTICULARS	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated	Ind AS	Restated	Proforma Ind AS
<b>Secured</b>					
<b>Term Loan</b>					
<b>From Banks</b>					
Gross Outstanding Amount	22.1 (a) to (f)	495.58	739.20	114.13	43.11
Less: Current Maturities of Long Term Debt	30	(182.60)	(203.94)	(41.91)	(11.11)
		<b>312.98</b>	<b>535.26</b>	<b>72.22</b>	<b>32.00</b>
<b>From Others</b>					
Gross Outstanding Amount	22.1 (h) to (i)	-	-	0.84	2.66
Less: Current Maturities of Long Term Debt	30	-	-	(0.84)	(1.82)
		-	-	-	<b>0.84</b>
<b>Unsecured</b>					
<b>From Banks</b>					
Gross Outstanding Amount	22.1 (g)	-	35.00	-	-
Less: Current Maturities of Long Term Debt	30	-	(35.00)	-	-
<b>Sub Total</b>		-	-	-	-
Long term maturities of Finance lease obligations	44	3.13	3.11	0.22	0.21
<b>TOTAL</b>		<b>316.11</b>	<b>538.37</b>	<b>72.44</b>	<b>33.05</b>

### 22.1 Term Loan

- (a) Rupee Term loan from Hong Kong and Sanghai Banking Corporation Ltd. (HSBC) amounting to Rs 450.37 millions (Rs. 617.32 millions as on 31.3.17; Nil as on 31.3.16 and Nil as on 31.3.15) outstanding at the end of the period (including Rs 152.94 millions as on 31.12.2017, Rs. 147.00 millions as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15 being current maturities of the loan included under other current liabilities), has been secured by way of first pari passu charge on the entire moveable plant and machinery, tools and accessories and other moveable fixed assets both present and future pertaining to Dankuni, West Bengal, second pari passu charge on the entire stocks of raw materials, semi finished goods and book debts both present and future pertaining to Dankuni, West Bengal, joint charge on immovable property at Dankuni, West Bengal, exclusive charge on entire moveable plant and machinery, tools and accessories and other moveable fixed assets both present and future of Anlapatna (Orissa) Plant, leasehold immovable properties both present and future of Anlapatna (Orissa) Plant and personal guarantee of three directors of the Company. The applicable Rate of Interest in respect of above Rupee Term Loan is 8.20% - 8.75% per annum.

Repayment schedule of above Term Loans from HSBC is as follows:

- Rupee Term Loan of Rs.193.00 millions is repayable in 16 quarterly instalments of Rs. 12.062 millions each starting from 25.06.2016
- Rupee Term Loan of Rs. 80.00 millions is repayable in 16 equal quarterly instalments of Rs. 5.00 millions each starting from 22.09.2016.
- Rupee Term Loan of Rs. 100.00 millions is repayable in 16 equal quarterly instalments of Rs. 6.250 millions each starting from 21.12.2016.
- Rupee Term Loan of Rs. 100.00 millions is repayable in 16 equal quarterly instalments of Rs. 6.250 millions each starting from 01.02.2018.
- Rupee Term Loan of Rs. 120.00 millions is repayable in 16 equal quarterly instalments of Rs. 7.500 millions each starting from 23.08.2017.

- (vi) Rupee Term Loan of Rs. 25.00 millions is repayable in 16 equal quarterly instalments of Rs. 1.5625 millions each starting from 13.04.2018.
- (vii) Rupee Term Loan of Rs. 50.00 millions is repayable in 16 equal quarterly instalments of Rs. 3.125 millions each starting from 30.11.2016 (same has been pre-paid dated 28.08.2017).
- (viii) Rupee Term Loan of Rs. 50.00 millions is repayable in 16 equal quarterly instalments of Rs. 3.125 millions each starting from 17.12.2016 (same has been pre-paid dated 18.09.2017)

The above Term Loans from HSBC is repayable on demand, after 12 months from date of disbursement, whenever such option is exercised during the tenure of repayment specified as above.

- (b) Rupee term loan from Yes Bank Limited amounting to Nil (Rs. 33.33 millions as on 31.3.17; Nil as on 31.3.16 and Nil as on 31.3.15) outstanding at the end of the period (including Nil as on 31.12.2017, Rs. 11.11 million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15 being the current maturities of the loan included under other current liabilities), is secured by way of exclusive charge on the moveable fixed assets of the Rusk manufacturing unit at Sambalpur, Orissa (under construction as at the balance sheet date) out of the facility proceed of the term loan. The same has been pre-paid dated 31.07.2017

The above term loan is repayable in 18 equal quarterly instalments of Rs. 2.777 millions each from 29.10.2015. The applicable rate of interest in respect of the aforesaid loan is Base rate (YBLBR) plus 0.25% per annum. The current YBLBR is 9.00% per annum. The above loan is repayable on demand, whenever such option is exercised during the tenure of repayment specified as above.

- (c) Term Loan from Yes Bank Limited amounting to Rs 27.50 million (Rs. 65.68 million as on 31.3.17; Rs. 104.13 million as on 31.3.16 and Rs. 43.12 million as on 31.3.15) outstanding at the end of the period (including Rs. 22.22 million as on 31.12.2017, Rs.38.89 million as on 31.3.17, Rs.38.89 million as on 31.3.16 and Rs.11.11 million as on 31.3.15 being the current maturities of the loan included under other current liabilities) are secured by way of:
  - (1) First Charge on all the Moveable fixed Assets (both Present & Future) of the Cake Plant situated at Hajipur, Bihar.
  - (2) Second pari passu Charge on all the Current Assets (both present & future).
  - (3) Personal Guarantee of the erstwhile Directors / relative of two directors of the Company.

Rupee term loan of Rs. 100.00 million from Yes Bank is repayable in 18 equal quarterly instalment of Rs. 5.55 millions each starting from 29.06.2015.

Rupee term loan of Rs. 50.00 million from Yes Bank is repayable in 18 equal quarterly instalment of Rs. 2.77 millions each starting from 31.12.2014. Same has been pre-paid dated 01.08.2017

- (d) Vehicle loan from ICICI Bank Limited amounting to Rs. 4.51 million (Rs. 6.98 million as on 31.3.17, Rs.10.00 million as on 31.3.16 and Nil as on 31.3.15) outstanding at the period of the Year (including Rs. 3.57 million as on 31.12.17, Rs.3.32 million as on 31.3.17, Rs.3.02 million as on 31.3.16 and Nil as on 31.3.15 being the current maturities included under other current liabilities) are secured by way of hypothecation of vehicles financed therefrom.

The aforesaid loan is repayable in 36 equal monthly instalment of Rs. 0.320 millions (including interest) each, starting form 01.04.2016.

- (e) Vehicle Loan from HDFC Bank Limited amounting to Rs. 9.01 million (Rs. 10.37 million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15) outstanding at the end of the period (including Rs. 1.96 million as on 31.12.17, Rs.1.83 million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15 being current maturities included under other current liabilities) are secured by way of hypothecation of vehicles financed therefrom.

The aforesaid loan is repayable in 60 equal monthly instalment of Rs.0.224 millions (including interest) each, starting from 07.01.2017.

- (f) Vehicle Loan from HDFC Bank Limited amounting to Rs. 4.19 million (Rs. 5.52 million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15) outstanding at the end of the period (including Rs. 1.91 million as on 31.12.17, Rs. 1.79 as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15 being current maturities included under other current liabilities) are secured by first charge by way of hypothecation of vehicles financed therefrom.

The aforesaid loan is repayable in 34 equal monthly instalment of Rs.0.185 millions (including interest) each, starting from 06.02.2017.

- (g) Rupee term loan from Yes Bank Limited amounting to Nil (Rs.35 Million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15) outstanding at the end of the period (including Nil as on 31.12.17, Rs. 35 Million as on 31.3.17, Nil as on 31.3.16 and Nil as on 31.3.15 being the current maturities of the loan included under other current liabilities) is secured against the personal guarantee of three erstwhile directors of the company.

The above term loan from Yes Bank is repayable in 16 equal monthly instalments of Rs. 8.75 million each starting from April, 2016. The applicable rate of interest in respect of the aforesaid loan is at base rate (YBLBR) i.e. 9.85% as at 31.03.2017 which is subject to reset as and when the base rate is changed. The above loan is repayable on demand, whenever such option is exercised during the tenure of repayment specified as above.

- (h) Vehicle Loan from Kotak Mahindra Prime Ltd amounting to Nil (Nil as on 31.3.17, Nil as on 31.3.16 and Rs.0.26 million as on 31.3.15) outstanding at the end of the period (including Nil as on 31.12.17, Nil as on 31.3.17, Nil as on 31.3.16 and Rs. 0.25 million as on 31.3.15 included under other current liabilities) are secured by first charge by way of hypothecation of vehicles financed therefrom.

The aforesaid loan is repayable in 36 equal monthly instalments of Rs. 0.04 million (including interest).

- (i) Vehicle loans from BMW Financial Services Private Limited amounting to Nil (Nil as on 31.3.17, Rs. 0.84 million as on 31.3.16 and Rs.2.40 million as on 31.3.15) outstanding at the end of the period are secured by way of hypothecation of vehicles financed therefrom and are repayable in instalment of Rs. 1.43 millions (including interest) each.

22.2 Current maturities of long term borrowings have been disclosed under the head "Other Financial Current Liabilities". [Refer note 30]

## 23. Other Financial Liabilities

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Security Deposit		-	-	0.15	0.05
		-	-	0.15	0.05

## 24. Government Grants

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Government Grants for Capital Investment		37.44	51.94	45.30	59.62
		37.44	51.94	45.30	59.62

## 25. Provisions

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Provision for Employee Benefits		27.52	29.23	1.61	1.05
		27.52	29.23	1.61	1.05

## 26. Deferred Tax Liabilities (Net)

The break up of Deferred Tax Assets and Deferred Tax Liabilities are as given below:

(Rs. in Millions)

Particulars	As at 31.03.2017	Recognised in Statement of Profit and Loss (income)/loss	Recognised in OCI (income)/loss	As at 31.12.2017
Deferred Tax Liabilities				

Particulars	As at 31.03.2017	Recognised in Statement of Profit and Loss (income)/loss	Recognised in OCI (income)/loss	As at 31.12.2017
Depreciation difference	347.63	17.66	-	365.29
Re-measurement of Defined benefit obligations	1.27	-	(0.23)	1.04
Others	4.64	(2.14)	-	2.50
<b>Total</b>	<b>353.54</b>	<b>15.52</b>	<b>(0.23)</b>	<b>368.83</b>
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis under Income Tax Act, 1961	71.56	33.46		38.10
Provision for Assets	3.31	(0.20)	-	3.51
Expenses allowable U/s 35DD of Income Tax Act, 1961	3.63	0.68		2.95
Fair Valuation of Investment	(1.83)	-	-	(1.83)
Interest disallowed under 36(1)(iii)	1.39	(0.32)	-	1.71
Others	-			
<b>Total</b>	<b>78.06</b>	<b>33.62</b>	<b>-</b>	<b>44.44</b>
<b>Net Deferred Tax (Liabilities)/Assets (Continuing Operations)</b>	<b>(275.48)</b>	<b>49.14</b>	<b>(0.23)</b>	<b>(324.39)</b>

(Rs. in Millions)

Particulars	As at 31.03.2016	Acquired pursuant to Scheme of Amalgamation (*)	Recognised in Statement of Profit and Loss (income)/loss	Recognised in OCI (income)/loss	As at 31.03.2017
<b>Deferred Tax Liabilities</b>					
Depreciation difference	47.25	266.50	33.88	-	347.63
Re-measurement of Defined benefit obligations	0.03	-	-	1.24	1.27
Others	0.49	4.08	0.07	-	4.64
<b>Total</b>	<b>47.76</b>	<b>270.58</b>	<b>33.96</b>	<b>1.24</b>	<b>353.54</b>
<b>Deferred Tax Assets</b>					
Expenses allowable on payment basis under Income Tax Act, 1961	0.81	13.47	(57.28)		71.56
Provision for Assets	-	1.83	(1.48)	-	3.31
Expenses allowable U/s 35DD of Income Tax Act, 1961	-	-	(3.63)	-	3.63
Fair Valuation of Investment	2.33	(0.12)	4.04	-	(1.83)
Interest disallowed under 36(1)(iii)	-	-	(1.39)	-	1.39
<b>Total</b>	<b>3.14</b>	<b>15.18</b>	<b>(59.74)</b>	<b>-</b>	<b>78.06</b>
<b>Net Deferred Tax (Liabilities)/Assets</b>	<b>(44.62)</b>	<b>(255.40)</b>	<b>(25.79)</b>	<b>1.24</b>	<b>(275.48)</b>
<b>For Continuing operations</b>	<b>(46.95)</b>	<b>(255.40)</b>	<b>(28.12)</b>	<b>1.24</b>	<b>(275.48)</b>
<b>For Dis-continuing operations</b>	<b>2.33</b>	<b>-</b>	<b>2.33</b>	<b>-</b>	<b>-</b>

(\*) Refer Note 56A along with impact with respect to IND AS

(Rs. in Millions)

Particulars	As at 31.03.2015	Recognised in Statement of Profit and Loss (income)/loss	Recognised in OCI (income)/loss	As at 31.03.2016
<b>Deferred Tax Liabilities</b>				
Depreciation difference	41.04	6.21		47.25
Fair Valuation of Investment	0.67	(3.00)	-	(2.33)
Re-measurement of Defined benefit obligations	0.01	-	0.02	0.03
Others	0.45	0.04	-	0.49
	<b>42.17</b>	<b>3.25</b>	<b>0.02</b>	<b>45.44</b>
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis under Income Tax Act, 1961	0.55	(0.26)	-	0.81

Particulars	As at 31.03.2015	Recognised in Statement of Profit and Loss (income)/loss	Recognised in OCI (income)/loss	As at 31.03.2016
MAT credit entitlement	84.67	84.67	-	-
	<b>85.22</b>	<b>84.41</b>	-	<b>0.81</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>43.05</b>	<b>87.65</b>	<b>0.02</b>	<b>(44.62)</b>
<b>For Continuing operations</b>	<b>43.72</b>	<b>90.65</b>	<b>0.02</b>	<b>(46.95)</b>
<b>For Dis-continuing operations</b>	<b>(0.67)</b>	<b>(3.00)</b>	-	<b>2.33</b>

(Rs. in Millions)

Particulars	As at 31.03.2014	Recognised in profit & loss account (income)/loss	Recognised in OCI (income)/loss	As at 31.03.2015
<b>Deferred Tax Liabilities</b>				
Depreciation difference	50.67	(9.63)	-	41.04
Fair Valuation of Investment	-	0.67	-	0.67
Re-measurement of Defined benefit obligations	-	-	0.01	0.01
Others	0.50	(0.05)	-	0.45
	<b>51.17</b>	<b>(9.01)</b>	<b>0.01</b>	<b>42.17</b>
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis under Income Tax Act, 1961	0.39	(0.16)	-	0.55
MAT credit entitlement	62.37	(22.30)	-	84.67
	<b>62.76</b>	<b>(22.46)</b>	-	<b>85.22</b>
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>11.59</b>	<b>(31.47)</b>	<b>0.01</b>	<b>43.05</b>
<b>For Continuing operations</b>	<b>11.59</b>	<b>(32.14)</b>	<b>0.01</b>	<b>43.72</b>
<b>For Dis-continuing operations</b>	-	<b>0.67</b>	-	<b>(0.67)</b>

27. Other Non Current Liabilities

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		<b>Restated Ind AS</b>		<b>Restated Proforma Ind AS</b>	
Security Deposit- Employees		-	1.27	-	-
		-	<b>1.27</b>	-	-

28. Borrowings

(At Amortised Cost)

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		<b>Restated Ind AS</b>		<b>Restated Proforma Ind AS</b>	
<b>Loans repayable on demand</b>					
<b>Secured</b>					
<b>From Banks (in INR)</b>					
-Working Capital Demand Loan	28.1 (a) to (d)	100.00	210.00	-	-
-Cash Credit facility / Overdraft facility	28.1 (e) to (g)	96.13	186.68	208.20	9.62
<b>From Banks (in foreign currency)</b>					
- Buyer's Credit facility	28.1 (h)	-	-	-	19.47
<b>Unsecured</b>					
From Banks - Short Term Loan facility	28.1 (i)	-	75.00	-	-
From Related Parties	28.1 (e) & 49	5.72	235.84	-	-
		<b>201.85</b>	<b>707.52</b>	<b>208.20</b>	<b>29.09</b>

- (a) Working Capital Demand Loan from Kotak Mahindra Bank Limited amounting to Rs. 50.00 millions (Rs. 100.00 million as on 31.03.2017 ,Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period is secured by way of first pari passu charge on the present and future plant and machinery located at Dankuni, West Bengal , current assets both present and future and first pari passu charge by way of equitable mortgage on immovable properties lying and situated at Dankuni, West Bengal together with all building structures, plant and machinery etc. affixed thereto.
- (b) Working Capital Demand Loan from CITI Bank Limited amounting to Nil (Rs. 50.00 million as on 31.03.2017 ,Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period is secured by way of first pari passu charge on the present and future plant and machinery located at Dankuni , West Bengal , current assets both present and future and first pari passu charge by way of equitable mortgage on immovable properties lying and situated at Dankuni , West Bengal (Cookies plant) together with all building structures, plant and machinery etc. affixed thereto and Personal Guarantee of the Directors.
- (c) Working Capital Demand Loan from Development Bank of Singapore Limited amounting to Nil (Rs. 60.00 million as on 31.03.2017 ,Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period is secured by way of first pari passu on current assets both present and future.
- (d) Working Capital Demand Loan from Hong Kong and Shanghai Banking Corporation Ltd. (HSBC) amounting to Rs. 50 millions (Nil as on 31.03.2017 ,Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period is secured by way of first pari passu on current assets both present and future.
- (e) Cash Credit Facility from Kotak Mahindra Bank Limited amounting to Nil (Rs. 41.42 million as on 31.03.2017, Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period is secured by way of first pari passu charge on the present and future plant and machinery located at Dankuni, West Bengal , current assets both present and future and first pari passu charge by way of equitable mortgage on immovable properties lying and situated at Dankuni, West Bengal together with all building structures, plant and machinery etc. affixed thereto.
- (f) Cash credit facilities amounting to Rs.78.83 million (Rs. 38.45 millions as on 31.03.2017, Rs. 208.20 million as on 31.03.2016 and Rs. 9.62 millions as on 31.03.2015) outstanding at the end of the period from Yes Bank is secured by 1) First Charge on all the Current Assets (both Present & Future) 2) Second Charge on all the fixed assets of the Cake Plant situated at Hajipur, Bihar 3) Personal Guarantee of the erstwhile Directors.
- (g) Cash credit facilities amounting to Rs.17.30 millions (Rs. 106.81 millions as on 31.03.2017 , Nil as on 31.03.2016 and Nil as on 31.03.2015) outstanding at the end of the period from Yes Bank is secured by 1) First charge on current and movable fixed assets (excluding those which are exclusively charge to other lenders) 2) Equitable mortgage of the immovable property located at Greater Noida. 3) Unconditional and Irrevocable personal Guarantee of three directors of the company.
- (h) Buyers Credit facilities from Yes Bank Ltd amounting to EURO Nil (Nil as on 31.03.2017 , Nil as on 31.03.2016 and EURO 2,88,400 as on 31.03.2015) (equivalent to Rs. 19.47 million applying foreign exchange rate as on 31.03.2015) outstanding at the end of the period.
- (i) Short term loan facility from Yes Bank amounting to Nil (Rs 75.00 millions as on 31.03.2017 repayable within 3 months from the date of sanction and the applicable interest rate is 8.55% p.a. ,Nil as on 31.03.2016 and Nil as on 31.03.2015)
- (j) Unsecured Loans from related parties are repayable on demand and the applicable interest rate is 10% p.a.

## 29. Trade Payables

(Rs. in Millions)					
Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>For Goods and Services</b>					
- dues of micro enterprises and small enterprises	29.1	8.37	14.46	-	-
- dues of creditors other than micro enterprises and small enterprises		488.76	392.63	61.64	69.57
		<b>497.13</b>	<b>407.09</b>	<b>61.64</b>	<b>69.57</b>



- 29.1 The details of amounts outstanding under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) to the extent of information available with the Company are as under:

Particulars	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
(i) Principal amount remaining unpaid at the end of the accounting year	8.37	14.46	-	-
(ii) Interest due on above	-	-	-	-
(iii) Interest paid by the Company in terms of Section 16 of MSMED Act	-	-	-	-
(iv) The amount of interest accrued and remaining unpaid at the end of financial year	-	-	-	-
(v) Payment made to supplier beyond the appointed day during the year	-	-	-	-

### 30. Other Financial Liabilities

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Current maturities of Long Term Debts -					
Secured Loans	22.1 (a) to (i)	182.60	203.94	42.75	12.93
Unsecured Loans	22.1 (g)	-	35.00	-	-
Finance lease Obligations	44	-	-	-	-
Interest Accrued		4.21	0.25	0.30	0.45
		<b>186.81</b>	<b>239.19</b>	<b>43.05</b>	<b>13.38</b>
<b>Other Payables:</b>					
Security Deposit		1.56	4.55	-	-
Retention Money		0.14	0.14	0.14	0.14
Capital Expenditures		49.42	32.62	1.87	5.57
Other Liabilities		65.23	62.54	3.19	-
		<b>116.35</b>	<b>99.85</b>	<b>5.20</b>	<b>5.71</b>
		<b>303.16</b>	<b>339.04</b>	<b>48.25</b>	<b>19.09</b>

### 31. Other Current Liabilities

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Advance from Customers		46.74	84.53	15.38	12.37
Statutory Dues (Tax Deducted at source, Service Tax, Sales Tax, Provident Fund etc.)		230.31	161.42	11.34	3.38
Excise Duty on Closing Stock		-	3.35	0.05	0.06
		<b>277.05</b>	<b>249.30</b>	<b>26.77</b>	<b>15.81</b>

### 32. Government Grants

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Government Grants for Capital Investment		17.60	15.34	14.32	14.32
		<b>17.60</b>	<b>15.34</b>	<b>14.32</b>	<b>14.32</b>

### 33. Provisions

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Provision for Employee benefits		8.30	2.95	0.05	0.04
Provision for Indirect Taxes	33.1	89.79	89.79	-	-
		<b>98.09</b>	<b>92.74</b>	<b>0.05</b>	<b>0.04</b>

- 33.1 Provision for Indirect Taxes in note no 57 (b) has been made for the year ended 31.03.2017. Deposit of Rs. 51.41 millions made in the earlier years has been shown under balances with government authorities (Refer Note No 19) no utilisation of the provision, pending decision of the court has been done.

### 34. Current Tax (Assets) / Liabilities (Net)

(Rs. in Millions)

Particulars	Notes	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Provision for Income Tax (Net of Advance Tax)		85.46	7.78	63.56	17.82
		<b>85.46</b>	<b>7.78</b>	<b>63.56</b>	<b>17.82</b>

### 35. Revenue from Operations

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Sale of Products	35.1	8,401.81	12,058.88	2,697.20	2,499.98
Other Operating Revenues	35.2	177.37	304.43	232.12	220.03
		<b>8,579.18</b>	<b>12,363.31</b>	<b>2,929.32</b>	<b>2,720.01</b>

#### 35.1 Details of Sale of Products

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Finished Goods:</b>					
Biscuits		8,109.80	11,650.34	2,568.84	2,456.26
Cakes		275.00	378.28	90.82	19.77
Kookies		14.71	24.05	-	-
		<b>8,399.51</b>	<b>12,052.67</b>	<b>2,659.66</b>	<b>2,476.03</b>
<b>Traded Goods:</b>					
Biscuits		-	-	31.04	-
Cakes		-	-	1.48	-
Kookies		-	-	5.02	-
Rusk & Others		2.30	6.21	-	23.95
		<b>2.30</b>	<b>6.21</b>	<b>37.54</b>	<b>23.95</b>
		<b>8,401.81</b>	<b>12,058.88</b>	<b>2,697.20</b>	<b>2,499.98</b>

35.2 *Details of Other Operating Revenue*

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Sale of Scrap and Rejected Materials		29.80	43.56	7.44	6.93
Export Incentives		2.25	5.56	-	-
Subsidy from Government	55	141.97	255.31	223.78	212.15
Excise duty on Stock		3.35	-	0.01	-
Other		-	-	0.89	0.95
		<b>177.37</b>	<b>304.43</b>	<b>232.12</b>	<b>220.03</b>

36. **Other Income**

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Interest Income on:-</b>					
Income Tax Refund <sup>(S)</sup>		-	0.02	0.13	-
Fixed Deposits with Banks <sup>(*)</sup>		4.98	28.50	6.06	0.49
Non current Investment <sup>(#)</sup>		-	1.02	-	-
Others <sup>(#)</sup>		1.08	0.91	0.49	0.11
		<b>6.06</b>	<b>30.45</b>	<b>6.68</b>	<b>0.60</b>
Net Gain on sale of Fixed Assets <sup>(S)</sup>		-	-	0.00	0.17
Liabilities no longer required written back <sup>(S)</sup>		0.73	0.30	-	-
Net Gain on financial asset measured at fair value through profit & loss <sup>(#)</sup>		-	7.97	-	-
Miscellaneous Income <sup>(*)</sup>		2.84	6.13	1.38	5.33
		<b>9.63</b>	<b>44.85</b>	<b>8.06</b>	<b>6.10</b>

(\*) Recurring and Related to Business Activity;

(S) Non Recurring but related to business Activity;

(#) Recurring but not related to business activity.

37. **Cost of Materials Consumed**

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Opening stock:					
As per last Balance Sheet		180.75	35.44	48.27	36.98
Add: Raw Materials & Packing Materials transferred as per Scheme of arrangement	56(A)(a)	-	153.23	-	-
Add: Purchases		5,323.32	8,458.62	1,586.39	1,816.82
		<b>5,504.07</b>	<b>8,647.29</b>	<b>1,634.66</b>	<b>1,853.80</b>
Less: Used for Trial Run and Research Purpose		4.08	1.24	0.49	0.86

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Less: Cost of Sales of Raw/ Packing Materials		1.12	-	3.71	-
Less: Closing Stock		194.57	180.75	35.44	48.27
<b>Total</b>		<b>5,304.30</b>	<b>8,465.30</b>	<b>1,595.02</b>	<b>1,804.67</b>

**38. Purchase of Stock-in-Trade**

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Purchases of Stock in Trade		1.97	5.05	30.71	22.22
		<b>1.97</b>	<b>5.05</b>	<b>30.71</b>	<b>22.22</b>

**39. Changes in Inventories of Finished Goods ,Work in Progress and Stock-in-Trade - (Increase)/Decrease**

(Rs. in Millions)

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Closing Stock</b>					
Finished Goods		141.97	118.25	17.35	11.65
Work In Progress		2.81	0.78	0.02	0.02
Stock-in-Trade		-	-	1.08	-
		<b>144.78</b>	<b>119.03</b>	<b>18.45</b>	<b>11.67</b>
<b>Less: Opening Stock</b>					
Finished Goods	39.1	118.25	18.43	11.65	24.73
Work In Progress		0.78	0.02	0.02	-
Stock-in-Trade		-	-	-	-
		<b>119.03</b>	<b>18.45</b>	<b>11.67</b>	<b>24.73</b>
<b>Less: Stock transferred as per Scheme of arrangement</b>	56(A)				
Finished Goods		-	103.07	-	-
Work In Progress		-	1.06	-	-
		-	<b>104.13</b>	-	-
		<b>25.75</b>	<b>(3.55)</b>	<b>6.78</b>	<b>(13.06)</b>

- 39.1 Opening stock in trade brought forward for the year ending March 2017 excludes Rs. 10.80 millions in respect of stock purchased from amalgamating companies and the same has been included under finished goods.

**40. Employee Benefits Expense**
**(Rs. in Millions)**

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Salaries, Wages and Bonus		399.12	462.34	27.36	20.92
Contribution to provident and other Funds		31.48	39.75	2.05	1.63
Staff Welfare Expenses		34.92	26.13	5.44	5.62
		<b>465.52</b>	<b>528.22</b>	<b>34.85</b>	<b>28.17</b>

**41. Finance Costs**
**(Rs. in Millions)**

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
<b>Interest Expense:</b>					
Term Loans		47.37	33.37	14.93	8.76
Finance lease Obligation		0.27	0.36	0.02	0.02
Others	41.1	24.22	47.00	10.90	5.01
		<b>71.86</b>	<b>80.73</b>	<b>25.85</b>	<b>13.79</b>
<b>Other Borrowing Costs</b>			-	-	-
Loan Processing Charges		-	0.17	-	-
Net Loss on foreign currency transactions & translations		-	0.69	-	-
		<b>71.86</b>	<b>81.59</b>	<b>25.85</b>	<b>13.79</b>

- 41.1 Interest Expense (Others) includes Rs 0.02 millions for the period ending 31st December, 2017 (Rs. 1.40 millions for the year ending March, 2017, Rs. 10 millions for the year ending March 2016, Rs. 5.01 millions for the year ending March, 2015 in respect to Interest on Income Tax).

**42. Depreciation and Amortisation Expense**
**(Rs. in Millions)**

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Depreciation and Amortisation	5 & 7	220.27	236.06	73.52	58.44
Less: Transferred from:					
Government Grant	24 & 32	12.24	15.34	14.32	14.32
		<b>208.03</b>	<b>220.72</b>	<b>59.20</b>	<b>44.12</b>
For Continuing operations		208.03	219.44	59.20	44.12
For Dis-continuing operations		-	1.28	-	-

**43. Other Expenses**
**(Rs. in Millions)**

Particulars	Notes	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
		Restated Ind AS		Restated Proforma Ind AS	
Conversion and Job Work Charges		179.02	233.70	32.30	20.88
Consumption of Stores and Spares		12.79	23.87	0.11	0.13
Power and Fuel		327.61	434.44	87.60	99.76
Excise duty on Stock		-	2.69	-	0.06
Auditors' Remuneration	43.1	2.00	1.96	0.20	0.20
Directors Sitting Fees		0.36	0.61	0.10	-
Rent	43.2	12.19	17.68	0.50	1.12
Repairs to Machinery		43.10	31.99	7.10	7.92
Repairs to Buildings		7.07	4.73	1.33	0.19
Repairs - Others		10.19	11.52	2.15	5.00
Sales Promotion and Advertisement		430.92	426.57	75.23	61.07
Carriage outward, distribution		311.32	441.71	52.20	45.36
Other selling expenditures		35.78	77.35	1.66	14.51
Insurance		4.92	6.00	1.08	1.49
Rates and Taxes	43.3	2.58	8.10	0.25	0.33
Research & Development		8.07	1.96	0.49	-
Travelling and Conveyance		41.67	48.83	2.39	1.35
Legal and Professional Charges		16.53	30.07	3.23	0.87
Loss on sale of Raw material and Packing material		0.26	-	0.12	-
Loss on sale and discard of Fixed Assets (Net)		0.46	0.01	-	-
Foreign Exchange Loss (Net)		-	1.44	0.16	-
Bad Debts		-	0.26	-	-
Provision for doubtful debts		-	1.20	-	-
Provision for Slow Moving Materials		0.73	1.28	-	-
Provision For Doubtful Advances		-	2.20	-	-
Donation and Corporate Social Responsibility Expenses		10.61	13.08	-	8.50
Miscellaneous Expenses	43.4	33.15	87.16	5.48	13.25
		<b>1,491.33</b>	<b>1,910.41</b>	<b>273.68</b>	<b>281.99</b>

**43.1 Auditors' Remuneration(Exclusive of service tax / GST amount):**

	For the nine months period ended December 31, 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Audit Fees	1.09	1.55	0.15	0.13
For other Services -				
- Tax Audit Fees	0.35	0.33	0.05	0.07
- Certification and Other services	0.56	0.08	-	-
	<b>2.00</b>	<b>1.96</b>	<b>0.20</b>	<b>0.20</b>

43.2 The company has certain operating lease arrangements for storage of goods and other commercial purposes with tenure ranging from 11 months to 3 years. Terms of some of these lease arrangements include escalation clause for rent and deposit/refund of security deposit etc. Expenditure incurred on account of rent has been recognized in the Statement of

profit and loss amounting to Rs. 12.53 millions for the period ended 31st December, 2017 (Rs. 17.92 millions for the year ending March 2017, Rs. 0.51 millions for the year ending March 2016, Rs. 1.12 millions for the year ending March 2015).

- 43.3 Rates and Taxes includes non recurring expenses on account of Tax on buyback of shares amounting to Nil for the period ended 31st December, 2017 (Rs. 6.17 millions for the year ending March 2017, Nil for the year ending March 2016 and Nil for the year ending March 2015).
- 43.4 Miscellaneous Expenses includes Sale tax of Rs. 1.28 millions (Rs. 1 millions for the year ending March 2017, Nil for the year ending March 2016 and Nil for the year ending March 2015) , Cenvat Rs. 1.20 millions (Rs 16.38 millions for the year ending March 2017, Rs 0.15 millions for the year ending March 2016, and Nil for the year ending March 2015).

**44. Obligation under leases**

**A. Finance Lease disclosures:**

The company has certain finance lease arrangements for land taken on lease from government authorities for setting up of factory premises/office thereon with tenure ranging from 84 years to 90 years. Terms of some of these lease arrangements include escalation clause for rent.

The net carrying amount of the leasehold land is Rs. 247.40 millions as at December 31, 2017 (March 31, 2017: Rs. 250.78 millions, March 31, 2016: Rs. 54.55 millions and March 31, 2015: Rs. 55.20 millions).

**Finance Lease Liabilities**

**(Rs. in Million)**

Particulars	As at December 31, 2017		As at March 31, 2017		As at March 31, 2016		As at March 31, 2015	
	Minimum Lease payments	Present value of Minimum Lease Payments	Minimum Lease payments	Present value of Minimum Lease Payments	Minimum Lease payments	Present value of Minimum Lease Payments	Minimum Lease payments	Present value of Minimum Lease Payments
Not later than one year	0.34	-	0.34	-	0.01	-	0.01	-
Later than one year and not later than five years	1.70	-	1.71	-	0.06	-	0.05	-
Later than five years	28.45	3.13	28.77	3.11	4.03	0.22	4.05	0.21



## FINANCIAL INSTRUMENTS

### 45. Capital Management

The primary objective of the Company's capital management is to ensure that it maintains a healthy capital ratio in order to support its business, have sufficient financial flexibility for borrowing requirements if any in future and maximise shareholder value. The Company's objective for managing capital is also to safeguard their ability to continue as a going concern so that they can continue to provide returns for shareholders and benefits to other stake holders.

The company also monitors capital using gearing ratio which is net debt divided by total capital. The gearing ratios are as follows

#### 45.1 Gearing Ratio

Particulars	(Rs. in Millions)			
	As at 31st December 2017	As at 31st March 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Total Debt (Net of Cash & Cash equivalent)	651.11	1,455.19	262.48	43.59
Total Equity	2,374	1,829	1,358	824
Gearing Ratio	27.43%	79.55%	19.33%	5.29%

#### 45.2 Categories of financial instruments

The carrying value and fair value of financial instruments by categories were as follows:

Particulars	(Rs. in Millions)			
	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>Financial Assets (Current and Non-Current)</b>				
<b>Measured at Amortised Cost</b>				
(i) Trade Receivables	43.62	30.58	7.10	10.40
(ii) Cash & Cash Equivalents	49.45	29.64	60.91	31.49
(iii) Other Bank Balances	60.79	114.82	201.00	0.00
(iv) Loans	11.37	3.94	47.73	52.64
(v) Others Financial Asset	306.28	198.78	114.39	111.58
<b>Sub-total</b>	<b>471.51</b>	<b>377.76</b>	<b>431.13</b>	<b>206.11</b>
<b>Measured at Fair value through profit or loss (FVTPL)</b>				
(i) Investment in Mutual Funds, Equity Instruments and Bonds	44.05	44.05	839.55	87.24
<b>Total</b>	<b>515.56</b>	<b>421.81</b>	<b>1,270.68</b>	<b>293.35</b>
<b>Financial Liabilities (Current and Non-Current)</b>				
<b>Measured at amortised Cost</b>				
(i) Borrowings	517.96	1,245.89	280.64	62.14
(ii) Trade Payable	497.13	407.09	61.64	69.57
(iii) Other Financial Liabilities	303.16	339.04	48.40	19.14
<b>Sub-total</b>	<b>1,318.25</b>	<b>1,992.02</b>	<b>390.68</b>	<b>150.85</b>
<b>Total</b>	<b>1,318.25</b>	<b>1,992.02</b>	<b>390.68</b>	<b>150.85</b>

The management considers that the above carrying amounts of financial assets and financial liabilities recognized in the financial statements approximate their fair values.

#### Fair Valuation Techniques

The fair values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used by the Board to estimate the fair values:

1. The fair value of cash and cash equivalents, trade receivables, trade payables, current borrowings, current financial liabilities and assets approximate their carrying amount largely due to the short-term nature of these instruments.

2. Long-term debt has been contracted at floating rates of interest, which are reset at short intervals. Fair value of variable interest rate borrowings approximates their carrying value of such long-term debt subject to adjustments made for transaction cost.
3. Investments traded in active market are determined by reference to the quotes from the Stock exchanges as at the reporting date. Investments in liquid and short-term mutual funds are measured using quoted market prices/net asset value at the reporting date multiplied by the quantity held. Unquoted investments in shares have been valued based on the historical net asset value as per the latest audited financial statements.

#### *Fair value hierarchy*

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement.

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis as at balance sheet date:

Financial assets	(Rs. in Millions)			
	Fair value as at			
	As at 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>LEVEL 1</b>				
Investment in mutual funds and Listed Equity Instruments	-	-	805.72	87.24
<b>LEVEL 3</b>				
Investment in Unlisted Equity Instruments	44.05	44.05	33.83	-

During the 9 months period ended December 31, 2017 and year ended March 31, 2017, there were no transfers between Level 1 and Level 3 fair value measurements. There is no transaction / balance requiring valuation under level 2.

The Inputs used in fair valuation measurement are as follows:

Fair valuation of Financial assets and liabilities not within the operating cycle of the company is amortised based on the borrowing rate of the company.

Unquoted investments in shares have been valued based on the amount available to shareholder's as per the latest audited financial statements. There were no external unobservable inputs or assumptions used in such valuation.

### 45.3 **Financial Risk Factors**

The Company's activities expose it to a variety of financial risks – market risk, credit risk and liquidity risk. The Board of Directors reviews and approves policies for managing each of these risks, which are summarized below:

#### 45.3.1 **Market Risk**

Market risk is the risk or uncertainty arising from possible market price movements resulting in fluctuation of the fair value of future cash flows of a financial instrument. The major components of Market risks are price risk, interest rate risk and foreign currency exchange risk.

Financial instruments affected by market risk includes borrowings and investments.

##### (a) Foreign Currency Risk

The company does not have significant transaction in foreign currency and as such it is not exposed to foreign currency risk. There are no outstanding Derivative contracts as on 31st December 2017.

The details of the unhedged foreign currency exposure are as follows:

Particulars of Unhedged Foreign Exposures as at the Balance Sheet date:				In Millions
Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>Advance receive against exports</b>				
USD	-	0.00	-	-
EURO	0.06	-	-	-
INR	4.21	0.26	-	-
<b>Trade receivables against exports</b>				
USD	0.08	0.02	-	-
INR	5.21	1.30	-	-
<b>Capital Expenditures</b>				
EURO	-	0.01	-	-
INR	-	0.61	-	-

(b) Interest Rate Risk

Interest rate risk primarily arises from floating rate borrowing with banks and financial institutions. As at December 31, 2017, substantially all of the Company borrowings were subject to floating interest rates, which are reset at short intervals.

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the company's profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest Rate Sensitivity	(Rs. in Millions)			
	Effect on Profit before tax			
	For the 9 months ended 31st December 2017	For the year ended March 31, 2017	For the year ended March 31, 2016	For the year ended March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
INR Borrowings (+0.50)	75.46	84.60	27.23	14.29
Foreign Borrowing	-	-	-	-

A decrease in 0.50 basis point in Rupee Loan and 0.25 basis point in Foreign Currency Loan would have an equal and opposite effect on the Company's financial statements.

(c) Price risk

Price risk relates to the company's current investments which are fair valued through profit and loss. During the period ended 31st December, 2017 the company does not have any current investments and accordingly there is no price risk at present. However as risk mitigation measures company's board of directors reviews and approves all investment decisions.

45.4 **Credit Risk**

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, the management has a policy of taking a substantial amount of the sale in advance from the customers and exposure to the remaining credit risk is monitored on an ongoing basis. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company establishes an allowance for impairment that represents its estimate of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed/evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote.

The carrying amount of respective financial assets recognised in the financial statements, (net of impairment losses) represents the Company's maximum exposure to credit risk. The concentration of credit risk is limited due to the customer base being large and unrelated.

*Financial assets that are neither past due nor impaired*

Cash and cash equivalents, investment and deposits with banks are neither past due nor impaired. Cash and cash equivalents with banks are held with reputed and credit worthy banking institutions.

*Financial assets that are past due but not impaired*

Trade receivables disclosed include amounts that are past due at the end of the reporting period but against which the Company has not recognised an allowance for doubtful receivables because there has not been a significant change in credit quality and the amounts are still considered recoverable.

## 45.5 Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at a reasonable price. The Company monitors its liquidity risk and maintains a level of cash and cash equivalents considered adequate by management to finance the Company's operations and to mitigate the effects of fluctuations in cash flows.

The following tables detail the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The information included in the tables have been drawn up based on the undiscounted cash flows of financial liabilities based on the earliest date on which the Company can be required to pay. The tables include both interest and principal cash flows. The contractual maturity is based on the earliest date on which the Company may be required to pay.

(Rs. in Millions)

Particulars	On Demand	< 1 year	1 year – 3 years	More than 3 years	Total
<b>As at December 31, 2017</b>					
Interest bearing borrowings (including current maturities)	-	384.45	312.99	-	<b>697.44</b>
Non- Interest bearing borrowings	-	-	-	-	<b>-</b>
Finance Lease Obligations	-	-	-	3.13	<b>3.13</b>
Interest Accrued	-	4.21	-	-	<b>4.21</b>
Security Deposit	-	1.56	-	-	<b>1.56</b>
Retention Money	-	0.14	-	-	<b>0.14</b>
Capital Expenditures	-	49.42	-	-	<b>49.42</b>
Other Liabilities	-	0.12	-	-	<b>0.12</b>
Trade Payable	-	497.13	-	-	<b>497.13</b>
<b>Total</b>	<b>-</b>	<b>937.03</b>	<b>312.99</b>	<b>3.13</b>	<b>1,253.15</b>
<b>As at March 31, 2017</b>					
Interest bearing borrowings (including current maturities)	-	946.46	535.26	-	<b>1,481.72</b>
Finance Lease Obligations	-	-	-	3.11	<b>3.11</b>
Interest Accrued	-	0.25	-	-	<b>0.25</b>
Security Deposit	-	4.55	-	-	<b>4.55</b>
Retention Money	-	0.14	-	-	<b>0.14</b>
Capital Expenditures	-	32.62	-	-	<b>32.62</b>
Other Liabilities	-	12.40	-	-	<b>12.40</b>
Trade Payable	-	407.09	-	-	<b>407.09</b>
<b>Total</b>	<b>-</b>	<b>1,403.51</b>	<b>535.26</b>	<b>3.11</b>	<b>1,941.88</b>
<b>As at March 31, 2016</b>					
Interest bearing borrowings (including current maturities)	-	250.95	72.21	-	<b>323.16</b>
Finance Lease Obligations	-	-	-	0.22	<b>0.22</b>
Interest Accrued	-	0.30	-	-	<b>0.30</b>
Security Deposit	-	-	0.15	-	<b>0.15</b>
Retention Money	-	0.14	-	-	<b>0.14</b>
Capital Expenditures	-	1.87	-	-	<b>1.87</b>
Other Liabilities	-	3.19	-	-	<b>3.19</b>
Trade Payable	-	61.64	-	-	<b>61.64</b>
<b>Total</b>	<b>-</b>	<b>318.09</b>	<b>72.36</b>	<b>0.22</b>	<b>390.67</b>
<b>As at March 31, 2015</b>					
Interest bearing borrowings (including current maturities)	-	42.02	32.85	-	<b>74.87</b>

Particulars	On Demand	< 1 year	1 year – 3 years	More than 3 years	Total
Finance Lease Obligations	-	-	-	0.21	0.21
Interest Accrued	-	0.45	-	-	0.45
Security Deposit	-	-	0.05	-	0.05
Retention Money	-	0.14	-	-	0.14
Capital Expenditures	-	5.57	-	-	5.57
Other Liabilities	-	-	-	-	-
Trade Payable	-	69.57	-	-	69.57
<b>Total</b>	-	<b>117.75</b>	<b>32.90</b>	<b>0.21</b>	<b>150.86</b>

#### Unused Line of Credit

(Rs. in Millions)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Cash Credit	494.27	213.32	41.80	40.38

The company has current financial assets which will be realised in ordinary course of business and unused line of credits as given above. The Company ensures that it has sufficient cash on demand to meet expected operational expenses.

The company relies on mix of borrowings and operating cash flows to meet its need for funds and ensures that it does not breach any financial covenants stipulated by the lender.

#### 46. Contingent Liabilities and Commitment (To the extent not provided for):

(Rs. in Millions)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
(a) Guarantees issued by Banks on behalf of the Company to third parties	61.53	101.67	14.34	4.34
(b) Corporate Guarantee given by the company on behalf of body corporate (Refer Note 49) Limit: Rs.1,80.00 million	-	86.80	-	-
<b>Others</b>				
(c) Certain demands (excluding interest and penalty - to the extent amount not ascertained) relating to income tax, Excise Duty, Entry Tax, Service Tax and vat/sales tax matters pending with various authorities to the extent ascertainable from the records and details available are as follows:				
(i) Disputed income tax matters pending under appeal	2.01	2.01	-	-
(ii) Excise Duty - including various show cause/ Demand Notices pending under appeal	69.34	46.22	-	-
(iii) Entry Tax - Claimed by Assessing Authorities pending under appeal	-	2.44	-	-
(iv) Disputed VAT/sales tax matters under appeal.	68.44	25.58	0.22	0.22
(v) Service Tax	26.13	2.75	-	-
<b>Total</b>	<b>227.45</b>	<b>267.47</b>	<b>14.56</b>	<b>4.56</b>

- 46.1 During the year 2005-06, the Company had sold wheat (received against supplies made under the World Food Programme of United Nations) amounting to Rs. 253.52 million in Punjab. The Company's net VAT Liability (after setting of VAT input credit) stood at Nil and hence, the Company did not deposit VAT on the said wheat sales. The Punjab Sales Tax Department has disallowed the VAT Input credit and thereby raised a demand of Rs. 60.75 million (including penalty and interest). The Company has contested the demand in VAT Tribunal and also before the Honourable Punjab & Haryana High Court. However, the Honourable Punjab & Haryana High Court referred back the case to the Excise and Taxation Commissioner, Patiala. Further vide Order dated 31.10.11 passed by Excise and Taxation officer, the stated demand has been reduced to Rs. 32.84 million, against which the Company had deposited Rs. 10.74 million in earlier years which is shown under Balances with Government Authorities (Note no. 19). However during current nine month period December

31, 2017, Deputy Excise and Taxation Commissioner (Appeals) has set aside the Order and passed the order in favour of the Company by rendering the assessment as barred by limitation.

- 46.2 The Company's pending litigation comprises of claims against the Company and proceeding pending with tax / statutory / government authorities. The Company has reviewed all its pending litigations and proceedings and disclosed the contingent liabilities, where applicable, in its financial statement. The Company does not expect the outcome of these proceedings to have a material impact on its financial position. Future cash flows of the matters outlined in 46(c) above are determinable only on receipt of judgement / decisions pending with various forum / authorities.

46.3 **Capital Commitment**

(Rs. in Millions)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of Advances of Rs.3.24 millions (previous year Rs. 15.66 millions))	3.74	56.84	-	-

47. As per Indian Accounting Standard 19 "Employee Benefits" the disclosure of Employee Benefits as defined in the Standards are given below:

(A) **Defined Contribution Scheme:**

Contribution to defined contribution schemes, recognised for the year are as under:

(Rs. in Millions)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Employer's contribution to Provident Fund	4.95	6.09	0.38	0.36
Employer's contribution to Pension Fund	11.23	13.83	0.87	0.81
<b>Total</b>	<b>16.18</b>	<b>19.92</b>	<b>1.25</b>	<b>1.17</b>

(B) **Defined Benefit Scheme:**

The employee's Gratuity scheme are defined benefit plans. The present value of obligations are determined based on actuarial valuation using projected unit credit method which recognises each period of services as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Rs. in Millions)

Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>i) Change in the fair value of the defined benefit obligation:</b>				
<b>Gratuity (Funded)</b>				
Liability at the beginning of the year	62.55	-	-	-
Transfer in terms of Scheme of Arrangement (Refer Note 56)	-	58.94	-	-
Interest Cost	3.52	4.42	-	-
Current Service Cost	5.49	7.22	-	-
Actuarial (gain) / loss on obligations	(0.31)	(3.62)	-	-
Benefits paid	(2.24)	(4.41)	-	-
<b>Liability at the end of the year</b>	<b>69.63</b>	<b>62.55</b>	<b>-</b>	<b>-</b>
<b>Gratuity (Unfunded)</b>				
Liability at the beginning of the year		1.16	0.76	0.43
Interest Cost		0.09	0.06	0.03
Current Service Cost		0.42	0.39	0.32

Particulars	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Actuarial (gain) / loss on obligations		0.11	(0.05)	(0.02)
Benefits paid		(0.25)	-	-
<b>Liability at the end of the year</b>	<b>-</b>	<b>1.53</b>	<b>1.16</b>	<b>0.76</b>

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>ii) Changes in the Fair Value of Plan Asset</b>				
<b>Gratuity (Funded)</b>				
Fair value of Plan Assets at the beginning of the year	43.33	-	-	-
Transfer in terms of Scheme of Arrangement (Refer Note 56)	-	40.03	-	-
Expected Return on Plan Assets	2.44	3.00	-	-
Contributions by the Company	0.35	2.99	-	-
Benefits paid	(0.90)	(2.75)	-	-
Actuarial gain / (loss) on Plan Assets	(0.33)	0.06	-	-
<b>Fair value of Plan Assets at the end of the year</b>	<b>44.89</b>	<b>43.33</b>	<b>0.00</b>	<b>0.00</b>

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>iii) Actual return on Plan Asset</b>				
<b>Gratuity (Funded)</b>				
Expected return on Plan assets	2.44	3.00	0.00	0.00
Actuarial gain / (loss) on Plan Assets	(0.33)	0.06	0.00	0.00
<b>Actual Return on Plan Assets</b>	<b>2.11</b>	<b>3.06</b>	<b>0.00</b>	<b>0.00</b>

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>iv) Amount Recognized in Balance Sheet</b>				
<b>Gratuity (Funded)</b>				
Liability at the end of the year	69.63	62.55	-	-
Fair value of Plan Assets at the end of the year	44.89	43.33	-	-
<b>Liability/(Assets) recognised in the Balance Sheet</b>	<b>24.74</b>	<b>19.22</b>	<b>-</b>	<b>-</b>
<b>Gratuity (Unfunded)</b>				
Liability at the end of the year		1.53	1.16	0.76
Fair value of Plan Assets at the end of the year		-	-	-
<b>Liability/(Assets) recognised in the Balance Sheet</b>	<b>-</b>	<b>1.53</b>	<b>1.16</b>	<b>0.76</b>

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>v) Components of Defined Benefit Cost</b>				
<b>Gratuity (Funded)</b>				
Current Service Cost	5.49	7.22	-	-
Interest Cost	3.52	4.42	-	-

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Expected Return on Plan Assets	(2.44)	(3.00)	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI	0.02	(3.68)	-	-
<b>Total Defined Benefit Cost recognised in Profit and Loss and OCI</b>	<b>6.59</b>	<b>4.94</b>	<b>-</b>	<b>-</b>
<b>Gratuity (Unfunded)</b>				
Current Service Cost		0.42	0.39	0.32
Interest Cost		0.09	0.06	0.03
Expected Return on Plan Assets		-	-	-
Net Actuarial (gain) / loss on remeasurement recognised in OCI		0.11	(0.05)	(0.02)
<b>Total Defined Benefit Cost recognised in Profit and Loss and OCI</b>	<b>-</b>	<b>0.62</b>	<b>0.40</b>	<b>0.33</b>

	31st December 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>vi) Balance Sheet Reconciliation</b>				
<b>Gratuity (Funded)</b>				
Opening Net Liability	22.65	-	-	-
Transfer in terms of Scheme of Arrangement (Refer Note 56)	-	18.91	-	-
Expenses as above	6.59	4.94	-	-
Employers Contribution	(0.35)	(2.99)	-	-
<b>Amount Recognized in Balance Sheet</b>	<b>28.88</b>	<b>20.86</b>	<b>-</b>	<b>-</b>
<b>Gratuity (Unfunded)</b>				
Opening Net Liability	-	1.16	0.76	0.43
Expenses as above	-	0.62	0.40	0.33
Employers Contribution	-	0.00	0.00	
<b>Amount Recognized in Balance Sheet</b>	<b>-</b>	<b>1.78</b>	<b>1.16</b>	<b>0.76</b>

**Principal Actuarial assumptions as at the Balance Sheet date**

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Discount Rate	7.5% p.a	7.5% p.a	8% p.a	8% p.a
Interest Rate				
Salary Increase	5% p.a	5% p.a	5% p.a	5% p.a
Attrition Rate	5% p.a	5% p.a	2% p.a	2% p.a
Retirement Age (years)	58 years	58 years	58 years	58 years
Rate of Return on Plan Assets	7.5% p.a	7.5% p.a	NA	NA

**Recognised in Other Comprehensive Income**

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Remeasurement - Actuarial loss/(gain)				
Gratuity (Funded)	0.65	(3.68)	-	-
Gratuity (Unfunded)	-	0.11	(0.05)	(0.02)



Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated	Ind AS	Restated	Proforma Ind AS
<b>Gratuity (Funded)</b>				
Current Liability (within 12 months)	6.08	6.62	-	-
Non- Current Liability	18.73	12.60	-	-
<b>Gratuity (Unfunded)</b>				
Current Liability (within 12 months)	-	0.03	0.004	0.003
Non- Current Liability	-	1.50	1.15	0.75

#### Sensitivity analysis

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated	Ind AS	Restated	Proforma Ind AS
<b>Gratuity (Funded)</b>				
<b>For the year ended 31st March, 2017</b>				
Discount Rate				
+1%	5.62	5.15	0.15	0.10
-1%	6.48	5.95	0.18	0.12
Salary Growth Rate				
+1%	6.46	5.91	0.18	0.12
-1%	5.68	5.19	0.15	0.10
Withdrawal Rate				
+1%	1.03	0.93	0.04	0.02
-1%	1.18	2.06	0.05	0.03

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (projected unit credit method) has been applied as when calculating the defined benefit obligation recognised within the Balance Sheet.

#### History of experience adjustments is as follows:

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated	Ind AS	Restated	Proforma Ind AS
Plan Liabilities - (loss)/gain	1.02	0.40	(0.05)	(0.08)
Plan Assets - (loss)/gain	(0.33)	(0.08)	-	-

#### Estimate of expected benefit payments (In absolute terms i.e. undiscounted)

Particulars	Gratuity
Within 1 year	5.12
1-2 year	5.08
2-3 year	5.44
3-4 year	4.52
4-5 year	4.16
5-10 years	65.33

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated	Ind AS	Restated	Proforma Ind AS
Average no of people employed (Gratuity Funded)	2,164	1,988	-	-
Average no of people employed (Gratuity	-	131	151	144

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Unfunded)				

**Notes: (As certified by Independent Actuary)**

- 1 Assumptions relating to future salary increases, attrition, interest rate for discount and overall expected rate of return on assets have been considered based on relevant economic factors such as inflation, seniority, promotion, market growth and other factors as applicable to the period over which the obligation is expected to be settled.
- 2 The expected return on Plan assets is based on market expectation at the beginning of the year. The rate of return on long term Government Bonds is taken as reference for this purpose.
- 3 In respect of Funded Gratuity, the funds are managed by the insurer and therefore the percentage or amount that each major category constitutes the fair value of total plan assets and effect thereof on overall expected rate of return on asset is not ascertainable.

48. The company operates in one business segment of food products comprising of Biscuits and other Bakery Products and requirements of segmental disclosure information is not applicable to the company.

**49. Related Party Disclosure**

Related party disclosure as identified by the management in accordance with the Indian Accounting Standard (Ind AS) 24 on "Related Party Disclosures" are as follows:

**A Name of the Related Parties and description of relationship**

**(i) Erstwhile Holding Company**

- 1 Anmol Biscuits Limited (Amalgamated with the Company w.e.f. 01-04-2016 pursuant to Scheme of Arrangement as given in Note 56)

**(ii) Subsidiary Company**

- 1 Anmol Snacks Private Limited (Amalgamated with the Anmol Biscuits Limited w.e.f. appointment date 01.04.2014 (order effective date 30.01.2016) pursuant to Scheme of Arrangement)
- 2 Mukund Foods Limited (Amalgamated with the Anmol Biscuits Limited w.e.f. 01-04-2014 (order effective date 30.01.2016) pursuant to Scheme of Arrangement)

**(iii) Key Management Personnel (KMP)**

- 1 Mr. Biswanath Choudhary - Whole Time Director (with effect from 19.05.2017)
- 2 Mr. Bimal Kumar Choudhary - Managing Director (with effect from 19.05.2017)
- 3 Mr. Dilip Kumar Choudhary - Whole Time Director (with effect from 19.05.2017)
- 4 Mr. Gobind Ram Choudhary - Managing Director (with effect from 19.05.2017)
- 5 Mr. Vikash Choudhary - Managing Director (upto 19.04.2017)
- 6 Mr. Deepak Choudhary - Whole Time Director (upto 19.04.2017)
- 7 Mr. Mool Chand Choudhary - Director (upto 30.4.2015)
- 8 Mr. Sumit Malhotra - Independent Director (with effect from 10.07.2017)
- 9 Ms. Mamta Binani - Independent Director (with effect from 10.07.2017)

- 10 Mr. Pawan Kumar Agarwal - Independent Director (from 23.03.2015 upto 23.05.2017)
  - 11 Mr. Pranab Kumar Maity - Independent Director (from 23.03.2015 upto 23.05.2017)
  - 12 Mr. Poonam Chandra Tibrewal - Chief Financial Officer (with effect from 21.04.2017)
  - 13 Mr. Brundaban Behera - Company Secretary (with effect from 21.04.2017)
- (iv) *Relatives of the KMP*
- 1 Mr. Baijnath Choudhary
  - 2 Mrs. Sunita Choudhary
  - 3 Mr. Vikash Choudhary - (with effect from 19.05.2017)
  - 4 Mr. Deepak Choudhary - (with effect from 19.05.2017)
  - 5 Mr. Sunil Choudhary
  - 6 Mr. Ankit Choudhary
  - 7 Mr. Aman Choudhary
  - 8 Miss. Surabhi Choudhary
  - 9 Mr. Keshav Choudhary
  - 10 Miss. Palak Choudhary
- (v) *Enterprises where KMP / Relatives of KMP have significant influence or control*
- 1 Anmol Hi-Cool LLP
  - 2 Tip Top Nirman LLP
  - 3 Urban Nirman LLP
  - 4 Anumati Consultancy & Services Private Limited
  - 5 Baid Holdings Private Limited
  - 6 Baijnath Choudhary Charitable Trust
  - 7 Shangrilla Commercial Company LLP
  - 8 Bansal Cement Private Limited
  - 9 Choudhary Realtors LLP
  - 10 Delta Nirman LLP
  - 11 Devesh Management Services Private Limited (\*)
  - 12 Gangaur Properties Private Limited (\*)
  - 13 Investors Nirman LLP
  - 14 J4F Nutriplus Private Limited
  - 15 Neelkanth Enterprises
  - 16 Mukund Nirman LLP
  - 17 Monarch Shelter Private Ltd.

18	Puneet Mercantiles LLP
19	Radhey Realtors LLP
20	Raj Mandir Estate Private Limited
21	Anmol Agrofarm LLP (Formerly Known as Rani Mercantile LLP)
22	Satyam Financial Advisory Private Limited (*)
23	Anant Udyog LLP
24	Wonderland Realtors LLP
25	Jyotim Constructions LLP
26	Juhi Garments Suppliers Private Limited (*)
27	Jamboodweep Finance Private Limited (*)
28	Zen Health Care Product LLP
29	Anmol Stainless Private Limited
30	Anmol Projects Pvt. Ltd.
31	SKG Land Developers LLP

(\*) Merged with Anumati Consultancy & Services Private Limited w.e.f 1st April, 2016 vide hon'ble NCLT order dt. 9th March, 2018

**B** *The Company's related party transactions during the year and outstanding balance as at the close of the year are as follows:*

(Rs. in million)				
Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
(i)	<b>REVENUE FROM OPERATIONS*</b>			
	<b>Sale of Finished Goods and Others</b>			
	<b>For the 9 months ending 31st December 2017</b>	-	-	-
	<b>For the year ending 31st March 2017</b>			
	Neelkanth Enterprises	-	-	12.02
	<b>For the year ending 31st March 2016</b>			
	Anmol Biscuits Limited	21.88	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Biscuits Limited	1.02	-	-
	Mukund Foods Limited	-	-	0.92
	<b>* Figures given are exclusive of taxes</b>			
(ii)	<b>OTHER INCOME</b>			
	<b>Rent Received</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Jyotim Constructions LLP	-	-	0.009
	Urban Nirman LLP	-	-	0.009
	Tip Top Nirman LLP	-	-	0.009
	Mukund Nirman LLP	-	-	0.009
	Wonderland Realtors LLP	-	-	0.009
	<b>Sub Total</b>			<b>0.045</b>

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
	<b>For the year ending 31st March 2017</b>			
	Jyotim Constructions LLP	-	-	0.01
	Urban Nirman LLP	-	-	0.01
	Tip Top Nirman LLP	-	-	0.01
	Mukund Nirman LLP	-	-	0.01
	Wonderland Realtors LLP	-	-	0.01
	Bansal Cement Private Limited	-	-	0.60
	<b>Sub Total</b>			<b>0.65</b>
	<b>For the year ending 31st March 2016</b>	-	-	-
	<b>For the year ending 31st March 2015</b>	-	-	-
(iii)	<b>EMPLOYEE BENEFIT EXPENSES</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Mr. Bimal Kumar Choudhary	-	17.21	-
	Mr. Dilip Kumar Choudhary	-	17.21	-
	Mr. Biswanath Choudhary	-	17.21	-
	Mr. Baijnath Choudhary	-	2.00	-
	Mr. Gobind Ram Choudhary	-	17.21	-
	Mr. Sunil Choudhary	-	8.21	-
	Mr. Ankit Choudhary	-	8.21	-
	Mr. Vikash Choudhary	-	8.21	-
	Mr. Deepak Choudhary	-	8.21	-
	Mr. Aman Choudhary	-	4.06	-
	Mr. Poonam Chandra Tibrewal	-	2.92	-
	Ms. Palak Choudhary	-	0.34	-
	Mr. Keshav Choudhary	-	0.41	-
	Miss. Surabhi Choudhary	-	0.41	-
	Mr. Brundaban Behera	-	0.98	-
	<b>Sub Total</b>	-	<b>112.80</b>	-
	<b>For the year ending 31st March 2017</b>			
	Mr. Bimal Kumar Choudhary	-	18.04	-
	Mr. Dilip Kumar Choudhary	-	18.04	-
	Mr. Biswanath Choudhary	-	18.04	-
	Mr. Baijnath Choudhary	-	12.02	-
	Mr. Gobind Ram Choudhary	-	18.02	-
	Mr. Sunil Choudhary	-	6.04	-
	Mr. Ankit Choudhary	-	6.04	-
	Mr. Vikash Choudhary	-	6.04	-
	Mr. Deepak Choudhary	-	6.04	-
	Mr. Aman Choudhary	-	1.10	-
	<b>Sub Total</b>	-	<b>109.42</b>	-
	<b>For the year ending 31st March 2016</b>			
	Mr. Vikash Choudhary	-	3.02	-
	Mr. Deepak Choudhary	-	4.84	-
	<b>Sub Total</b>	-	<b>7.86</b>	-
	<b>For the year ending 31st March 2015</b>			
	Mr. Vikash Choudhary	-	3.63	-
	Mr. Mool Chand Choudhary	-	1.83	-
	<b>Sub Total</b>	-	<b>5.46</b>	-
(iv)	<b>FINANCE COST</b>			
	<b>Interest Expense</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Anmol Hi-Cool LLP	-	-	0.49
	Anumati Consultancy and Services Private Limited	-	-	0.35
	Baid Holdings LLP	-	-	0.76

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
	Delta Nirman LLP	-	-	0.75
	Devesh Management Services Private Limited	-	-	0.43
	Jamboodweep Finance Private Limited	-	-	0.43
	Juhi Garment Suppliers Private Limited	-	-	0.16
	Investors Nirman LLP	-	-	0.61
	J4F Nutriplus Private Limited	-	-	0.22
	Choudhary Realtors LLP	-	-	1.54
	Monarch Shelter Private Ltd	-	-	0.10
	Mukund Nirman LLP	-	-	0.02
	Puneet Mercantiles LLP	-	-	0.15
	Raj Mandir Estates Private Limited	-	-	0.69
	Radhey Realtors LLP	-	-	0.60
	Satyam Financial Advisory Private Limited	-	-	0.02
	Tip Top Nirman LLP	-	-	0.32
	Gangaur Properties Private Limited	-	-	0.44
	<b>Sub Total</b>			<b>8.08</b>
	<b>For the year ending 31st March 2017</b>			
	Anmol Hi-Cool LLP	-	-	0.60
	Anumati Consultancy and Services Private Limited	-	-	3.24
	Baid Holdings LLP	-	-	1.95
	Delta Nirman LLP	-	-	0.96
	Devesh Management Services Private Limited	-	-	0.97
	Jamboodweep Finance Private Limited	-	-	0.41
	Juhi Garment Suppliers Private Limited	-	-	0.27
	Investors Nirman LLP	-	-	0.74
	J4F Nutriplus Private Limited	-	-	0.28
	Choudhary Realtors LLP	-	-	1.93
	Monarch Shelter Private Ltd	-	-	0.13
	Mukund Nirman LLP	-	-	0.02
	Puneet Mercantiles LLP	-	-	0.19
	Anmol Agrofarm LLP (Formerly Known as Rani Mercantile LLP)	-	-	0.001
	Raj Mandir Estates Private Limited	-	-	5.39
	Radhey Realtors LLP	-	-	0.74
	Satyam Financial Advisory Private Limited	-	-	0.29
	Tip Top Nirman LLP	-	-	0.49
	Gangaur Properties Private Limited	-	-	1.79
	<b>Sub Total</b>	-	-	<b>20.39</b>
	<b>For the year ending 31st March 2016</b>			
	Raj Mandir Estates Private Limited	-	-	0.12
	Gangaur Properties Private Limited	-	-	0.18
	<b>Sub Total</b>	-	-	<b>0.30</b>
	<b>For the year ending 31st March 2015</b>			
	Gangaur Properties Pvt. Ltd.	-	-	0.18
	Raj Mandir Estates Private Limited	-	-	0.12
		-	-	<b>0.30</b>
(v)	<b>OTHER EXPENSES</b>			
(a)	<b>Rent</b>			
	<b>For the 9 months ending 31st December 2017</b>	-	-	-
	<b>For the year ending 31st March 2017</b>			
	Shangrilla Commercial Co. LLP	-	-	0.07
	<b>For the year ending 31st March 2016</b>			
	Anmol Biscuits Limited	0.04	-	-
	<b>For the year ending 31st March 2015</b>	-	-	-

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
(b)	<b>Employee Training and education Expense</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Mr. Keshav Choudhary	-	5.45	-
	Mrs. Palak Choudhary	-	2.17	-
	Mrs. Surabhi Choudhary	-	2.55	-
	<b>Sub Total</b>	<b>-</b>	<b>10.17</b>	<b>-</b>
	<b>For the year ending 31st March 2017</b>			
	Mr. Keshav Choudhary	-	5.83	-
	Mrs. Surabhi Choudhary	-	3.27	-
	<b>Sub Total</b>	<b>-</b>	<b>9.10</b>	<b>-</b>
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(c)	<b>Corporate Social Responsibility Expense</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Bajinath Choudhary Charitable Trust	-	-	3.40
	<b>For the year ending 31st March 2017</b>			
	Bajinath Choudhary Charitable Trust	-	-	1.50
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(d)	<b>Sale Promotion Expenses</b>			
	<b>For the 9 months ending 31st December 2017</b>	-	-	-
	<b>For the year ending 31st March 2017</b>			
	Neelkanth Enterprises	-	-	0.86
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(e)	<b>Royalty</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	<b>For the year ending 31st March 2017</b>			
	<b>For the year ending 31st March 2016</b>			
	Anmol Biscuits Limited	1.37	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Biscuits Limited	1.35	-	-
(f)	<b>Repairs expense</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Bansal Cement Private Limited			0.14
	<b>For the year ending 31st March 2017</b>			
	Bansal Cement Private Limited			0.05
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(g)	<b>Legal and Professional charges</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Anant Udyog LLP			0.23
	<b>For the year ending 31st March 2017</b>			-
	<b>For the year ending 31st March 2016</b>			-
	<b>For the year ending 31st March 2015</b>			-
(h)	<b>Director Sitting fees</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Mrs. Mamta Binani	-	0.12	-
	Mr. Sumit Malhotra	-	0.12	-
	Mr. Pawan Kumar Agarwal	-	0.06	-
	Mr. Pranab Kumar Maity	-	0.06	-
	<b>Sub Total</b>	<b>-</b>	<b>0.36</b>	<b>-</b>
	<b>For the year ending 31st March 2017</b>			
	Mr. Pawan Kumar Agarwal	-	0.09	-

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
	Mr. Pranab Kumar Maity	-	0.09	-
	<b>Sub Total</b>	-	<b>0.18</b>	-
	<b>For the year ending 31st March 2016</b>			
	Mr. Pawan Kumar Agarwal	-	0.05	-
	Mr. Pranab Kumar Maity	-	0.05	-
	<b>Sub Total</b>	-	<b>0.10</b>	-
	<b>For the year ending 31st March 2015</b>	-	-	-
(vi)	<b>Loans and Advances given to Key Managerial Personnel</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Mr. Bimal Kumar Choudhary		10.0	
(vii)	<b>Repayment of Loans Given</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Mr. Bimal Kumar Choudhary		2.5	
(viii)	<b>Loans Taken</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Raj Mandir Estates Private Limited	-	-	50.70
	Gangaur Properties Private Limited	-	-	9.30
	<b>Sub Total</b>	-	-	<b>60.00</b>
	<b>For the year ending 31st March 2017</b>			
	Anumati Consultancy and Services Private Limited	-	-	66.50
	Baid Holdings Private Limited.	-	-	33.00
	Jambhodweep Finance Private Limited	-	-	11.50
	Raj Mandir Estate Private Limited	-	-	53.00
	Gangaur Properties Private Limited	-	-	33.00
	<b>Sub Total</b>	-	-	<b>197.00</b>
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(ix)	<b>Repayment of Loans</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Anmol Hi-Cool LLP	-	-	6.84
	Anumati Consultancy and Services Private Limited	-	-	30.90
	Baid Holdings LLP	-	-	34.50
	Delta Nirman LLP	-	-	10.68
	Devesh Management Services Private Limited	-	-	10.69
	Jambhodweep Finance Private Limited	-	-	8.53
	Juhi Garment Suppliers Private Limited	-	-	3.05
	Investors Nirman LLP	-	-	8.45
	Choudhary Realtors LLP	-	-	21.93
	Mukund Nirman LLP	-	-	0.28
	Puneet Mercantiles LLP	-	-	2.14
	Raj Mandir Estates Private Limited	-	-	117.51
	Radhey Realtors LLP	-	-	8.39
	Satyam Financial Advisory Private Limited	-	-	0.34
	Tip Top Nirman LLP	-	-	4.38
	Gangaur Properties Private Limited	-	-	28.77
	<b>Sub Total</b>	-	-	<b>297.38</b>
	<b>For the year ending 31st March 2017</b>			
	Anumati Consultancy and Services Private Limited	-	-	40.60
	Anmol Agrofarm LLP (Formerly Known as Rani Mercantile LLP)	-	-	0.11
	J4F Nutriplus Pvt. Ltd.	-	-	0.10
	Raj Mandir Estates Private Limited	-	-	33.00
	Delta Nirman LLP	-	-	0.30



Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
	Gangaur Properties Private Limited	-	-	31.50
	Baid Holdings Private Limited	-	-	2.50
	Jamboodweep Finance Private Limited	-	-	5.70
	Monarch Shelter Private Limited	-	-	0.20
	Satyam Financial Advisory Private Limited	-	-	9.50
	Tip Top Nirman LLP	-	-	2.00
	<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>125.51</b>
	<b>For the year ending 31st March 2016</b>			
	Raj Mandir Estates Private Limited	-	-	3.89
	Gangaur Properties Private Limited	-	-	5.58
	<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>9.47</b>
	<b>For the year ending 31st March 2015</b>			
	Gangaur Properties Private Limited	-	-	5.58
	Raj Mandir Estates Pvt Ltd	-	-	3.89
	<b>Sub Total</b>	<b>-</b>	<b>-</b>	<b>9.47</b>
(x)	<b>Purchases of Materials</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	<b>For the year ending 31st March 2017</b>			
	<b>For the year ending 31st March 2016</b>			
	Anmol Biscuits Limited	122.62	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Biscuits Limited	81.08	-	-
	Mukund Foods Limited	-	-	2.12
(xi)	<b>Purchase of Investment</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	<b>For the year ending 31st March 2017</b>			
	Mr. Baijnath Choudhary	-	0.05	-
	Mr. Gobind Ram Choudhary	-	0.05	-
	Mrs. Sunita Choudhary	-	0.05	-
	<b>Sub Total</b>	<b>-</b>	<b>0.15</b>	<b>-</b>
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(xii)	<b>Sale of Investments</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	<b>For the year ending 31st March 2017</b>	-		
	Mr. Biswanath Choudhary	-	0.04	-
	Mr. Gobind Ram Choudhary	-	0.04	-
	Mr. Dilip Kumar Choudhary	-	0.04	-
	Mr. Bimal Kumar Choudhary	-	0.04	-
	<b>Sub Total</b>	<b>-</b>	<b>0.16</b>	<b>-</b>
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(xiii)	<b>Buyback of Shares</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	<b>For the year ending 31st March 2017</b>			
	Monarch Shelter Private Limited	-	-	8.26
	Anumati Consultancy & Services Private Limited	-	-	21.58
	Shangrilla Commercial Co. LLP	-	-	8.37
	SKG Land Developers LLP	-	-	1.69
	Baid Holdings Private Limited	-	-	8.00
	Anmol Agrofarm LLP (Formerly Known as Rani Mercantile LLP)	-	-	2.55
	Anmol Hi-Cool LLP	-	-	0.19
	Jyotim Constructions LLP	-	-	0.49

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
	Jamboodweep Finance Private Limited	-	-	3.33
	Zen Health Care Product LLP	-	-	3.47
	Gangaur Properties Private Limited	-	-	7.45
	<b>Sub Total</b>	-	-	<b>65.38</b>
	<b>For the year ending 31st March 2016</b>			
	<b>For the year ending 31st March 2015</b>			
(xiv)	<b>Dividend Paid</b>			
	<b>For the 9 months ending 31st December 2017</b>			
	Baijnath Choudhary & Family Trust	-	-	51.13
	Anmol Projects Pvt. Ltd.	-	-	0.62
	Delta Nirman LLP	-	-	0.28
	Anmol Hi-Cool Pvt Ltd.	-	-	0.18
	Monarch Shelter Pvt Ltd.	-	-	7.80
	J4F Nutriplus Private Limited	-	-	0.14
	Puneet Mercantiles Pvt Ltd.	-	-	0.04
	SKG Land Developers Pvt. Ltd.	-	-	1.60
	<b>For the year ending 31st March 2017</b>	-	-	-
	<b>For the year ending 31st March 2016</b>			
	Anmol Biscuits Limited	46.60	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Biscuits Limited	23.30	-	-
(xv)	<b>Capital Advance Given</b>			
	<b>For the 9 months ending 31st December 2017</b>	-	-	-
	<b>For the year ending 31st March 2017</b>	-	-	-
	For the year ending 31st March 2016			
		-	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Snacks Pvt Limited	-	-	11.00
(xvi)	<b>Refund of Capital Advance</b>			
	<b>For the 9 months ending 31st December 2017</b>	-	-	-
	<b>For the year ending 31st March 2017</b>	-	-	-
	<b>For the year ending 31st March 2016</b>	-	-	-
	<b>For the year ending 31st March 2015</b>			
	Anmol Snacks Pvt Limited	-	-	11.00

**OUTSTANDING BALANCES WITH RELATED PARTIES:**

(Rs. in million)

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relative s of KMP have significant influence or control
(i)	<b>SHORT TERM BORROWINGS</b>			
	<b>As at 31st December 2017</b>			
	Baid Holdings Private Limited.	-	-	1.28
	J4F Nutriplus Private Limited	-	-	3.10
	Monarch Shelter Private Limited	-	-	1.34
	<b>Sub-Total</b>	-	-	<b>5.72</b>
	<b>As at 31st March 2017</b>			
	Anmol Hi-Cool LLP	-	-	6.40
	Anumati Consultancy and Services Private Limited	-	-	30.59

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relatives of KMP have significant influence or control
	Baid Holdings Private Limited.	-	-	35.09
	Devesh Management Services Private Limited	-	-	10.31
	Jamboodweep Finance Private Limited	-	-	8.15
	Juhi Garment Suppliers Private Limited	-	-	2.91
	Delta Nirman LLP	-	-	10.00
	Investors Nirman LLP	-	-	7.90
	Monarch Shelter Private Limited	-	-	1.25
	Mukund Nirman LLP	-	-	0.26
	Puneet Mercantiles LLP	-	-	2.00
	Radhey Realtors LLP	-	-	7.85
	Raj Mandir Estate Private Limited	-	-	66.19
	Gangaur Properties Private Limited	-	-	19.07
	Tip Top Nirman LLP	-	-	4.10
	Choudhary Realtors LLP	-	-	20.55
	Satyam Financial Advisory Private Limited	-	-	0.32
	J4F Nutriplus Private Limited	-	-	2.90
	<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>235.84</b>
	<b>As at 31st March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>As at 31st March 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(ii)</b>	<b>TRADE RECEIVABLES</b>			
	<b>As at 31st December 2017</b>			
	Neelkanth Enterprises	-	-	1.12
	Wonderland Realtors LLP	-	-	0.01
	Tip Top Nirman LLP	-	-	0.02
	Urban Nirman LLP	-	-	0.01
	Jyotim Constructions LLP	-	-	0.01
	Mukund Nirman LLP	-	-	0.01
	<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>1.18</b>
	<b>As at 31st March 2017</b>			
	Neelkanth Enterprises	-	-	1.62
	Bansal Cement Private Limited	-	-	0.05
	Wonderland Realtors LLP	-	-	0.01
	Tip Top Nirman LLP	-	-	0.01
	Urban Nirman LLP	-	-	0.01
	Jyotim Constructions LLP	-	-	0.01
	Mukund Nirman LLP	-	-	0.01
	<b>Sub-Total</b>	<b>-</b>	<b>-</b>	<b>1.72</b>
	<b>As at 31st March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>As at 31st March 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(iii)</b>	<b>Loans and Advances to Key Managerial Person</b>			
	<b>As at 31st December 2017</b>			
	Mr. Bimal Kumar Choudhary	-	7.50	-
<b>(iv)</b>	<b>Corporate Guarantees given</b>			
	<b>As at 31st December 2017</b>			
	Anmol Stainless Private Limited (Limit Rs.180.00 million; Outstanding balance of loan Nil)	-	-	-
	<b>As at 31st March 2017</b>			
	Anmol Stainless Private Limited (Limit Rs.180.00 million; Outstanding balance of loan Rs.86.80 million)	-	-	86.80
	<b>As at 31st March 2016</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>As at 31st March 2015</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>(v)</b>	<b>Other current financial liabilities</b>			
	<b>As at 31st December 2017</b>			

Sl. No.	Nature of Transaction	Erstwhile Holding Company	KMP and Relatives of KMP	Enterprises where KMP/relatives of KMP have significant influence or control
	Anant Udyog LLP	-	-	65.11
	<b>As at 31st March 2017</b>			
	Anant Udyog LLP	-	-	50.14
	<b>As at 31st March 2016</b>	-	-	-
	<b>As at 31st March 2015</b>	-	-	-

49.1 The above related party information have been disclosed to the extent such parties have been identified by the management on the basis of the information available. This has been relied upon by the auditors.

49.2 During the year no amounts have been written off or written back in respect of debts due from or to related parties.

**Details of compensation paid to KMP during the year are as follows:**

Particulars	As at December 31, 2017	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
	Restated Ind AS	Restated Ind AS	Restated Proforma Ind AS	Restated Proforma Ind AS
Short-term employee benefits	89.16	84.22	7.85	5.46
Post-employment benefits*	-	-	-	-
Other long-term benefits*	-	-	-	-

\* Post-employment benefits and other long-term benefits have been disclosed based on actual payment made on retirement/resignation of services, but does not includes provision made on actuarial basis as the same is available for all the employees together.

**50. Details of Earning per Share**

	December 31, 2017 <sup>(*)</sup>	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS	Restated Ind AS	Restated Proforma Ind AS	Restated Proforma Ind AS
(a) Profit after Tax (Rs. in Millions)	<b>618.70</b>	<b>716.89</b>	<b>588.54</b>	<b>407.11</b>
(b) Profit after tax from continuing operation (Rs. in Millions)	<b>618.70</b>	604.57	595.34	403.72
(c) Profit after tax from discontinuing operation (Rs. in Millions)	-	112.32	(6.80)	3.39
(d) Weighted average number of Equity Shares	61,788,540	61,788,540	4,660,200	4,660,200
(e) Earnings per share Basic and Diluted (Rs.)				
Continuing Operations	10.01	9.78	127.75	86.63
Discontinuing Operations	-	1.82	(1.46)	0.73
Total Operations	10.01	11.60	126.29	87.36
(f) Face value per Equity Share (Rs.)	10.00	10.00	10.00	10.00

(\*) Not Annualised

50.1 The company has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs 10 each fully paid up. In accordance with Ind AS 33 'Earnings per Share', basic and diluted earnings per equity share have been adjusted for bonus issue for the period ended 31st December, 2017 and 31st March, 2017.

In terms of the scheme of arrangement implemented by the company as stated in note 56(A) below, the share capital existing as on 1st April, 2016 has been cancelled and fresh shares have been issued to existing shareholders. Accordingly, retrospective adjustment with respect to the bonus shares for determining the weighted average number of shares for the purposes of computing basic and diluted earning per share has not been considered for the financial year ended 31st March, 2016 and 31st March, 2015.

51. This being interim financials, certain debit and credit balances of trade payables and trade receivables are in the process of confirmation and reconciliation to be carried out by the year end.

52. (a) Capital Work in Progress (CWIP) includes Plant and Equipments, Construction of Building and other assets under installation & construction and other expenditure incurred pending completion thereof.

(b)

- (i) The plant at Anlapatna, Orissa has been commissioned on 29.03.2017 and accordingly, the pre-operative expenses have been allocated proportionately to the cost of fixed assets on commencement of commercial operation.
- (ii) The Rusk Plant at Sambalpur is under installation has been carried forward under Capital Work in Progress.

- (c) The Expenses incurred for Projects/ Assets during the construction period are classified as “Pre-Operative Expenses” pending capitalisation and are included under capital work in progress and will be allocated to the assets on completion of the Projects/ assets. Consequently, expenses disclosed under the respective head are net of amount so classified and details of these are as follows:

(Rs. in Millions)				
Particulars	31st December, 2017	31st March, 2017	31st March, 2016	31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Opening Balance	15.03	-	-	-
Amount Transferred as per Scheme of Arrangement (Refer note: 56)	-	84.80	-	-
Add: Expense incurred during the year				
Interest Expenses	-	53.95	-	-
Salary	-	6.10	-	-
Manpower Supply	-	2.34	-	-
Rates & taxes	-	1.95	-	-
Legal & Professional Charges	-	1.85	-	-
Security Expenses	-	1.27	-	-
Rent Charges	-	0.97	-	-
Travelling & Conveyance	-	0.76	-	-
Installation & Commissioning Expenses	-	0.72	-	-
Power & Fuel Expense	-	0.48	-	-
Vehicle Hiring & Running Exp	-	0.41	-	-
Insurance Expenses	-	0.35	-	-
Staff Welfare Expenses	-	0.27	-	-
Consumption of Stores and Spares	-	0.26	-	-
Trainee Stipend	-	0.12	-	-
Telephone & Internet Exp	-	0.06	-	-
Printing & Stationery	-	0.02	-	-
Retainership Fees	-	0.02	-	-
Miscellaneous Expenses	-	5.83	-	-
<b>Sub Total</b>	<b>15.03</b>	<b>162.53</b>		-
Less: Amount Capitalised during the year (as per Note 52.(b) above)	-	147.50		-
<b>Total</b>	<b>15.03</b>	<b>15.03</b>		-

### 53. Tax Expenses- Current Tax

(Rs. in Millions)					
Particulars	Ref. note no.	For the period ended 31/12/2017	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015
		Restated Ind AS		Restated Proforma Ind AS	
Provision for current tax		317.02	331.99	235.27	110.62

### Components of Tax Expense:

(Rs. in Millions)					
Particulars	Ref. note no.	For the period ended 31/12/2017	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015
		Restated Ind AS		Restated Proforma Ind AS	
Current tax					

Particulars	Ref. note no.	For the period ended 31/12/2017	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015
		Restated	Ind AS	Restated	Proforma Ind AS
<b>Continuing Operations</b>					
In respect of the current period/year		316.86	318.94	233.67	109.69
In respect of prior years		0.16	-	0.04	-
<b>Discontinuing Operations</b>					
In respect of the current period/year		-	13.05	1.56	0.93
<b>Total Current tax expense recognised in the current year/period</b>		<b>317.02</b>	<b>331.99</b>	<b>235.27</b>	<b>110.62</b>
<b>Deferred tax</b>					
In respect of the current period/year					
<b>Continuing Operations</b>		<b>49.14</b>	<b>(28.12)</b>	<b>90.65</b>	<b>(32.14)</b>
<b>Discontinuing Operations</b>			2.33	(3.00)	0.67
<b>Total Deferred tax expense recognised in the current year/period</b>		<b>49.14</b>	<b>(25.79)</b>	<b>87.65</b>	<b>(31.47)</b>
<b>Total Tax expense recognised in the current year/period</b>		<b>366.16</b>	<b>306.20</b>	<b>322.92</b>	<b>79.15</b>
<b>Continuing Operations</b>		<b>366.16</b>	<b>290.82</b>	<b>324.36</b>	<b>77.55</b>
<b>Discontinuing Operations</b>		<b>-</b>	<b>15.38</b>	<b>(1.44)</b>	<b>1.60</b>

**Statement of Tax Shelter/ Reconciliation of Income tax expense for the year/period with accounting profit is as follows:**

Taxable Income differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. Details in this respect are as follows:

(Rs. in Millions)					
Particulars	Ref. note no.	For the period ended 31/12/2017	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015
		Restated	Ind AS	Restated	Proforma Ind AS
Profit before tax		984.86	1,023.09	911.46	486.26
Applicable Tax Rate		34.60%	34.60%	34.60%	33.99%
Income tax expense calculated as per Applicable tax rate		<b>340.84</b>	<b>354.07</b>	<b>315.44</b>	<b>165.28</b>
<b>Less:</b> Effect of income Exempt from taxation/ deductible for computing taxable profit					
Dividend/ Other Tax Free Income		(0.10)	(5.90)	(2.45)	-
Capital Receipt of Subsidy		-	-	-	(87.91)
Profit on sale of funds and shares		-	(21.03)	(0.40)	-
Investment Allowances U/s 32 AC		-	(26.69)	-	-
Effect of change in tax rate change related to deferred tax		-	-	(0.78)	-
Effect of other adjustments		(1.25)	(2.65)	6.65	(1.09)
<b>Add:</b> Effect of expenses that are not deductible in determining taxable profit					
Donation		2.04	3.58	0.00	1.44
Expenses disallowed under Income Tax Laws		-	4.82	4.46	1.43
DTA created in previous year but claimed in current year		24.63	-	-	-
<b>Income tax Expense recognised in Statement of Profit and Loss</b>		<b>3,66.16</b>	<b>3,06.20</b>	<b>3,22.92</b>	<b>79.15</b>

# Income tax recognised in other comprehensive income

(Rs. in Millions)				
	For the period ended 31/12/2017	For the year ended 31/03/2017	For the year ended 31/03/2016	For the year ended 31/03/2015
Deferred tax	Restated Ind AS		Restated Proforma Ind AS	
Arising on income and expenses recognised in other comprehensive income:				
Remeasurement of defined benefit obligation	(0.23)	1.24	0.02	0.01
<b>Total income tax recognised in other comprehensive income</b>	<b>(0.23)</b>	<b>1.24</b>	<b>0.02</b>	<b>0.01</b>

54. Disclosure of loans, Investments and Guarantees covered under section 186(4) of the Companies Act' 2013

(i) Details of Investment are given under Note. 8 & Note. 13

(ii) Details of Loans & Corporate guarantees are as follows:

(Rs. in Millions)				
Name of the company	Period	Security	Purpose	As at 31st December, 2017 (Maximum Outstanding amount) *
<b>Corporate guarantees</b>				
Anmol Stainless Private Limited (Outstanding Balance of loan)	From 19.11.2012 until repayment of loan	-	Term Loan Facility sanctioned for Rs. 1800.00 million	-
				(133.00)

(Rs. in Millions)				
Name of the company	Period	Security	Purpose	As at 31st March, 2017 (Maximum Outstanding amount) *
<b>Loans</b>				
ATS Infrastructure Limited	Jan'16-Jan'18	Secured against residential flats	Real estate business	-
				(31.22)
Mani Square Limited	Sep'16-Jan'17	Unsecured	Business Purpose	-
				(10.43)
Sanjay Danchand Ghodawat	Aug'16-Aug'18	Unsecured	Business Purpose	-
				(10.09)
Tirupati Viniyog Private Limited	Jan'17-Jan'18	Unsecured	Business Purpose	-
				(101.97)
Uflex Limited	Aug'16-Mar'17	Unsecured	Business Purpose	-
				(61.31)
Chhindwara Plus Developer Limited	Jan'15-Mar'17	Unsecured	Business Purpose	-
				(60.85)
Leading Hotels Limited	Sep'16-Mar'17	Unsecured	Business Purpose	-
				(10.38)
Shristi Infrastructure Development	Aug'16-Feb'17	Unsecured	Business Purpose	-
				(30.39)
Sri Bhagawan Mahaveer Jain Educational and Cultural Trust	Aug'16-Dec'16	Unsecured	Business Purpose	-

Name of the company	Period	Security	Purpose	As at 31st March, 2017 (Maximum Outstanding amount) *
				(20.28)
Wearit Global Limited	Sep'16-Mar'17	Unsecured	Business Purpose	-
				(20.73)
SMPL Infra Limited	Sep'16-Mar'17	Unsecured	Business Purpose	-
				(10.27)
Ficus Mercantile Limited	June'16-Oct'16	Unsecured	Business Purpose	-
				(10.14)
Corporate guarantees				
Anmol Stainless Private Limited (Outstanding Balance of loan)	From 19.11.2012 until repayment of loan	-	Term Loan Facility sanctioned for Rs. 1800.00 million	86.80
				(133.00)

\* Figures in brackets represents Maximum Outstanding amounts.

(Rs. in Millions)				
Name of the company	Period	Security	Purpose	As at 31st March, 2016 (Maximum Outstanding amount) *
<b>Loans</b>				
Chhindwara Plus Developer Limited	Jan'15-Mar'17	Unsecured	Business Purpose	47.5
				(54.9)

\* Figures in brackets represents Maximum Outstanding amounts.

(Rs. in Millions)				
Name of the company	Period	Security	Purpose	As at 31st March, 2015 (Maximum Outstanding amount) *
Chhindwara Plus Developer Limited	Jan'15-Mar'17	Unsecured	Business Purpose	47.5
				(47.5)
New Hind Silk Private Limited	April'14-Mar'16	Unsecured	Business Purpose	5
				(5)

\* Figures in brackets represents Maximum Outstanding amounts.

## 55. Details of government Subsidy:

(Rs. in Millions)				
Particulars	For the 9 months ended 31st December, 2017	For the year ended 31 March, 2017	For the year ended 31 March, 2016	For the year ended 31 March, 2015
	Restated Ind AS	Restated Ind AS	Restated Proforma Ind AS	Restated Proforma Ind AS
Government Grant on Capital Investment	-	20.0	-	50.00
Subsidy from Bihar State Electricity Board (recognised as other operating revenue (Note no. 35.2))	0.54	0.85	1.34	-
VAT / SGST Subsidy (recognised as other operating revenue (Note no. 35.2))	141.43	254.46	222.44	212.15
	<b>141.97</b>	<b>275.31</b>	<b>223.78</b>	<b>262.15</b>



## 56. Scheme of Arrangement

### (A) Amalgamation

Pursuant to the Scheme of Arrangement sanctioned by the Hon'ble National Company Law Tribunal (Kolkata Bench) (NCLT) vide its order dated 3rd March, 2017 ("the Scheme"), Anmol Biscuits Limited (ABL) (Erstwhile Holding Company of Anmol Industries Limited) and Anmol Bakers Private Limited (ABPL) (Erstwhile wholly owned subsidiary of ABL) being the transferor companies, had been amalgamated with the Company with effect from 1st April, 2016 and 2nd April, 2016 respectively, being the appointed dates specified in the Scheme. The transferor companies were engaged in the business of food products comprising of biscuits and other bakery products.

The Scheme became effective on filing thereof to Registrar of Companies on 22nd March, 2017 and thereby impact of the aforesaid amalgamation with effect from the appointed dates as mentioned above were given effect to in the financial statements for the year ended 31st March, 2017 under Purchase Method of accounting as prescribed under the Scheme as Accounting Standard on "Accounting for Amalgamation (AS- 14)" under the Companies Accounting Standard Rules, 2006.

*In terms of the said Scheme:*

- (a) All Asset and Liabilities of the Transferor Companies have been transferred to and vested in the Company on going concern basis at fair values on the Appointed Dates and these have been incorporated in these financial statements at their respective fair value as determined by independent professionals as detailed below:

(Rs. in Millions)			
Particulars	Anmol Biscuits Limited	Anmol Bakers Private Limited	Total
<b>Assets</b>			
<b>Non-current assets</b>			
(a) Property, Plant and Equipment	1,590.42	605.83	2,196.26
(b) Capital Work-in-Progress	5.72	1.42	7.14
(c) Other Intangible Assets	805.76	0.90	806.65
(d) Financial Assets			
(i) Investments	8,618.67	360.16	8,978.83
(ii) Loans	32.09	-	32.09
(iii) Other Financial assets	17.24	22.16	39.40
(e) Other non-current assets	82.64	33.93	116.57
<b>Current assets</b>			
(a) Inventories	198.96	91.94	290.89
(b) Financial Assets			
(i) Investments	124.27	-	124.27
(ii) Trade receivables	28.01	1.36	29.36
(iii) Cash and cash equivalents	20.93	1.28	22.21
(iv) Bank Balance (other than (iii) above)	-	267.64	267.64
(v) Loans	2.79	20.07	22.87
(iv) Other Financial assets	1.58	10.94	12.52
(c) Other current assets	57.79	95.91	153.70
	<b>11,586.83</b>	<b>1,513.48</b>	<b>13,100.31</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	453.08	15.70	468.78
(ii) Other financial liabilities	-	1.13	1.13
(b) Government Grants	-	2.33	2.33
(c) Provisions	18.48	4.45	22.93
(d) Deferred tax liabilities (net)	43.16	10.44	53.60
<b>Current liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	273.94	209.79	483.73
(ii) Trade Payable	267.30	86.45	353.75

Particulars	Anmol Biscuits Limited	Anmol Bakers Private Limited	Total
(iii) Other financial liabilities	236.56	41.10	277.66
(b) Other current liabilities	70.08	62.7	132.74
(c) Government Grants	-	0.67	0.67
(d) Provisions	16.35	0.33	16.68
	<b>1,378.95</b>	<b>435.04</b>	<b>1,813.99</b>
Net assets transferred on amalgamation	10,207.87	1,078.44	11,286.32
Less: Amount payable towards Buy back of equity shares (Refer Note 20(f))	65.39	-	65.39
Less: Consideration in terms of the Scheme:			
(a) Consideration on amalgamation of ABL (As per Note (b) below)	13,818.00	-	13,818.00
(b) Cancellation of investment in wholly owned subsidiary on amalgamation of ABPL (As per Note (c) below)	-	3,353.00	3,353.00
<b>Goodwill on amalgamation (As per Note (e) below)</b>	<b>(3,675.51)</b>	<b>(2,274.56)</b>	<b>(5,950.07)</b>

- (b) The equity shareholders of ABL received 63 equity shares of AIL for every 100 equity shares held in ABL and accordingly, the Company had issued 1,23,57,708 equity shares of face value of Rs. 10 each and differential of Rs. 1,108.17 per share with respect to fair value thereof as determined by an independent professional had been transferred to Securities Premium Reserve.
- (c) The fair value of investments as held by ABL (Rs. 5,219.00 millions) in respect of its holding in AIL and the issued capital of AIL (Rs. 72.10 millions including share premium of Rs. 25.5 millions) stands cancelled and differential of Rs. 5,146.90 millions thereof were adjusted against Securities Premium Reserve.
- (d) Subsequent to amalgamation of ABL as above, the fair value of investments in ABPL as determined by an independent professional amounting to Rs 3,353.00 millions being wholly owned subsidiary of the Company were cancelled and adjusted against the net assets of the amalgamating Company.
- (e) Rs. 5,950.07 millions being differential with respect to net assets transferred on amalgamation and consideration issued/cancelled as above were considered as goodwill on amalgamation (as detailed in (a) above) and the same has been amortised over a period of five years against the Securities Premium Reserve.

**(B) Demerger**

Subsequent to the above amalgamation becoming effective, pursuant to the said Scheme, Corporate Management & Treasury Division (CMT Division) ("Demerged Undertaking") including the assets and liabilities pertaining to the said Division amalgamated as above, had been segregated from the Company ("Demerged Company") and transferred to Anant Udyog Private Limited (AUPL) ("Resulting Company") with effect from 22nd March, 2017 ("Demerger Appointed Date"). CMT Division is the undertaking engaged in treasury operations. The Scheme had become effective on filing thereof to Registrar of Companies on 22nd March, 2017 and thereby impact of the aforesaid demerger with effect from the appointed date as mentioned above had been given effect to in the financial statements for the year ended 31st March, 2017.

- (i) In terms of the Scheme:
- (a) All Asset and Liabilities of the Demerged Undertaking were transferred to and vested in AUPL on going concern basis at their respective book values as on Demerger Appointed Date as detailed below:

(Rs. in Millions)	
Particulars	CMT Division
<b>Assets</b>	
Fixed Assets -Land and Building	283.60
Investments	2,120.79
Long Term Loans and Advances	321.64

Particulars	CMT Division
	<b>2,726.03</b>
<b>Liabilities</b>	
Other Liabilities	16.05
<b>Net assets transferred on demerger</b>	<b>2,709.98</b>

- (ii) The shareholders of the Resulting Company and their shareholding pattern are similar to the Company and as required in terms of the scheme, no shares or any other consideration has been given to the shareholders of the Demerged Company on demerger of CMT Division and thereby Rs. 2,709.98 millions being differential between Assets and Liabilities of CMT Division transferred pursuant to said demerger has been adjusted with Securities Premium Reserve, in terms of the said Scheme.
- (C) (i) The amalgamation as stated above is among group companies and as such in terms of Indian Accounting Standard (Ind AS) 103 – ‘Business Combinations’ the same should have been given effect to under “Pooling of Interest Method” as against the “Acquisition Method” followed by the Company. The departure from the provisions of IND AS 103 to this extent has been considered essential by the management to give effect to the Scheme approved by NCLT which is mandatory in nature to show the true and fair view of the assets and liabilities acquired on amalgamation and resultant impact arising therefrom.
- Had the accounting treatment prescribed under Ind AS 103 “Pooling of Interest Method” been followed (a) the goodwill of Rs. 5,950.07 millions accounted on amalgamation would not have been recognised and resultant adjustment of Rs. 1,190.01 millions p.a. against Securities Premium in terms of the Scheme would therefore not be required; (b) the differential of purchase consideration with share capital amounting to Rs. 13,766.27 millions (including Rs. 180.54 millions pertaining to cost of investment in amalgamating subsidiary company being written off on amalgamation) would have been debited to Capital Reserve and shown under other equity; (c) securities premium reserve, general reserve and balance of surplus would be higher by Rs. 5,302.30 millions, Rs. 111.40 millions and Rs. 2,214.72 millions respectively and thereby balance of Equity would have been lower by 6,137.85 million.
- (D) Further, impact of Rs. 187.79 millions with respect to adjustments on convergence of balances acquired from transferor companies in terms of Scheme of Arrangement as specified in Note 56A to IND AS has been given effect to in retained earnings as on the amalgamation date.
- (E) Title deeds, conveyance and other legal documents including those relating to charges etc. against loan pertaining to the amalgamating companies and those transferred under demerger are in the process of being registered/ re-organised in favour of the Company and/or demerged company, as the case may be.
- (F) Expenses incurred in connection with the Scheme being non operational in nature were recognised and disclosed in the Statement of Profit and Loss under Exceptional items.

#### 57. Exceptional items include:

- (a) Expenses incurred in connection with the Scheme including stamp duty of Rs. 100.98 millions, professional fees of Rs. 13.10 millions and other charges Rs. 0.32 millions (Note 56(F)).
- (b) Provision made in respect of sales tax demand raised by Uttar Pradesh Sales Tax Department of Rs. 89.79 millions (including interest Rs. 38.38 millions) pertaining to the years from 2006-07 to 2007-08 for availment of sale tax benefit under Incentive Scheme, pending final decision of the review petition before the Honourable Supreme Court.

#### 58. Discontinuing Operations

In view of the demerger of CMT Division as given in Note 56(B) above, the operations thereof were considered as discontinued operations and disclosures as required as per Ind AS 105 are as follow:

(a) **Revenue and Expenses**

(Rs. in Millions)

Particulars	For the 9 months ended 31st December, 2017	For the Year ended 31st March, 2017	For the Year ended 31st March, 2016	For the Year ended 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
<b>Other Income</b>				
(i) Interest Income on:-				
- Loan to Body Corporate	-	29.95	6.15	2.75
- Investment	-	5.79	-	-
(ii) Dividend Income	-	10.23	7.09	-
(iii) Net Gain on Sale of Investments	-	76.19	2.48	0.12
(iv) Net Gain on financial asset measured at fair value through profit & loss	-	-	-	2.12
(v) Amortised cost	-	-	-	-
(vi) Net gain/(loss) on demerger	-	14.19	-	-
<b>Total Revenue</b>	-	<b>136.35</b>	<b>15.72</b>	<b>4.99</b>
<b>Expenses</b>	-			
Employee Benefit Expenses	-	0.59	0.53	-
Finance Costs	-	1.96	-	-
Depreciation and Amortization expenses	-	1.29	-	-
Other Expenses	-	4.81	23.43	-
<b>Total Expenses</b>	-	<b>8.65</b>	<b>23.96</b>	<b>-</b>
<b>Profit from discontinuing operations</b>	-	<b>127.70</b>	<b>(8.24)</b>	<b>4.99</b>
Current Tax Expense of discontinuing operations	-	13.05	1.56	0.93
Deferred Tax Expense of discontinuing operations	-	2.33	(3.00)	0.67
<b>PROFIT FOR THE PERIOD/YEAR FROM DISCONTINUING OPERATIONS</b>	-	<b>112.32</b>	<b>(6.80)</b>	<b>3.39</b>

(b) **Assets and Liabilities**

(Rs. in Millions)

Particulars	For the 9 months ended 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Total Assets	-	-	906.37	152.08
Total Liabilities	-	-	0.04	-
<b>Net Assets</b>	-	-	<b>906.33</b>	<b>152.08</b>

(c) **Cash Flows**

(Rs. in Millions)

Particulars	For the 9 months ended 31st December, 2017	As at 31st March, 2017	As at 31st March, 2016	As at 31st March, 2015
	Restated Ind AS		Restated Proforma Ind AS	
Net Cash Flow from Investing Activities (discontinuing Operations)	-	(487.71)	(947.38)	(85.00)

**59. Reconciliation of Total equity as at transition date to IND AS i.e. 1st April, 2016 under Companies Act, 2013**

The basis of preparation of Proforma Financial Statement of the Company as at and for the year ended 31st March, 2016 and 31st March, 2015 has been stated in Note 2 of Annexure V of the Restated Financial Statement. As specified in the

Guidance Note, the closing equity balance as at March 31, 2016 of the Proforma Ind AS financial statements (i.e. equity under Indian GAAP as at April 1, 2014 adjusted for impact of Ind AS 101 items and after considering profit or loss for the year ended 31st March, 2015 and 31st March, 2016 after showing impact due to Ind- AS application on proforma basis) has been varying from the amount in opening Ind AS Balance sheet as at transition date (i.e. April 1, 2016) adopted for reporting under Companies Act, 2013. The reconciliation with respect to the variation is as follows:

<b>Particulars</b>	<b>Amount (Rs. in Millions)</b>
Total equity (shareholder's fund) as per Restated Proforma Financial Information as at 31st March, 2016	1,404.24
Add/(Less):	
On account of deemed cost adjustments with respect to additions in Property, Plant and Equipment	3.49
Total equity (shareholder's fund) as on the transition date (i.e. 1st April, 2016)	<b>1,407.73</b>

**60. Summary Statement of Adjustments including First Time Adoption of Ind AS-Disclosure, reconciliation etc**

**(a) (i) Reconciliation of Equity**

**(Rs. in Millions)**

	Note No.	As at March 31, 2017			As at March 31, 2016			As at March 31, 2015		
		Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS
<b>ASSETS</b>										
<b>Non-current assets</b>										
(a) Property, Plant and Equipment	60(c)(i) & 60(c)(ii)	3,510.66	57.43	3,568.09	588.28	46.39	634.67	645.21	47.72	692.93
(b) Capital work-in-progress		97.02	-	97.02	-	-	-	0.29	-	0.29
(c) Goodwill on Amalgamation		4,760.06	-	4,760.06	-	-	-	-	-	-
(d) Other Intangible assets		1.37	-	1.37	0.00	-	0.00	0.01	-	0.01
(e) Financial Assets										
(i) Investments	60(c)(iii)	36.09	7.97	44.05	37.25	(3.42)	33.83	-	-	-
(ii) Loans		1.38	-	1.38	-	-	-	-	-	-
(iii) Other financial assets		131.34	(0.00)	131.34	43.74	-	43.74	58.18	-	58.18
(f) Deferred tax assets(net)		-	-	-					43.05	43.05
(g) Other non-current assets	60(c)(ii)	11.98	(2.39)	9.59	12.00	(0.00)	12.00	105.44	(84.46)	20.98
		<b>8,549.89</b>	<b>62.98</b>	<b>8,612.90</b>	<b>681.27</b>	<b>42.97</b>	<b>724.24</b>	<b>809.13</b>	<b>6.31</b>	<b>815.44</b>
<b>Current assets</b>										
(a) Inventories		335.50	-	335.50	58.38	-	58.38	65.74	-	65.74
(b) Financial Assets										
(i) Investments	60(c)(iii)	-	-	-	794.63	11.09	805.72	85.12	2.12	87.24
(ii) Trade receivables		30.58	(0.00)	30.58	7.10	-	7.10	10.40	-	10.40
(iii) Cash and cash equivalents		29.64	-	29.64	60.91	-	60.91	31.49	-	31.49
(iv) Bank balances (other than (iii) above)		114.82	-	114.82	201.00	-	201.00	-	-	-
(v) Loans		2.56	-	2.56	47.73	-	47.73	52.64	-	52.64
(vi) Other financial assets		67.44	-	67.44	70.65	-	70.65	53.40	-	53.40
(c) Other current assets	60(c)(ii)	160.38	(0.56)	159.83	15.42	0.00	15.42	14.93	(0.00)	14.93
		<b>740.93</b>	<b>(0.56)</b>	<b>740.37</b>	<b>1,255.82</b>	<b>11.09</b>	<b>1,266.91</b>	<b>313.73</b>	<b>2.12</b>	<b>315.84</b>
<b>Total Assets</b>		<b>9,290.82</b>	<b>62.42</b>	<b>9,353.27</b>	<b>1,937.09</b>	<b>54.06</b>	<b>1,991.15</b>	<b>1,122.86</b>	<b>8.43</b>	<b>1,131.28</b>
<b>EQUITY AND LIABILITIES</b>										
<b>Equity</b>										
(a) Equity Share capital		123.58	-	123.58	46.60	-	46.60	46.60	-	46.60
(b) Other Equity	Other Equity Reconciliation	6,738.76	(224.17)	6,514.59	1,365.46	(7.82)	1,357.64	840.12	(14.95)	825.17
		<b>6,862.34</b>	<b>(224.17)</b>	<b>6,638.17</b>	<b>1,412.06</b>	<b>(7.82)</b>	<b>1,404.24</b>	<b>886.72</b>	<b>(14.95)</b>	<b>871.77</b>
<b>Liabilities</b>										

	Note No.	As at March 31, 2017			As at March 31, 2016			As at March 31, 2015		
		Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS
<b>Non-current liabilities</b>										
(a) Financial Liabilities										
(i) Borrowings	60(c)(ii) & 60(c)(iv)	548.67	(10.30)	538.37	73.64	(1.20)	72.44	34.17	(1.12)	33.05
(ii) Other financial liabilities		-	-	-	0.15	-	0.15	0.05	-	0.05
(b) Government Grant	60(c)(vii)	-	51.94	51.94	-	45.30	45.30	-	59.62	59.62
(c) Provisions		29.23	-	29.23	1.61	-	1.61	1.05	-	1.05
(d) Deferred tax liabilities (Net)	60(c)(v)	45.87	229.61	275.48	41.14	3.48	44.62	49.41	(49.41)	-
(e) Other non-current liabilities		1.27	-	1.27	-	-	-	-	-	-
		<b>625.04</b>	<b>271.25</b>	<b>896.29</b>	<b>116.55</b>	<b>47.58</b>	<b>164.12</b>	<b>84.68</b>	<b>9.09</b>	<b>93.77</b>
<b>Current liabilities</b>										
(a) Financial Liabilities										
(i) Borrowings	60(c)(ii) & 60(c)(iv)	707.52	-	707.52	208.20	-	208.20	9.62	19.47	29.09
(ii) Trade payables		407.09	-	407.09	61.64	-	61.64	66.72	2.85	69.57
(iii) Other financial liabilities	60(c)(ii)	339.04	-	339.04	48.25	-	48.25	38.56	(19.48)	19.09
(b) Other current liabilities		249.30	-	249.30	26.77	0.00	26.77	18.71	(2.90)	15.81
(c) Government Grant	60(c)(vii)	-	15.34	15.34	-	14.32	14.32	-	14.32	14.32
(d) Provisions		92.74	-	92.74	0.05	-	0.05	0.04	-	0.04
(e) Current Tax Liabilities (Net)		7.78	-	7.78	63.56	-	63.56	17.82	-	17.82
		<b>1,803.47</b>	<b>15.34</b>	<b>1,818.81</b>	<b>408.47</b>	<b>14.32</b>	<b>422.79</b>	<b>151.46</b>	<b>14.29</b>	<b>165.74</b>
<b>Total Equity and Liabilities</b>		<b>9,290.82</b>	<b>62.42</b>	<b>9,353.27</b>	<b>1,937.09</b>	<b>54.06</b>	<b>1,991.15</b>	<b>1,122.86</b>	<b>8.43</b>	<b>1,131.28</b>

(a)(ii) *Reconciliation of Total Equity*

(Rs. in Millions)

Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
Total Equity under Previous GAAP		<b>6,862.34</b>	<b>1,412.06</b>	<b>886.72</b>
<b>Adjustments under IND AS:</b>				
Finance Costs as per Effective Interest Rate method	60(c)(iv)	13.41	1.42	1.32
Effect on expenses (finance cost/depreciation/rental expenses) on account of finance lease	60(c)(ii)	2.56	(0.09)	(0.07)
Fair valuation of Investments	60(c)(iii)	7.96	7.68	2.12
Fair valuation / deemed cost and other adjustments for Property, Plant and equipment	60(c)(i)	48.80	46.30	47.60
Reclassification of Government Grant	60(c)(vii)	(67.28)	(59.62)	(73.93)
Deferred Taxes	60(c)(v)	(229.62)	(24.13)	(17.34)
<b>Total</b>		<b>(224.17)</b>	<b>(28.44)</b>	<b>(40.30)</b>
<b>Adjustments for Restatement:</b>				
Deferred Taxes	60(c)(v)	-	20.62	25.35
<b>Total</b>		<b>-</b>	<b>20.62</b>	<b>25.35</b>
<b>Total adjustment to equity</b>		<b>(224.17)</b>	<b>(7.82)</b>	<b>(14.95)</b>
<b>Total Equity under Ind AS</b>		<b>6,638.17</b>	<b>1,404.24</b>	<b>871.77</b>



(a) (iii) *Reconciliation of Statement of Profit & Loss*

(Rs. in Millions)

	Note No.	As at March 31, 2017			As at March 31, 2016			As at March 31, 2015		
		Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS	Indian GAAP	IND AS/ Restatement Adjustment	Restated IND AS
Revenue From Operations	60(c)(ix)	12,272.94	90.37	12,363.31	2,924.17	5.16	2,929.32	2,729.69	(9.68)	2,720.01
Other Income		36.88	7.97	44.85	8.06	(0.00)	8.06	8.96	(2.86)	6.10
<b>Total income</b>		<b>12,309.82</b>	<b>98.34</b>	<b>12,408.16</b>	<b>2,932.22</b>	<b>5.16</b>	<b>2,937.38</b>	<b>2,738.65</b>	<b>(12.54)</b>	<b>2,726.11</b>
<b>EXPENSES</b>										
Cost of materials consumed		8,465.30	-	8,465.30	1,595.02	-	1,595.02	1,804.67	-	1,804.67
Purchases of stock-in-trade		5.05	-	5.05	30.71	-	30.71	22.22	-	22.22
Changes in inventories of finished goods, stock-in-trade and work-in-progress		3.55	-	3.55	(6.78)	-	(6.78)	13.06	-	13.06
Excise Duty	60(c)(viii)	-	95.02	95.02	-	5.15	5.15	-	36.82	36.82
Employee benefits expense	60(c)(vi)	524.65	3.57	528.22	34.79	0.05	34.85	28.15	0.02	28.17
Finance costs	60(c)(ii) & 60(c)(iv)	81.43	0.16	81.59	25.93	(0.08)	25.85	13.61	0.18	13.79
Depreciation and amortisation expense	60(c)(i)& 60(c)(ii)	209.72	9.72	219.44	62.21	(3.00)	59.20	47.18	(3.06)	44.12
Other expenses	60(c)(ii)	1,915.95	(5.54)	1,910.41	273.65	0.03	273.68	282.00	(0.00)	281.99
<b>Total expenses</b>		<b>11,205.64</b>	<b>102.93</b>	<b>11,308.58</b>	<b>2,015.53</b>	<b>2.14</b>	<b>2,017.68</b>	<b>2,210.88</b>	<b>33.95</b>	<b>2,244.84</b>
Profit before Tax and Exceptional Items		<b>1,104.17</b>	<b>(4.59)</b>	<b>1,099.58</b>	<b>916.69</b>	<b>3.02</b>	<b>919.70</b>	<b>527.77</b>	<b>(46.49)</b>	<b>481.27</b>
Exceptional Items		<b>204.19</b>	<b>-</b>	<b>204.19</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Profit before tax from continuing operations</b>		<b>899.98</b>	<b>(4.59)</b>	<b>895.39</b>	<b>916.69</b>	<b>3.02</b>	<b>919.70</b>	<b>527.77</b>	<b>(46.49)</b>	<b>481.27</b>
Tax expense:										
Current tax		318.94	-	318.94	318.38	(84.67)	233.71	110.62	(0.93)	109.69
Deferred tax	60(c)(v)	(58.77)	30.65	(28.12)	1.63	89.03	90.65	(5.08)	(27.06)	(32.14)
MAT Credit Entitlement		-	-	-	(0.21)	0.21	-	(22.41)	22.41	-
<b>Profit after Tax from continuing operations</b>		<b>639.82</b>	<b>(35.24)</b>	<b>604.57</b>	<b>596.90</b>	<b>(1.55)</b>	<b>595.34</b>	<b>444.64</b>	<b>(40.91)</b>	<b>403.72</b>
Profit from discontinuing operations	60(c)(iii)	135.38	(7.68)	127.70	(13.80)	5.56	(8.24)	-	4.98	4.99
Tax expense of discontinuing operations	60(c)(iii)	22.94	(7.57)	15.38	(8.33)	6.89	(1.44)	-	1.60	1.60
<b>Profit after Tax from discontinuing operations</b>		<b>112.44</b>	<b>(0.11)</b>	<b>112.32</b>	<b>(5.46)</b>	<b>(1.34)</b>	<b>(6.80)</b>	<b>-</b>	<b>3.39</b>	<b>3.39</b>
<b>Profit for the year</b>		<b>752.25</b>	<b>(35.35)</b>	<b>716.89</b>	<b>591.43</b>	<b>(2.89)</b>	<b>588.54</b>	<b>444.64</b>	<b>(37.52)</b>	<b>407.11</b>
<b>Other Comprehensive Income</b>										
(i) Items that will be not be reclassified to profit or loss	60(c)(vi)	-	3.57	3.57	-	0.05	0.05	-	0.02	0.02
(ii) Income tax on above	60(c)(vi)	-	1.24	1.24	-	0.02	0.02	-	0.01	0.01
<b>Other Comprehensive Income for the year</b>		<b>-</b>	<b>2.33</b>	<b>2.33</b>	<b>-</b>	<b>0.03</b>	<b>0.03</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>
<b>Total Comprehensive Income for the year</b>		<b>752.25</b>	<b>(33.04)</b>	<b>719.22</b>	<b>591.43</b>	<b>(2.86)</b>	<b>588.57</b>	<b>444.64</b>	<b>(37.52)</b>	<b>407.12</b>

(a) (iv) **Reconciliation of Total Comprehensive Income**

(Rs. in Millions)				
Particulars	Note No.	As at March 31, 2017	As at March 31, 2016	As at March 31, 2015
<b>Net profit under previous GAAP Adjustments under IND AS:</b>		752.25	591.43	444.64
Amount recognised in other comprehensive income	60(c)(vi)	(3.57)	(0.05)	(0.02)
Fair valuation of Investments	60(c)(iii)	0.29	5.56	2.12
Fair valuation / deemed cost and other adjustments for Property, Plant and equipment	60(c)(i)	(0.98)	(1.31)	(1.26)
Depreciation on account of finance lease	60(c)(ii)	(0.04)	(0.00)	(0.00)
Finance Costs as per Effective Interest Rate method	60(c)(iv)	0.19	0.10	(0.16)
Effect on rental expenses on account of finance lease	60(c)(ii)	0.82	0.01	0.00
Effect on finance cost on account of finance lease	60(c)(ii)	(0.36)	(0.02)	(0.01)
Effect of Taxes on above		(23.09)	(6.78)	(0.28)
<b>Adjustments for Restatement:</b>				
Reclassification of depreciation on government grant to respective period		(8.64)	4.32	4.32
Change in accounting policy of government grant from cash basis to accrual basis		-	-	(46.49)
Effect of Taxes on above		-	(4.72)	4.25
<b>Net Profit/ Other Equity for the period under Ind AS</b>		<b>716.89</b>	<b>588.54</b>	<b>407.11</b>
Other Comprehensive Income				
Actuarial gain/ (loss) on Employees defined benefit	60(c)(vi)	3.57	0.05	0.02
Effect of Taxes on above	60(c)(vi)	(1.24)	(0.02)	(0.01)
		<b>2.33</b>	<b>0.03</b>	<b>0.01</b>
<b>Total Comprehensive Income for the period under Ind AS</b>		<b>719.22</b>	<b>588.57</b>	<b>407.12</b>

(b) **FIRST-TIME ADOPTION OF IND AS**

(i) *Overall principle:*

- (a) As stated in Note 2 of Annexure V to the Restated Financial Statements, the date of transition to Ind AS as required in terms of notification dated February 16, 2015 issued by Ministry of Corporate affairs is April 1, 2016. However, to comply with the provisions of notification no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 issued by SEBI, the transition date for preparation of Proforma Ind AS has been considered to be April 1, 2014 (Proforma transition date). The Company has prepared the opening balance sheet as at April 1, 2016 as per Ind AS by recognizing all assets and liabilities whose recognition is required by Ind AS, not recognizing items of assets or liabilities which are not permitted by Ind AS, by reclassifying certain items from Previous GAAP to Ind AS as required under the Ind AS, and applying Ind AS in the measurement of recognized assets and liabilities and applied similar principles retrospectively and made necessary adjustments to arrive at IND AS balances as at proforma transition date (i.e. April 1, 2014). The accounting policies that the Company used in its opening Ind-AS Balance Sheet may have differed from those that it used for its previous GAAP. The resulting adjustments arising from events and transactions occurring before the date of transition to Ind-AS has been recognized directly in retained earnings at the date of transition.
- (b) However, this principle is subject to certain mandatory exceptions and certain optional exemptions availed by the Company as at the proforma transition date i.e. April 1, 2016 and applied similar principles retrospectively and made necessary adjustments in the Proforma Ind AS financial statements. Details of these are given below:

(ii) *Derecognition of financial assets and financial liabilities*

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

(iii) *Fair Value as deemed cost for Property, Plant and Equipment*

Property, plant and equipment has been carried in accordance with previous GAAP carrying value as deemed cost at the date of transition excepting freehold land and buildings valued at Fair value at the date of transition, which has been considered as deemed cost.

(iv) *Deemed cost for Intangible assets*

The Company has elected to continue with the carrying value of all of its intangible assets recognized as of transition date measured as per the Previous GAAP and used that carrying value as its deemed cost as of the transition date.

(v) *Impairment of financial assets*

Ind AS 109 “Financial Instruments” requires the impairment to be carried out retrospectively; however, as permitted by Ind AS 101, the Company, has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognized in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind AS, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

(vi) *Determining whether an arrangement contains a lease*

The company has applied Appendix C of Ind AS 17 for determining whether an arrangement contains a lease at the transition date on the basis of facts and circumstances existing on that date.

(vii) *Business Combination*

In terms of Ind AS 101 “First Time Adoption of Indian Accounting Standards”, the Company has elected to not to apply Ind AS 103 “Business Combination” for past combinations.

(c) ***Explanatory Notes to reconciliation between Previous GAAP and Adjustments due to Restatement and Ind AS***

(i) *Property, Plant and Equipment*

The company has used previous GAAP carrying value as deemed cost excepting fair value of certain Property, Plant and Equipment (PPE) ie. freehold land and building as carried out by an external valuer in its opening Ind AS financial statement as deemed cost. The fair value of the properties was determined based on market value of similar assets, significantly adjusted for differences in the nature, location or condition of the specific items of PPE. The fair valuation involves higher degree of uncertainty and subjectivity.

(ii) *Accounting of Leasehold Land as Finance lease*

Under the previous GAAP, leasehold land was shown as a part of Property, Plant and Equipment at a carrying value consisting of the initial costs incurred and was amortised over the period of lease. Under Ind AS, the Company has recognized the present value of minimum lease payments to its carrying value with corresponding recognition of lease liability.

(iii) *Fair valuation of Investment*

Under previous GAAP, Non-current investments were measured at cost less provision, if any for diminution in value other than temporary in nature and current investments were measured at lower of cost and fair value . Under Ind AS, these investments has been measured at fair value through profit or loss (FVTPL) and accordingly, difference between the fair value and carrying value has been recognised in Statement of Profit and Loss.

(iv) *Borrowings*

Under previous GAAP, transaction costs incurred in connection with borrowings are accounted upfront and charged to Statement of Profit and Loss in the year in which such costs were incurred.

Under Ind AS, Financial Liabilities consisting of Long Term Borrowings are to be fair valued and designated and measured at amortised cost based on Effective Interest Rate (EIR) method. The transaction costs so incurred are required to be deducted from the carrying amount of borrowings on

initial recognition. These costs are recognized in Statement of Profit and Loss over the tenure of the borrowing as part of the interest expense by applying EIR.

(v) *Taxation*

Under Previous GAAP, deferred taxes were recognised for the tax effect of timing differences between accounting profit and taxable profit for the year using the income statement approach. Under Ind AS, deferred taxes are recognised using the balance sheet for future tax consequences of temporary differences between the carrying value of assets and liabilities and their respective tax bases. The above difference, together with the consequential tax impact of the restatement/other Ind AS transitional adjustments lead to temporary differences. Deferred tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or through other comprehensive income. Minimum Alternate Tax related credit has also been reclassified to Deferred Tax.

(vi) *Remeasurement of Defined Benefit Plan*

Under Previous GAAP, the actuarial gain/(loss) of defined benefit plans had been recognised in Statement of Profit and Loss as an exceptional item. Under Ind AS, the remeasurement gain/(loss) on net defined benefit plans is recognised in Other Comprehensive Income net of tax.

Under Ind AS, the entity is permitted to transfer amounts recognized in the Other Comprehensive Income within equity. The Company has taken recourse of the said provision and has transferred all re-measurement costs relating to periods prior to the transition date from Other Comprehensive Income to Retained earnings as on the date of transition as permitted under Ind AS.

(vii) *Government Grant*

Under Previous GAAP grant received from government for fixed assets were shown as “Capital Investment Subsidy Reserve” under the head “Reserve and Surplus”.

Under Ind AS, the deferred government grants has been shown under non-current/current liability.

(viii) *Excise Duty*

Under the previous GAAP, revenue from sale of products was presented exclusive of excise duty. Under Ind AS, revenue from sale of goods is presented inclusive of excise duty. The excise duty paid is presented on the face of the Statement of Profit and Loss as part of expenses.

(ix) *Revenue from operations*

Under the previous GAAP, revenue from sale of products was presented exclusive of returns. Under IND AS, revenue is required to be measured at the fair value of the consideration receivable net of discounts, returns etc.

(x) *Change in accounting policy*

The company has recognised subsidy on cash basis till the year ended 31st March, 2014. The company has changed policy and recognised subsidy income on accrual basis from the year 2014-15. For the purpose of readjustment subsidy pertaining to earlier years has been adjusted to year to which subsidy pertains.

(xi) *Prior year adjustments*

For the purpose of restated financial statements, adjustments relating to previous periods have been given effect to in the respective years to which they relate.

(xii) Previous GAAP figures have been reclassified/regrouped wherever necessary to confirm with financial statements prepared under Ind AS.

61. These restated financial statements have been approved by the Board of Directors of the Company on 23rd April, 2018 for filing with SEBI, ROC and concerned stock exchange(s) with respect to the proposed listing of equity shares of the Company

## **62. Comparatives**

- (a) Figures for the period ended 31st December, 2017 relates to the period of 9 months and therefore, these are not comparable with the figures of the previous years.
- (b) Due to the impact of Scheme of Arrangement as given in Note 56, being given effect to in the year ended 31st March, 2017, corresponding figures of the previous year ended 31st March, 2016 and 31st March, 2015 are not comparable.
- (c) However, previous year's figures have been regrouped/ re-arranged/ reclassified, wherever considered necessary.

As per our Report of even date

**For Lodha & Co.  
Chartered Accountants**

**For and on behalf of the Board**

**Biswanath Choudhary  
(Chairman)**

R.P.Singh  
Partner

**Bimal Kumar Choudhary  
(Managing Director)**

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera  
(Company Secretary)**

**Poonam Chandra Tibrewal  
(Chief Financial Officer)**

**Anmol Industries Limited**  
**Annexure VI Restated Statement of Assets & Liabilities**

(Rs. In Millions)

Particulars	Note No	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>			
Share Capital	2	46.60	46.60
Reserves and Surplus	3	449.99	221.94
<b>Non-Current Liabilities</b>			
Long-term borrowings	4	96.69	143.48
Deferred tax liabilities (Net)	5	33.72	23.27
Other Long term liabilities	6	0.03	0.03
Long term provisions	7	0.71	0.33
<b>Current Liabilities</b>			
Short-term borrowings	8	52.12	134.00
Trade Payables	9	73.91	33.20
Other current liabilities	10	122.61	92.16
Short-term provisions	11	16.74	13.22
<b>Total</b>		<b>893.12</b>	<b>708.23</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	12	434.26	472.06
Capital work-in-progress		130.89	5.59
Long term loans and advances	13	80.49	38.92
Other non-current assets	14	5.27	-
<b>Current assets</b>			
Inventories	15	73.44	68.72
Trade receivables	16	10.42	0.39
Cash and cash equivalents	17	5.85	6.65
Short-term loans and advances	18	105.95	20.46
Other current assets	19	46.55	95.44
<b>Total</b>		<b>893.12</b>	<b>708.23</b>

Basis of preparation and Significant Accounting policies appearing in Note 1.2 of Annexure IX and other Notes to the Restated Indian GAAP Financial Information and Statement of adjustments to Audited Financial Statement as appearing in Annexure XI form an integral part of Restated Financial Information.

As per our report of even date

**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of Board**

**Biswanath Choudhary**  
**(Chairman)**

R.P Singh  
Partner

**Bimal Kumar Choudhary**  
**(Managing Director)**

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
**(Company Secretary)**

**Poonam Chandra Tibrewal**  
**(Chief Financial Officer)**

**Anmol Industries Limited**  
**Annexure VII Restated Statement of Profit and Loss**

(Rs. In Millions)

Particulars	Note No	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
<b>REVENUE</b>			
Revenue from operations	20	2,371.89	1,298.59
Less: Excise Duty		-	-
Revenue from Operations (Net)		2,371.89	1,298.59
Other Income	21	1.59	1.66
<b>Total Revenue</b>		<b>2,373.48</b>	<b>1,300.25</b>
<b>EXPENSES</b>			
Cost of materials consumed	22	1,790.58	883.50
Purchases of Stock-in-trade	23	4.37	-
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	24	(4.51)	(17.80)
Employee benefit expenses	25	21.17	14.87
Finance Costs	26	26.50	42.92
Depreciation and amortization expense	27	29.54	28.77
Other expenses	28	241.89	182.15
<b>Total Expenses</b>		<b>2,109.54</b>	<b>1,134.41</b>
<b>Profit before tax from Continuing Operations</b>		<b>263.94</b>	<b>165.84</b>
<b>Tax expense:</b>			
Income Tax		59.29	23.21
Deferred tax		10.45	14.13
MAT Credit Entitlement		(38.85)	(23.20)
		<b>30.89</b>	<b>14.14</b>
<b>Profit for the year from Continuing operations</b>		<b>233.05</b>	<b>151.70</b>
<b>Profit from discontinuing operations</b>		-	-
<b>Tax expense of discontinuing operations</b>		-	-
<b>Profit after Tax from discontinuing operations</b>			
<b>Profit for the year</b>		<b>233.05</b>	<b>151.70</b>
<b>Earning per equity share:</b>			
Equity Share of par value of Rs. 10/- each			
Basic and Diluted (From Continuing Operations)	29	50.01	32.55
Basic and Diluted (Total)	29	50.01	32.55

Basis of preparation and Significant Accounting policies appearing in Note 1.2 of Annexure IX and other Notes to the Restated Financial Information and Statement of adjustments to Audited Financial Statement as appearing in Annexure XI form an integral part of Restated Financial Information.

As per our report of even date

**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of Board**

**Biswanath Choudhary**  
**(Chairman)**

R.P Singh  
Partner

**Bimal Kumar Choudhary**  
**(Managing Director)**

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
**(Company Secretary)**

**Poonam Chandra Tibrewal**  
**(Chief Financial Officer)**

**Anmol Industries Limited**  
**Annexure VIII Restated Cash Flow Statement**

(Rs. In Millions)

Particulars	For the Year ended 31.03.2014		For the Year ended 31.03.2013	
	Indian GAAP		Indian GAAP	
<b>A: CASH FLOW FROM OPERATING ACTIVITIES:</b>				
<b>Net Profit before taxes</b>		<b>263.94</b>		<b>165.84</b>
Adjustments for:				
Depreciation and amortisation expenses	29.54		28.77	
(Profit) / Loss on Sale / Discard of Fixed Assets	(0.29)		(0.05)	
Interest Credited	(0.56)		(0.42)	
Finance Costs	26.50		42.92	
Liabilities no longer required written back	(0.07)		(1.11)	
Provision for Employees benefit	-		0.15	
Subsidy Income	-		14.59	
		<b>55.12</b>		<b>84.86</b>
<b>Operating Profit before Working Capital Changes</b>		<b>319.08</b>		<b>250.70</b>
Adjustments for Changes in Working Capital:				
(Increase)/ Decrease in Trade and Other Receivables	(54.60)		(112.62)	
(Increase)/ Decrease in Inventories	(4.74)		(51.11)	
Increase/ (Decrease) in Other Current Liabilities	10.84		26.23	
Increase/ (Decrease) in Trade Payables and Other Liabilities	41.21		4.63	
		<b>(7.29)</b>		<b>(132.87)</b>
<b>Cash Generated from Operations</b>		<b>311.77</b>		<b>117.82</b>
<b>Taxes paid (net)</b>		<b>55.80</b>		<b>10.03</b>
<b>Net Cash from Operating Activities</b>		<b>255.97</b>		<b>107.79</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES:</b>				
Purchase of Fixed Assets/ movements in Capital work-in-progress/Capital Advances	(136.30)		(27.16)	
Capital Investment Subsidy Received	3.21		15.00	
EPCG Refund	7.50		3.31	
Sale of Fixed Assets	3.85		0.05	
Preliminary Expenses	-		0.22	
Interest Received	0.56	<b>(121.18)</b>	0.42	<b>(8.16)</b>
<b>Net Cash Used in Investing Activities</b>		<b>(121.18)</b>		<b>(8.16)</b>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES:</b>				
Proceeds/ (Repayments) of Borrowings	(108.36)		(45.45)	
Movement of Long Term Loans and Advances /Liabilities	-		0.03	
Finance Costs	(27.23)		(42.92)	
Refund of Long Term Loans and Advances	-		(11.13)	
		<b>(135.59)</b>		<b>(99.47)</b>
<b>Net Cash Used in Financing Activities</b>		<b>(135.59)</b>		<b>(99.47)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>		<b>(0.80)</b>		<b>0.16</b>
<b>Opening Balance of Cash and Cash Equivalents [Refer Note 17]</b>		<b>6.65</b>		<b>6.49</b>
<b>Closing Balance of Cash and Cash Equivalents [Refer Note.17]</b>		<b>5.85</b>		<b>6.65</b>

Basis of preparation and Significant Accounting policies appearing in Note 1.2 of Annexure IX and other Notes to the Restated Indian GAAP Financial Information and Statement of adjustments to Audited Financial Statement as appearing in Annexure XI form integral part of Restated Financial Information. The Cash Flow Statement has been prepared under the "Indirect Method" set out in Accounting Standard - 3 on "Cash Flow Statement".

As per our report of even date

**For Lodha & Co**  
**Chartered Accountants**

**For and on behalf of Board**

**Biswanath Choudhary**  
**(Chairman)**

**Bimal Kumar Choudhary**  
**(Managing Director)**

**Poonam Chandra Tibrewal**  
**(Chief Financial Officer)**

R.P Singh  
Partner

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
**(Company Secretary)**



## **ANMOL INDUSTRIES LIMITED**

### **Annexure IX Notes to Restated Indian GAAP Financial Information**

#### **1.1 Corporate Information**

Anmol Industries Limited ('the company') is a public limited company incorporated and domiciled in India with its registered office situated at Crescent Tower, 3rd Floor, 229 A.J.C. Bose Road, Kolkata – 700020 and is engaged in the manufacture and sale biscuits and other bakery products. The shares of the company are not listed on any stock exchanges in India.

The name of Bansal Biscuits Private Limited was changed to Anmol Industries Private Limited on 23rd May, 2016 and subsequently to Anmol Industries Limited on 30th March, 2017.

#### **1.2 Purpose of the Financial Statement:**

The Restated Financial Statement comprises of Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and a summary of significant accounting policies and other explanatory notes have been prepared by the management in connection with proposed listing of Equity shares of the company by way of an offer for sale of shares held by existing shareholders of the company for filing with the Securities and Exchange Board of India (SEBI), Registrar of Companies, West Bengal (ROC) and the concerned Stock Exchange keeping in view the requirements of:

- (a) Section 26 read with applicable provisions as provided therein and Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013;
- (b) The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by the Securities and Exchange Board of India ("SEBI") on August 26, 2009, as amended to date in pursuance of provisions of Securities and Exchange Board of India Act, 1992 read along with SEBI circular No. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI regulations"); and
- (c) Guidance note on reports in Company prospectuses issued by the Institute of Chartered Accountants of India (ICAI).

This restated financial statement is therefore may not be suitable for any purpose other than stated above.

#### **1.3 Significant Accounting Policies:**

##### **(a) *Basis of Preparation of Financial Statements***

The financial statements are prepared under historical cost convention in accordance with the provisions of Companies Act, 2013 ('the Act') and accounting standards as prescribed under Section 133 of the Act. Accounting policies, unless specifically stated to be otherwise, are consistent and are in consonance with generally accepted accounting principles.

##### **(b) *Use of Estimates***

The preparation of the financial statements require management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosures relating to contingent liabilities as at the Balance Sheet date and the reported amounts of income and expenses for the relevant year. Differences between the actual results and estimates are recognized in the year in which the results are known / materialized.

##### **(c) *Fixed Assets***

Fixed Assets are stated at cost or at fair value in respect of assets acquired as per Scheme of arrangement less accumulated depreciation thereon. Cost comprises cost of acquisition or construction and subsequent improvements thereto including non-refundable taxes and duties, freight and other incidental expenses relating to acquisition/ installation.

Capital work in progress includes preoperative expenses, cost of assets to be installed, construction and erection materials etc.

##### **(d) *Depreciation***

Depreciation is provided, on assets having been put into use, in the following manner:

- (i) Premium on leasehold land is amortized over the period of respective lease.

- (ii) Except as stated in (i) above, depreciation on fixed assets is provided on Straight Line Method at the rates determined with reference to the useful life as specified in Schedule XIV of the Companies Act 1956.

(e) ***Impairment***

Fixed Assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of fixed assets is determined. An impairment loss is recognised, whenever the carrying amounts of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The impairment loss so recognized is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a pro-rata basis.

(f) ***Investments***

Non-current investments are stated at cost less provision, if any for diminution in value other than temporary in nature. Current Investments are valued at lower of cost and fair value.

(g) ***Inventories***

Inventories are valued at cost or net realisable value whichever is lower.

Cost for the purpose of raw materials, packing materials and stores and spares and consumables comprise of the respective purchase costs including inward freight and non- reimbursable duties and taxes.

Cost in respect of finished goods represent material, labour, other direct cost and appropriate overheads and excise duty, where applicable.

For the above purposes, Cost of inventories are determined on Weighted Average basis.

Provision for inventory obsolescence is made wherever considered necessary and the same is assessed regularly.

(h) ***Borrowing Cost***

Borrowing costs incurred in relation to the acquisition/construction of qualifying assets are capitalised as the part of the cost of such assets. Capitalisation of borrowing costs are ceased when substantially all the activities necessary to prepare the qualifying asset for its intended use or sale are complete. Other borrowing costs are charged as an expense in the year in which these are incurred.

(i) ***Foreign Currency Transactions***

Transactions in foreign currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign currency monetary assets and liabilities at the yearend are translated using closing rates. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year

(j) ***Revenue Recognition***

Revenue from sales of goods are recognised on transfer of significant risk and rewards of ownership on delivery to the buyers in terms of agreement with them.

Sales are net of sales tax and sales returns there against.

Dividend income is accounted for in the year in which the right to receive the same is established.

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

(k) ***Government Grants***

Government grants are recognised when there is reasonable assurance of compliance of related conditions and realizability thereof are established.

Capital Grants are credited to Capital Investment Subsidy Reserve and the amount equivalent to the depreciation provided against the relevant assets is transferred therefrom to the Statement of Profit and Loss.

Revenue grants are either credited to other Income or deducted from the related expenses.

(l) **Employee Benefit**

Employee benefits are accrued in the year services are rendered by the employees. Contribution to the defined contribution schemes such as Provident Fund etc are recognized as and when incurred.

Long term employee benefits under defined benefit schemes such as contribution to gratuity, leave etc are determined at close of the year at present value of the amount payable using actuarial valuation techniques.

Actuarial gain and losses are recognized in the year when they arise.

(m) **Taxation**

Provision for current income tax is made on taxable income using the applicable tax rates and tax laws. Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset will be realized. In case of carried forward unabsorbed depreciation and tax losses, deferred tax assets are recognized only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits.

(n) **Leases**

Lease rentals incurred/earned in respect of operating leases are recognised as expense/income in the statement of profit and loss as per the terms and conditions of the respective agreements.

(o) **Provision, Contingencies and Contingent Assets**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events, and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Contingent liabilities are not provided for and are disclosed by way of notes. Contingent Assets are neither recognized nor disclosed in the financial statement.

## 2 Share Capital

(i)

Share Capital	(Rs. in Millions)	
	As at 31st March, 2014 Indian GAAP	As at 31st March, 2013 Indian GAAP
<b>Authorised Capital:</b> 5,000,000 Equity Shares of Rs. 10/- each (Previous Year 5,000,000)	50.00	50.00
<b>Issued, Subscribed and Paid up:</b> (46,60,200 Equity Shares of Rs. 10/- each fully paid up (Previous Year 46,60,200 Equity Shares)	46.60	46.60

(ii) The Company has only one class of Equity Share having par value of Rs.10/- per share. Each holder of Equity Share is entitled to one vote per share. The dividend proposed by the Board of Directors of the Company is subject to the approvals of the Shareholders in the ensuing Annual General Meeting. In the event of liquidation of the Company, the holders of the Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts, in proportion to the number of equity shares held by them.

(iii) Shares in the company held by each shareholder holding more than 5 percent shares specifying the number of shares held is as given below:

Sl. No.	Name of Shareholder	As at 31st March, 2014	As at 31st March, 2013
		No. of Shares	No. of Shares
1	Anmol Biscuits Limited (Holding Company)	46,60,200	46,60,200

(iv) The company subsequent to the Balance date has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs

10 each fully paid up. Accordingly the Authorised Capital has been increased to Rs 700 million under the approval of member meeting held on 24.02.2018.

### 3 Reserves & Surplus

(Rs. in Millions)

Reserves & Surplus	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Securities Premium Account:</b>					
At the beginning and at the end of the year		-	25.50	-	25.50
<b>Capital Investment Subsidy Reserve:</b>					
At the beginning of the Year		43.25		33.25	
Add: Received during the Year		-		15.00	
Less: Transferred to Statement of Profit and Loss	27	5.00		5.00	
<b>At the End of the Year</b>			<b>38.25</b>		<b>43.25</b>
<b>Surplus:</b>					
At the beginning of the Year		153.19		1.49	
Add: Profit for the Year as per the Statement of Profit and Loss		233.05		151.70	
<b>At the End of the Year</b>			<b>386.24</b>		<b>153.19</b>
<b>Total</b>			<b>449.99</b>		<b>221.94</b>

### 4 Long Term Borrowings

(Rs. in Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Secured</b>					
<b>Term Loan</b>					
From Banks	4.1				
Gross Outstanding Amount		197.90		224.36	
Less: Current Maturities of Long Term Debt		101.21	96.69	80.88	143.48
<b>Total (A+B)</b>			<b>96.69</b>		<b>143.48</b>

- 4.1 The Long Term portion of Term Loans are shown under long term borrowings and the Current maturities of long-term borrowings (i.e. of Term Loan) are shown under other Current liability (Refer Notes 10) as per the disclosure requirements of the Schedule III.

### 4 Long-term borrowings (contd.)

Notes:4 (ii)

Details of terms of repayment for the term loan and security provided in respect of the secured long-term borrowings:

(Rs. in Millions)

Particulars	Terms of repayment	As at 31 March, 2014	As at 31 March, 2013	As at 31 March, 2014	As at 31 March, 2013
		Indian GAAP		Indian GAAP	
		Non Current Portion		Current Maturities	
<b>Term Loan From Banks:</b>  PUNJAB NATIONAL BANK	The Term Loan will be repaid by a quarterly basis of twenty months @ Rs 16.00 millions and the repayment of the Term Loan has been started with effect from 30th September 2011.out of which 14 installment are outstanding as on balance sheet date.	52.37	140.35	64.00	80.00
<b>From BIADA</b> Loan from Bihar Industrial Developing	Details of BIADA Loan Repayment Schedule:  <b>For 67500 Sq Ft</b> Loan will be repaid in following manner: 1) First Installment shall be 30% of total cost i.e. Rs.2.27 million and 2)balance will be in seven annual installments @	-	2.41	2.41	0.34

Particulars	Terms of repayment	As at 31 March, 2014	As at 31 March, 2013	As at 31 March, 2014	As at 31 March, 2013
		Indian GAAP		Indian GAAP	
		Non Current Portion		Current Maturities	
	Rs.0.92 million .out of which NIL installment are outstanding as on balance sheet date.  <b>For 64500 Sq Ft</b> Loan will be repaid in following manner: 1) First Installment shall be 30% of total cost i.e. Rs.2.17 million and 2)balance will be in seven annual installments @ Rs.0.87 million out of which NIL installment are outstanding as on balance sheet date.  <b>For 10200 Sq Ft</b> Loan will be repaid in following manner: 1) First Installment shall be 30% of total cost i.e. Rs.0.38 million and 2)balance will be in seven annual installments @ Rs.0.15 million. out of which NIL installment are outstanding as on Balance sheet date.  <b>For 26760 Sq Ft</b> Loan will be repaid in following manner:seven annual installments @ Rs.0.48 million (including interest) out of which 6 installment are outstanding as on Balance sheet date.				
<b>From HDFC</b> Car Loan from HDFC	Total Repayment period is 3 years in 36 equal monthly instalment of Rs.0.029/-million (including interest) each.Out of which Nil installments were outstanding as on 31st March, 2014 and four monthly installments were outstanding as on 31st March, 2013.	-	-	-	0.11
<b>From Kotak Mahindra Prime Ltd</b> Car Loan from Kotak Mahindra Prime Ltd	Total Repayment period is 3 years in 36 equal monthly instalment of Rs. 0.043 million (including interest) each. Out of which 18 Monthly Instalment were outstanding as 31st March, 2014 and 30 Monthly installments were outstanding as on 31st March, 2013.	0.25	0.72	0.47	0.43
<b>From BMW Financial Services Private Limited</b>	Total Repayment period is 3 years in 36 equal monthly instalment of Rs. 0.14 million (including interest) each. Out of which 30 Monthly Instalment are outstanding as on 31st March, 2014, i.e. 2 years & 6 month from balance sheet date.	2.40	-	1.43	-
<b>YES BANK LIMITED</b>	Out of Rs 50 million of Term Loan, total Repayment period is 12 equal quarterly installment of Rs 4.17 Lacs starting from 31.12.2014. The Buyers Credit is taken for a period of 6months.	41.67	-	32.90	-
<b>Total Term Loan</b>		<b>96.69</b>	<b>143.48</b>	<b>101.21</b>	<b>80.88</b>

Note: 4(iii)

**Security:-**Term Loan from Bank i.e. Punjab National Bank is secured by

- 1) First Charge on fixed assets of the project comprising of Land, Building, Plant and Machineries, Furniture & fixtures.
- 2) Corporate Guarantee of M/s Anmol Bisuits Ltd.

- 3) Personal Guarantee of Vikash Choudhary and Shri Ankit Choudhary, both the Director of M/s Bansal Biscuits (P) Ltd.
- 4) Corporate Guarantee of M/s Shangrilla Co. Pvt Ltd.
- 5) Mortgage of Commercial Porperty at 9th floor, 229 AJC Bose Road, Kolkata owned by Shangrilla Co. Pvt. Ltd.

Note: 4(iv)

**Security:-** Loan from BIADA is the outstanding amount to be payable to Bihar Industrial Developing Authority, against the allotment of Land.

Note: 4(v)

**Security :-** Car Loan from HDFC & Kotak Mahindra Prime Ltd is taken for financing of Car by hypothecation of the Car.

Note 4 (vi): - Term Loan from Yes Bank Ltd. is secured by

- 1) First Charge on all the Fixed Assets (both Present & Future) of the Cake Plant situated at Hajipur, Bihar.
- 2) Second Charge on all the Current Assets (both present & future).
- 3) Personal Guarantee of Mr. Vikash Choudhary and Mr. Ankit Choudhary, Directors of the Company.
- 4) Exclusive Charge on the Warehouse for which Term Loan is sanctioned.

## 5 Deferred Tax Liabilities (Net)

(Rs. in Millions)

Particulars	Note	As at 31st March, 2013	Charge or (Credit) during the Year	As at 31st March, 2014
		Indian GAAP		Indian GAAP
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis under Income Tax Act, 1961		0.21	0.19	0.40
<b>Deferred Tax Liabilities</b>				
Depreciation difference		23.48	10.63	34.12
<b>Net Deferred Tax Assets/ (Liabilities)</b>		<b>(23.27)</b>	<b>(10.44)</b>	<b>(33.72)</b>

(Rs. in Millions)

Particulars	Note	As at 31st March, 2012	Charge or (Credit) during the Year	As at 31st March, 2013
		Indian GAAP		Indian GAAP
<b>Deferred Tax Assets</b>				
Expenses allowable on payment basis under Income Tax Act, 1961		0.06	0.15	0.21
<b>Deferred Tax Liabilities</b>				
Depreciation difference		9.20	14.28	23.48
<b>Net Deferred Tax Assets/ (Liabilities)</b>		<b>(9.14)</b>	<b>(14.13)</b>	<b>(23.27)</b>

## 6. Other Long Term Liabilities

(Rs. in Millions)

Particulars	Note	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
Security Deposit		0.03	0.03
<b>Total</b>		<b>0.03</b>	<b>0.03</b>

## 7 Long Term Provisions

(Rs. in Millions)

Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
Provision for Employee Benefits		0.71	0.33
<b>Total</b>		<b>0.71</b>	<b>0.33</b>

## 8 Short Term Borrowings

(Rs. in Millions)

Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
<b>Loans repayable on demand</b>			
<b><u>Secured</u></b>			
From Banks -Cash Credit facilities	8.1	42.36	82.25
<b><u>Unsecured</u></b>			
From Related Parties	8.4 & 31	9.76	51.75
<b>Total</b>		<b>52.12</b>	<b>134.00</b>

- 8.1 Working Capital Loan from Yes Bank Limited is secured by the First Charge on moveable assets of the Company, including RM, Finished & Semi Finished Goods, book debts, store and Spare parts of the Company and second Charge over fixed and moveable assets of the Company.
- 8.2 Cash Credit from Punjab National Bank (at a interest of BR + 2.50%) (Sanctioned of Rs. 74.40 millions) is secured by way of hypothecation of all current assets including good debt and entire stock both present and future of the whole operation of the company.
- 8.3 Working Capital (CC Limit) sanctioned by the Punjab National Bank is Rs. 74.40 millions. However due to cheque issued but not presented for paymet by the parties, the amount outstanding as at 31st March, 2013 is Rs. 82.20 millions.
- 8.4 Unsecured Loans from related parties are repayable on demand and the applicable interest rate is 12% p.a.

## 9 Trade Payables

(Rs. in Millions)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Indian GAAP	Indian GAAP
<b>For Goods and Services</b>		
- dues of micro enterprises and small enterprises	-	-
- dues of creditors other than micro enterprises and small enterprises	73.91	33.20
<b>Total</b>	<b>73.91</b>	<b>33.20</b>

- 9.1 Based on the information to the extent available with the Company, there are no suppliers as defined under Micro , Small and Medium Enterprises Development Act,2006 and thereby disclosure requirements as specified under Section 22 of the said Act are not applicable.

## 10 Other Current Liabilities

(Rs. in Millions)

Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
Current maturities of Long Term Debts	4		
Secured Loans		101.21	80.88
Interest Accrued but not due on borrowings		0.03	-
Interest Accrued and due on borrowings		1.67	2.43
Advance from Customers		5.20	2.28
		-	-
		-	-
<b>Other Payables:</b>			
Statutory Dues-Tax Deducted at source, Service Tax, Sales Tax, Provident Fund etc.		3.60	3.37
Excise duty on stock		-	-
Security Deposit		0.03	-
Retention Money		1.62	-
Capital Expenditures		9.25	3.20
		-	-
<b>Total</b>		<b>122.61</b>	<b>92.16</b>

# 11 Short Term Provisions

(Rs. in Millions)

Particulars	Notes	As at 31st March, 2014	As at 31st March, 2013
		Indian GAAP	Indian GAAP
Provision for Employee benefits	31	0.03	0.01
<b>Others</b>			
Provision for Tax (Net of Advance Tax)		16.71	13.21
		<b>16.74</b>	<b>13.22</b>



**12 FIXED ASSETS**
**As at March, 31, 2014**
**(Rs. In Millions)**

Description	Note No	Gross Block				Depreciation				Net Block	
		As at 31.03.2013	Additions	Deduction/ Adjustment	As at 31.03.2014	As at 31.03.2013	During the year	Adjustment	As at 31.03.2014	As at 31.03.2014	As at 31-03- 2013
Land (Leasehold)		23.64	-	-	23.64	0.52	0.26	-	0.78	22.86	23.12
Factory Building		138.89	0.02	-	138.91	6.13	4.64	-	10.77	128.14	132.76
Office Building		31.83	-	-	31.83	0.43	0.52	-	0.95	30.88	31.40
Tubewell		0.21	-	-	0.21	0.01	0.00	-	0.01	0.20	0.20
Plant and Machinery		274.45	4.27	11.61	267.11	30.08	26.48	(0.69)	55.87	211.24	244.37
Portable office		-	-	-	-	-	-	-	-	-	-
Electrical Installation		20.61	-	3.31	17.30	1.55	0.58	-	2.13	15.17	19.06
Tools & Equipments		5.46	0.53	-	5.99	0.49	0.30	-	0.79	5.20	4.97
Laboratory Equipments		0.94	-	-	0.94	0.08	0.04	-	0.12	0.82	0.86
Mobile Phone		0.18	0.13	-	0.31	0.01	0.01	-	0.02	0.29	0.17
Office Equipments		2.55	0.06	-	2.61	0.14	0.12	-	0.26	2.35	2.41
Computer		2.64	0.16	0.05	2.75	0.50	0.43	(0.01)	0.92	1.83	2.14
Furniture and Fixture		7.55	0.00	-	7.55	0.42	0.48	-	0.90	6.65	7.13
Motor Vehicle		3.94	5.83	-	9.77	0.47	0.67	-	1.14	8.63	3.47
<b>Total</b>		<b>512.89</b>	<b>11.00</b>	<b>14.97</b>	<b>508.92</b>	<b>40.83</b>	<b>34.53</b>	<b>(0.70)</b>	<b>74.66</b>	<b>434.26</b>	<b>472.06</b>
<b>Previous Year</b>		<b>326.97</b>	<b>189.41</b>	<b>3.49</b>	<b>512.89</b>	<b>7.24</b>	<b>34.19</b>	<b>(0.60)</b>	<b>40.83</b>	<b>472.06</b>	<b>319.75</b>

**As at March, 31, 2013**
**(Rs. In Millions)**

Description	Note No	Gross Block				Depreciation				Net Block	
		As at 31.03.2012	Additions	Deduction/ Adjustment	As at 31.03.2013	As at 31.03.2012	During the year	Adjustment	As at 31.03.2013	As at 31.03.2013	As at 31-03- 2012
Land (Leasehold)		22.14	1.50	-	23.64	0.25	0.27	-	0.52	23.12	21.89
Factory Building		93.27	45.62	-	138.89	1.76	4.37	-	6.13	132.76	91.52
Office Building		-	31.83	-	31.83	-	0.43	-	0.43	31.40	-
Tubewell		0.21	-	-	0.21	0.01	0.00	-	0.01	0.20	0.21
Plant and Machinery		178.09	99.67	3.31	274.45	3.95	26.55	(0.42)	30.08	244.37	174.14
Portable office		0.18	-	0.18	-	0.18	-	(0.18)	-	-	0.00
Electrical Installation		20.61	-	-	20.61	0.57	0.98	-	1.55	19.06	20.04
Tools & Equipments		4.57	0.89	-	5.46	0.16	0.33	-	0.49	4.97	4.41
Laboratory Equipments		0.94	-	-	0.94	0.04	0.04	-	0.08	0.86	0.90
Mobile Phone		0.08	0.10	-	0.18	0.01	0.00	-	0.01	0.17	0.08
Office Equipments		1.74	0.81	-	2.55	0.03	0.11	-	0.14	2.41	1.71
Computer		2.54	0.10	-	2.64	0.06	0.44	-	0.50	2.14	2.48
Furniture and Fixture		0.75	6.80	-	7.55	0.01	0.41	-	0.42	7.13	0.73
Motor Vehicle		1.85	2.09	-	3.94	0.21	0.26	-	0.47	3.47	1.64
<b>Total</b>		<b>326.97</b>	<b>189.41</b>	<b>3.49</b>	<b>512.89</b>	<b>7.24</b>	<b>34.19</b>	<b>(0.60)</b>	<b>40.83</b>	<b>472.06</b>	<b>319.75</b>
<b>Previous Year</b>		<b>2.47</b>	<b>324.50</b>	<b>-</b>	<b>326.97</b>	<b>0.08</b>	<b>7.14</b>	<b>-</b>	<b>7.22</b>	<b>319.75</b>	<b>167.82</b>

**13 Long Term Loans & Advances**  
(Unsecured, Considered good)

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
Security Deposits		4.40		1.90	
<b>Others</b>					
MAT Credit Entitlement		62.05		23.20	
Balances with Government Authorities	13.1	14.04		-	
Capital Advance		-	80.49	13.82	38.92
<b>Total</b>			<b>80.49</b>		<b>38.92</b>

Note 13.1: Capital Advance includes Nil as at 31st March, 2014 and Rs. 1.55 millions as at 31st March, 2013 paid to certain parties against which legal proceeding has been initiated by the company.

**14 Other Non-Current Assets**

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
Fixed Deposit with Banks	14.1				
(Including Interest accrued thereon)			5.27		-
<b>Total</b>			<b>5.27</b>		<b>-</b>

Note 14.1 - Fixed Deposits are kept as Margin Money against Guarantees given by the Bank to third parties.

**15 Inventories**  
(At cost or net realisable value, whichever is lower)

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>(As valued and certified by the Management)</b>					
Raw Materials			27.00		32.28
Packing Materials			9.97		6.72
Finished Goods			24.73		20.23
Stores and Spares			8.97		6.14
Fuel			2.77		3.35
<b>Total</b>			<b>73.44</b>		<b>68.72</b>

**16 Trade Receivables (Unsecured, Considered Good)**

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Considered good</b>					
Outstanding for period exceeding six months from the date they are due for payment			0.00		0.39
Others			10.42		-
<b>Total</b>			<b>10.42</b>		<b>0.39</b>

**17 Cash & Cash Equivalents**

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Cash and Cash Equivalents</b>					
In Current Accounts with Banks		5.69		2.15	
Cash Balance on hand		0.16	5.85	0.16	2.31
<b>Other Balances with Bank</b>					
Fixed Deposits having original maturity of more than 12 months and remaining maturity of less than 12 months from the reporting date (Including Interest accrued thereon)		-	-	4.34	4.34
<b>Total</b>			<b>5.85</b>		<b>6.65</b>

- 17.1 Fixed deposit of Rs. Nil (Previous Year Rs. 4.34 millions) has been kept as margin money against bank guarantees provided by Punjab National Bank limited to the Director General of Foreign Trade in respect of EPCG Licence.

**18 Short Term Loans & Advances  
(Unsecured, Considered Good)**

(Rs. In Millions)

Particulars	Notes	As at 31st March, 2014		As at 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Other Loans and Advances</b>					
Balances with Government Authorities		58.09		17.41	
Advances to Employees		0.31		0.26	
Advances to Suppliers and Others		47.50		2.24	
Prepaid- Expenses		0.05		0.48	
Advance Income tax		-		0.07	
			105.95		20.46
<b>Total</b>			<b>105.95</b>		<b>20.46</b>

**19 Other Current Assets**

(Rs. In Millions)

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Indian GAAP		Indian GAAP	
Incentive/ Subsidy Receivable		46.49		94.82
Insurance Claim Receivable		0.06		0.03
Sundry Advance		-		0.06
Interest Accrued on Fixed Deposit		-		0.53
<b>Total</b>		<b>46.55</b>		<b>95.44</b>

**20 Revenue from Operations (Net)**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Sale of Products	20.1	2,195.51		1,196.97	
Less: Excise Duty		-		-	
			2,195.51		1,196.97
Other Operating Revenue	20.2		176.38		101.62
<b>Total</b>			<b>2,371.89</b>		<b>1,298.59</b>

**20.1 Sale of Products**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Sale of Product Comprises:					
From Manufactured Goods:					
<b>Finished Goods:</b>					
Biscuits			2,190.30		1,195.68
<b>Traded Goods:</b>					
Biscuits		4.95		-	
Raw Materials & Packing Materials		-		1.29	
Indian Snacks		0.26		-	
			5.21		1.29
<b>Total</b>			<b>2,195.51</b>		<b>1,196.97</b>

**20.2 Details of Other Operating Revenue**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Sale of Scrap/ Rejected Materials		6.37		6.80	
Subsidy	32	170.01		94.82	
			176.38		101.62

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Total</b>			<b>176.38</b>		<b>101.62</b>

## 21 Other Income

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Interest Income on:-</b>					
Security Deposit		0.11		-	
Fixed Deposits etc. with Banks		0.45	0.56	0.42	0.42
Profit on sale of assets		0.29		0.05	
Liabilities Written Back		0.07		1.11	
Insurance Claim		-		0.03	
Miscellaneous Income		0.67	1.03	0.05	1.24
<b>Total</b>			<b>1.59</b>		<b>1.66</b>

## 22 Cost of Materials Consumed

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Opening stock		38.99		12.63	
Add: Purchases		1,788.57		909.86	
		<b>1,827.56</b>		<b>922.49</b>	
Less: Closing Stock		36.98	1,790.58	38.99	883.50
<b>Total</b>			<b>1,790.58</b>		<b>883.50</b>

### 22.1 Details of Materials Consumed

(Rs. In Millions)

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Indian GAAP		Indian GAAP	
Flour	372.00		202.93	
Sugar	120.59		82.37	
Fats and Oil	542.67		271.98	
Packing Materials	229.68		110.63	
Others	525.64	1,790.58	215.59	883.50
<b>Total</b>		<b>1,790.58</b>		<b>883.50</b>

## 23 Purchase of Stock-in-Trade

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Finished Goods:</b>					
Biscuits		4.37	4.37	-	-
<b>Total</b>			<b>4.37</b>		<b>-</b>

## 24 Changes in Inventories of Finished Goods, Work in progress & Stock-in-Trade - (Increase)/Decrease

(Rs. In Millions)

Particulars	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
	Indian GAAP		Indian GAAP	
<b>Closing Stock</b>				
Work in progress				
Finished Goods		24.72		20.21
<b>Less: Opening Stock</b>				
Finished Goods		20.21		2.41
<b>(Increase)/Decrease</b>		<b>(4.51)</b>		<b>(17.80)</b>

**25 Employee Benefit Expenses**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Salaries, Wages and Bonus		18.09		12.88	
Contribution to provident and other Funds		1.32		0.86	
Staff Welfare Expenses		1.76	21.17	1.13	14.87
<b>Total</b>			<b>21.17</b>		<b>14.87</b>

**26 Finance Costs**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Interest Expense:</b>					
Term Loans & Working capital loan		21.71		31.94	
Interest on Body corporates		3.64		9.76	
Interest -Others		0.70	26.05	1.00	42.70
<b>Other Borrowing Costs</b>					
Loan Processing Charges		0.45	0.45	0.22	0.22
<b>Total</b>			<b>26.50</b>		<b>42.92</b>

**27 Depreciation & Amortisation Expense**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Depreciation and Amortisation</b>	12	34.54		34.19	
Less: Other adjustment		-		0.42	
Less: Transferred from					
Capital Investment Subsidy Reserve	3	5.00	29.54	5.00	28.77
<b>Total</b>			<b>29.54</b>		<b>28.77</b>

- 27.1 Other adjustments includes Nil (Previous Year Rs. 0.42 millions) in respect of amount received under EPCG Invalidation Scheme (refund of terminal excise duty) during the year against capital goods amounting to Rs. 3.31 millions which has been adjusted with respective assets and accordingly, the depreciation on the same has been reversed.

**28 Other Expenses**

(Rs. In Millions)

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
Conversion/ Job Work Charges			23.72		15.80
Consumption of Stores and Spares			0.51		0.69
Power and Fuel			119.83		81.99
Excise duty on closing stock			-		-
Auditors' Remuneration	28.1		0.12		0.11
Rent			0.34		0.94
Repairs to Machinery			5.32		7.41
Repairs to Buildings			1.25		1.05
Repairs - Others			2.41		1.55
Donation and Corporate Social Responsibility			0.21		0.10
Sales Promotion and Advertisement			19.11		27.18
Carriage Outward			41.80		22.77
Distribution and other selling expenditures			16.23		10.27
Insurance			1.44		0.80
Rates and Taxes			0.29		0.08
Travelling and Conveyance			1.17		0.94
Legal and Professional Charges			1.36		1.04
Miscellaneous Expenses			6.78		9.43

Particulars	Notes	For the year ended 31st March, 2014		For the year ended 31st March, 2013	
		Indian GAAP		Indian GAAP	
<b>Total</b>			<b>241.89</b>		<b>182.15</b>

28.1 **Auditors' Remuneration:**

(Rs. In Millions)

Particulars	2013-14	2012-13
Audit Fees	0.12	0.11
	<b>0.12</b>	<b>0.11</b>

29 **Earning Per Share (EPS)**

Particulars	As at 31st March 2014	As at 31st March 2013
	Indian GAAP	Indian GAAP
Profit after tax (Rs. In millions)	233.06	151.70
Weighted Average number of equity shares used as denominator for calculating EPS	46,60,200	46,60,200
Basic and Diluted Earnings per share of Rs. 10/- each	50.01	32.55

The company has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs 10 each fully paid up.

In terms of the scheme of arrangement implemented by the company as stated in note 56(A) of Annexure V, the share capital existing as on 1st April, 2016 has been cancelled. Accordingly the weighted average number of shares for the purposes of computing basic and diluted earning per share has not been considered for the financial year ended 31st March, 2014 and 31st March, 2013.

30 **Related Party Disclosure**

Sl	Names of related parties	Description of relationship
1	Anmol Biscuits Limited	Holding company
2	Anumati Consultancy & Services Pvt. Ltd.	Significant influence by KMP
3	Baid Holdings (P) Ltd.	
4	SKG Land Developers Private Limited	
5	Devesh Management Services (P) Ltd.	
6	Gangaur Properties Pvt. Ltd.	
7	Satyam Financial Private Limited	
8	Jamboodweep Finance Pvt. Ltd	
9	Raj Mandir Estates Pvt Ltd	
10	Kavita Auto Parts Sales (P) LTD.	
11	Anmol Bakers (P) Ltd	
12	Zen Healthcare Products (P) Ltd.	
13	Mukund Foods Ltd	
14	Vikash Choudhary	KMP
15	Mool Chand Choudhary	

**Note:** Related parties have been identified by the Management.

(a) **Loans Taken, Repaid and Interest Paid thereon during the year:**

(Rs. in Millions)

Sl	Name of the Company/ Parties	Relationship	Interest Paid	Loan Taken During the Year	Loan Repaid During the Year	Closing balance
1	Anmol Biscuits Limited	Holding Company	4.05	85.00	140.39	-
2	Anumati Consultancy & Services Pvt. Ltd.	Company	9.68	133.91	90.88	51.75
3	Baid Holdings (P) Ltd.		-	-	-	-
4	Devesh Management Services (P)		0.09	-	28.88	-
			-	-	-	-
			0.16	-	15.34	-
			-	-	-	-

Sl	Name of the Company/ Parties	Relationship	Interest Paid	Loan Taken During the Year	Loan Repaid During the Year	Closing balance
5	Ltd. Gangaur Properties Pvt. Ltd.	2012-13 2013-14	0.08 0.06	- 5.70	2.82 -	- 5.75
6	SKG Land Developers Private Limited	2012-13 2013-14	0.09 0.04	- 0.70	3.58 0.73	- -
7	Jamboodweep Finance Pvt. Ltd	2012-13 2013-14	- -	- -	- -	- -
8	Kavita Auto Parts Sales (P) LTD.	2012-13 2013-14	0.04 -	- -	1.74 -	- -
9	Raj Mandir Estates Pvt Ltd	2012-13 2013-14	0.08 0.01	- 4.00	3.07 -	- 4.01
10	Satyam Financial Private Limited	2012-13 2013-14	0.07 0.04	0.21 0.70	16.57 0.73	- -
11	Zen Healthcare Products (P) Ltd.	2012-13	- (0)	- (3)	- (3)	- -

(b) **Purchase, Sale & Other transactions:**

(Rs. in Millions)

Sl	Details of Transaction	Name of the Company/ Persons	Relationship	Amount
(i)	Sale of Capital Goods	Anmol Biscuits Limited	2013-14 2012-13	3.88 -
		Anmol Stainless Pvt. Ltd.	2013-14 2012-13	- 0.05
(ii)	Sale of Finished Goods	Anmol Biscuits Limited	2013-14 2012-13	4.23 1.09
	Sale of Raw/Packaging Materials	Anmol Biscuits Limited	2013-14 2012-13	0.47 1.31
	Sale of Broken Materials	Anmol Biscuits Limited	2013-14 2012-13	0.30 2.80
		Mukund Foods Limited	2013-14 2012-13	0.35 -
(iii)	Purchase of Raw Materials/ Packing Materials/ FG:	Anmol Biscuits Limited	2013-14 2012-13	47.96 34.22
		Mukund Foods Limited	2013-14 2012-13	3.10 -
		Anmol Bakers Private Limited	2013-14 2012-13	3.80 -
(iv)	Royalty Paid:	Anmol Biscuits Limited	2013-14 2012-13	1.20 5.24

(c) **Remuneration to KMP:**

(Rs. in Millions)

Sl	Details of Transaction	Name of the Company/ Persons	Relationship	Amount
(i)	Remuneration (Refer Note Below)	Vikash Choudhary	2013-14 2012-13	3.63 2.10
		Mool Chand Choudhary	2013-14 2012-13	1.23 0.60

**NOTE:** Remuneration as given above does not includes Long term benefits accrued and gratuity benefit accrued since the same are computed based on actuarial valuation for the all the employee and the amount attributable to the managerial personnel cannot be ascertained separately.

(d) **Guarantees Holding Company:**

(Rs. in Millions)

Sl	Details of Transaction	Name of the Company/Persons		Relationship	Amount
(i)	Guarantees Given (Refer Note Below)	Anmol Biscuits Limited	2013-14 2012-13	Holding Company	- 240.00

**NOTE:** Corporate Guarantees given for credit facilities of Rs. 240.00 millions, sanctioned to M/s Anmol Biscuits Limited by the CitiBank N.A has been released during the year.

**31 Gratuity and other post-employment benefit plans:**

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn) for each completed year of service.

The following table summarises the components of net benefit expense recognised in the profit and loss account and the amounts recognised in the balance sheet for the respective plans.

(a) **Reconciliation of opening and closing balances of Defined Benefit obligation**

(Rs. In Millions)

Particulars	As on 31/03/2014		As on 31/03/2013	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Defined Benefit obligation at beginning of the year	0.20	0.14	0.09	0.10
Current Service Cost	0.26	0.20	0.16	0.10
Interest Cost	0.02	0.01	0.01	0.01
Acturial (gain)/loss on obligations	(0.05)	0.07	(0.05)	(0.06)
Benefits Paid	-	(0.11)	-	(0.01)
Present Value of the Obligation	0.43	0.31	0.20	0.14

(b) **Reconciliation of opening and closing balances of fair value of plan assets**

No Plan Assets (Fund) has been created by the Company.

(c) **Reconciliation of fair value of asects and obligations**

(Rs. In Millions)

Particulars	As on 31/03/2014		As on 31/03/2013	
	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Present Value of obligation	0.43	0.31	0.20	0.14
Fair value of plan assets	-	-	-	-
Amount recognised in Balance Sheet	0.43	0.31	0.20	0.14

(d) **Expense recognised in the Profit and Loss Account**

(Rs. In Millions)

Particulars	Gratuity (Unfunded)	Leave encashment (Unfunded)	Gratuity (Unfunded)	Leave encashment (Unfunded)
Current Service Cost	0.26	0.20	0.16	0.10
Interest Cost	0.02	0.01	0.01	0.01
Expected Return on Plan Assets	-	-	-	-
Acturial (gain)/loss on defined benefit obligations	(0.05)	0.07	(0.05)	(0.06)
Acturial (gain)/loss on Plan Assets	-	-	-	-
Total Expense recognised in the Profit & Loss Account	0.23	0.29	0.11	0.05

(e) **Investment Details**

Particulars	% Invested
Insurer Managed Funds	100%



(f) **Actuarial Assumptions**

Assumptions	Gratuity (Unfunded)		Leave encashment (Unfunded)	
	2013-14	2012-13	2013-14	2011-12
Mortality Table IALM (PREVIOUSLY LIC)	2006-08	1994-96	2006-08	1994-96
	(Ultimate)	(Ultimate)	(Ultimate)	(Ultimate)
Discount rate (per annum)	9.00%	8.25%	9.00%	8.25%
Expected Return on plan assets (per annum)	0.00%	0.00%	-	-
Rate of escalation in salary (per annum)	5.00%	5.00%	5.00%	5.00%
Employee turnover	2.00%	2.00%	2.00%	2.00%

The estimates of rate of escalation in salary considered in actuarial valuation in salary considered in actuarial valuation, taken into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

**32 Details of government Subsidy**

(Rs. In Millions)

Note	Particulars	For the year ended 31 March, 2014	For the year ended 31 March, 2013
		Indian GAAP	Indian GAAP
	<b>Details of government Subsidy</b>		
A	Government Subsidy sanctioned to the Company during the year towards		
	- Capital Subsidy (recognised under <b>Reserve &amp; Surplus</b> )	-	15.00
	- Capital Subsidy on DG Set (Reduced from the cost of the respective assets)	3.21	-
	- VAT Subsidy (recognised as Income)	170.01	94.82
	- Refund of EPCG under EPCG Invalidation Scheme(Reduced from Cost of respective fixed Assets)	7.50	3.31
		<b>180.72</b>	<b>113.13</b>

**33 Contingent Liabilities**

(Rs. In Millions)

Particulars	As at 31st March, 2014	As at 31st March, 2013
	Indian GAAP	Indian GAAP
(a) Estimated amount of contracts remaining to be executed on capital accounts and not provided for (Net of Advances)	38.91	0.40
(b) Contingent Liabilities not provided for in respect of:		
(i) Guarantee issued by Bank	4.34	4.34
(ii) Corporate Guarantee given by the Company:	-	240.00

**NOTE:** Corporate Guarantees given for credit facilities of Rs. 240 millions, sanctioned to M/s Anmol Biscuits Limited by the CitiBank N.A released during the year under review.

**34 Summary Statement of Adjustments to Financial Statements**

34.1 The summary of results and reserve and surplus if restatements made in the financial statements for the respective years/periods and its impact on the profit of the company is as follows:

(Rs. In Millions)

Particulars	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Indian GAAP	Indian GAAP
<b>(A) Net profit as per audited financial statements</b>	<b>253.74</b>	<b>95.45</b>
<b>(B) Adjustments for:</b>		
Change in accounting policy in respect of subsidy income (Note 34.2)	(18.93)	50.83
Deferred tax	(1.74)	5.42
<b>Restated Profit in Statement of Profit and Loss(A+B+C)</b>	<b>233.07</b>	<b>151.70</b>

Particulars	(Rs. In Millions)	
	For the year ended 31st March, 2014	For the year ended 31st March, 2013
	Indian GAAP	Indian GAAP
<b>(A) Reserve and Surplus as per audited financial statements</b>	<b>382.74</b>	<b>134.00</b>
<b>(B) Adjustments for:</b>		
Change in accounting policy in respect of subsidy income (Note 34.2)	46.48	65.42
Deferred tax	20.77	22.52
<b>Restated Reserves and Surplus (A+B+C)</b>	<b>449.99</b>	<b>221.94</b>

- 34.2 During the year, 2014-15 the company has changed its policy with respect to recognition of subsidy income from cash basis to accrual basis. Accordingly, subsidy has been recognised on accrual basis in the respective respective years.
- 34.3 Appropriate readjustment have been made in the restated summary statement of assets & liabilities and statement of profit & loss wherever require, by a reclassification of corresponding items income, expenses, assets and liabilities.
- 34.4 From April 1, 2014 , Schedule II of the Companies Act, 2013 has become applicable to the company. Accordingly, the Company has revised the estimated useful life of its assets. The written down value of fixed assets as at April 1 , 2014 is being depreciated prospectively basis. These changes are considered as a change in the estimates and consequently no retrospective adjustments are made.
- 35 The company operates in one business segment of food products comprising of Biscuits and other Bakery Products and requirements of segmental disclosure information is not applicable to the company
- 36 Certain amount of Debit/Credit balances are pending reconciliation and confirmation as on the balance sheet date.
- 37 Previous year's figures have been regrouped/ re-arranged/ reclassified, wherever considered necessary.
- 38 In terms of SEBI circular no. SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016, the financial statement for the year ended 31st March, 2014 and 31st March, 2013 has been restated and presented under the previous Indian GAAP as applicable.

The major adjustments that would have been required to make this financial statement in compliance with Ind AS are Accounting of Property, Plant and Equipments to be measured at Deemed cost, Accounting of Leasehold land as finance lease under Ind AS - 17, Transaction cost incurred on borrowing to be considered at amortised cost and consequential implication of the above on the deferred taxes thereof.

### 39 Discontinuing Operations

In view of the demerger of CMT Division as given in Note 58 of Annexure V, the operations thereof were considered as discontinued operations and disclosures as required as per Ind AS 105 are as follow:

Particulars	(Rs. In Millions)	
	For the Year ended 31st March, 2014	For the Year ended 31st March, 2013
<b>Revenue and Expenses</b>		
Net Profit for the year from Discontinuing Operations	-	-
<b>Assets and Liabilities</b>		
Net Asset	7.25	5.10
<b>Cash Flows</b>		
Net Cash Flow from Investing Activities (discontinuing Operations)	(2.15)	(5.10)

**For Lodha & Co**  
**Chartered Accountants**

R.P Singh  
Partner

Place: Kolkata  
Date: 23.04.2018

**Brundaban Behera**  
**(Company Secretary)**

**For and on behalf of Board**

**Biswanath Choudhary**  
**(Chairman)**

**Bimal Kumar Choudhary**  
**(Managing Director)**

**Poonam Chandra Tibrewal**  
**(Chief Financial Officer)**

**ANMOL INDUSTRIES LIMITED**  
**Annexure X**

**Restated Summary Statement of Accounting Ratios:**

Particulars		31.12.2017 <sup>(*)</sup>	31.3.2017	31.3.2016	31.3.2015	31.3.2014	31.3.2013
		Restated Ind AS		Restated Proforma Ind AS		Restated Previous GAAP	
<b>Restated Net Worth at the end of the period/Year from Total Operation (Rs. in Millions)</b>							
Equity Share Capital		123.58	123.58	46.60	46.60	46.60	46.60
Other Equity / Reserve & Surplus		6,165.99	6,514.59	1,357.64	825.17	449.99	221.94
Less- Reserve arising out of revaluation of assets		(48.08)	(48.81)	(46.30)	(47.61)	-	-
Less- Goodwill on amalgamation		(3,867.55)	(4,760.06)	-	-	-	-
Less- Capital Investment Subsidy Reserve		-	-	-	-	(38.25)	(43.25)
<b>Total</b>	<b>A</b>	<b>2,373.94</b>	<b>1,829.30</b>	<b>1,357.94</b>	<b>824.16</b>	<b>458.34</b>	<b>225.29</b>
<b>Restated Net Worth at the end of the period/Year from Continuing Operation (Rs. in Millions)</b>							
Equity Share Capital		123.58	123.58	46.60	46.60	46.60	46.60
Other Equity / Reserve & Surplus		6,165.99	6,514.59	1,357.64	825.17	449.99	221.94
Less- Reserve arising out of revaluation of assets		(48.08)	(48.81)	(46.30)	(47.61)	-	-
Less- Goodwill on amalgamation		(3,867.55)	(4,760.06)	-	-	-	-
Less- Capital Investment Subsidy Reserve		-	-	-	-	(38.25)	(43.25)
Less- Net Asset transferred on Demerger		-	-	(906.33)	(152.08)	(7.25)	(5.10)
<b>Total</b>	<b>B</b>	<b>2,373.94</b>	<b>1,829.30</b>	<b>451.61</b>	<b>672.08</b>	<b>451.09</b>	<b>220.19</b>
<b>Profit/(Loss) after Tax as per Restated Summary Statement of Profit &amp; Loss (Rs. in Millions)</b>							
- From Continuing Operations	C	618.70	604.57	595.34	403.72	233.07	151.70
- From Discontinuing Operations	D	-	112.32	-6.80	3.39	-	-
- From Total Operations	E = C+D	<b>618.70</b>	<b>716.89</b>	<b>588.54</b>	<b>407.11</b>	<b>233.07</b>	<b>151.70</b>
Weighted Average Number of Shares Outstanding at the end of the period/Year (Nos)	F	12,357,708	12,357,708	4,660,200	4,660,200	4,660,200	4,660,200
Weighted average number of Equity Shares outstanding during the period/year after considering bonus issue as given in Note (a) below (Nos)	G	61,788,540	61,788,540	4,660,200	4,660,200	4,660,200	4,660,200
<b>Basic &amp; Diluted Earning per Share of Rs 10 each (In Rs.) (Before Bonus Issue)</b>							
- From Continuing Operations	H=C/F	50.07	48.92	127.75	86.63	50.01	32.55
- From Discontinuing Operations	I=D/F	-	9.09	-1.46	0.73	-	-
- From Total Operations	J=E/F	50.07	58.01	126.29	87.36	50.01	32.55
<b>Basic &amp; Diluted Earning per Share of Rs 10 each (In Rs.) (After Bonus Issue)</b>							
- From Continuing Operations	K=C/G	10.01	9.78	127.75	86.63	50.01	32.55

Particulars		31.12.2017 <sup>(*)</sup>	31.3.2017	31.3.2016	31.3.2015	31.3.2014	31.3.2013
		Restated Ind AS		Restated Proforma Ind AS		Restated Previous GAAP	
- From Discontinuing Operations	L=D/G	-	1.82	-1.46	0.73	-	-
- From Total Operations	M=E/G	10.01	11.60	126.29	87.36	50.01	32.55
<b>Return on Net Worth (%)</b>							
- From Continuing Operations	O=C/B	26.06%	33.05%	131.83%	60.07%	51.67%	68.90%
- From Discontinuing Operations	P=Q-O	0.00%	6.14%	-88.49%	-10.66%	-0.82%	-1.56%
- From Total Operations	Q=E/A	26.06%	39.19%	43.34%	49.41%	50.85%	67.34%
<b>Net Asset Value Per Share from Total Operation (In Rs.)</b>							
- Before Bonus Issue	R=A/F	192.10	148.03	291.39	176.85	98.35	48.34
- After Bonus Issue	S=A/G	38.42	29.61	291.39	176.85	98.35	48.34
<b>Net Asset Value Per Share from Continuing Operation (In Rs.)</b>							
- Before Bonus Issue	T=B/F	192.10	148.03	96.91	144.22	96.80	47.25
- After Bonus Issue	U=B/G	38.42	29.61	96.91	144.22	96.80	47.25

<sup>(\*)</sup> Not Annualised.

**Notes:**

- (1) The company has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs 10 each fully paid up. In terms of the scheme of arrangement implemented by the company as stated in note 56(A) below, the share capital existing as on 1st April, 2016 has been cancelled. Accordingly, retrospective adjustment with respect to the bonus shares for determining the weighted average number of shares has not been considered for the financial year ended 31st March, 2016, 31st March, 2015, 31st March, 2014 and 31st March, 2013.

**ANMOL INDUSTRIES LIMITED**  
**Annexure XI**

**Restated Standalone Statement of Capitalization:**

**In Millions**

<b>Particulars</b>		<b>Pre Issue as at 31.12.2017</b>	<b>Post Issue (Refer Note (2) below)</b>
<b>Debts:</b>			
Short term Debts (Note 28 of Annexure V)	A	201.85	
Long term Debts (Note 1 below)	B	498.71	
<b>Total Debts:</b>	$C=(A+B)$	700.56	
<b>Restated Networkth/Equity (As per Annexure- X above)</b>			
Share Capital	D	123.58	
Other Equity	E	2,250.36	
<b>Total Net Worth/Equity:</b>	$F=(D+E)$	2,373.94	
<b>Total Debt / Total Equity</b>	$C/F$	0.30	
<b>Long term Debts / Total Equity</b>	$B/F$	0.21	

**Notes:**

- (1) Long term debts includes Non current borrowings (Note 22 of Annexure V) and current maturities of long term debts (Note 30 of Annexure V)
- (2) The offer comprises of an offer for sale of Equity shares by the existing shareholders of the company and accordingly the pre and post issue capitalisation will not undergone any change.
- (3) The company has allotted 4,94,30,832 number of fully paid Bonus shares on 24.02.2018 in the ratio of four equity share of Rs 10 each fully paid up for every one existing equity shares of Rs 10 each fully paid up. However, the same would not have any impact on the networkth / equity as considered above.

**ANNEXURE XII**  
**Summary of the Rate of Dividend**

(Rs. In Millions)						
Particulars	31.12.2017	31.3.2017	31.3.2016	31.3.2015	31.3.2014	31.3.2013
Equity Share capital	123.58	123.58	46.60	46.60	46.60	46.60
Numbers of Equity Shares	12,357,708	12,357,708	4,660,200	4,660,200	4,660,200	4,660,200
Rate of Dividend	50%	-	100%	50%	-	-
Dividend per share (Rs.)	5	-	10	5	-	-
Pertaining to the Financial Year	FY 2016-17	-	FY 2015-16	FY 2014-15	-	-

**ANNEXURE XIII**
**Restated Statement of Tax Shelter:**
**(Rs. in Millions)**

Particulars	Ref. note no.	For the period ended 31.12.2017	For the year ended 31.3.2017	For the year ended 31.3.2016	For the year ended 31.3.2015	For the year ended 31.3.2014	For the year ended 31.3.2013
<b>Profit before tax</b>		984.86	1,023.09	911.46	486.26	263.96	165.84
Applicable Tax Rate		34.60%	34.60%	34.60%	33.99%	32.44%	32.44%
Income tax expense calculated as per Applicable tax rate		<b>340.84</b>	<b>354.07</b>	<b>315.44</b>	<b>165.28</b>	<b>85.64</b>	<b>53.81</b>
<b>Less:</b> Effect of income Exempt from taxation/ deductible for computing taxable profit							
Dividend/ Other Tax Free Income		(0.10)	(5.90)	(2.45)	-	-	-
Capital Receipt of Subsidy		-	-	-	(87.91)	(55.16)	(35.50)
Profit on sale of funds and shares		-	(21.03)	(0.40)	-	-	-
Investment Allowances U/s 32 AC		-	(26.69)	-	-	-	-
Effect of change in tax rate change related to deferred tax			-	(0.78)			0.90
Effect of other adjustments		(1.25)	(2.65)	6.65	(1.09)	0.41	(5.07)
<b>Add:</b> Effect of expenses that are not deductible in determining taxable profit							
Donation		2.04	3.58	-	1.44	-	-
Expenses disallowed under Income Tax Laws		-	4.82	4.46	1.43	-	-
DTA created in previous year but claimed in current year		24.63	-	-	-	-	-
<b>Income tax expense recognised in profit and loss</b>		<b>3,66.16</b>	<b>3,06.20</b>	<b>3,22.92</b>	<b>79.15</b>	<b>30.89</b>	<b>14.14</b>

## PROFORMA FINANCIAL STATEMENTS

### The Board of Directors

Anmol Industries Limited  
Crescent Tower, 3rd Floor,  
Unit 3A,3B,3C& 3D,  
229 A.J.C. Bose Road  
Kolkata – 700020

### Independent Auditors' Report on Unaudited Proforma Financial Results in connection with the Initial Public Offer of Anmol Industries Limited

#### Introduction

1. This report is issued in accordance with the terms of our arrangement letter dated 26.02.2018 (hereinafter referred to as **"Arrangement Letter"**) with regard to proposed Offer of Equity Shares of Anmol Industries Limited (the **"Company"**).
2. We have been engaged by the Company to review the accompanying proforma financial results (hereinafter referred as **"the Statement"**) for the year ended March 31, 2016 and March 31, 2015 and notes thereon.
3. The Statement has been prepared by the management solely to reflect the results of the core business operations for the year ended March 31, 2016 and March 31, 2015 for comparative purposes post amalgamation of Anmol Biscuits Limited (ABL) (Erstwhile Holding Company of the Company) and Anmol Bakers Private Limited (ABPL) (Erstwhile Wholly Owned subsidiary of ABL) and demerger of Corporate Management and Treasury Division (**"CMT Division"**) as per the Scheme referred to in Note 1 to the Statement. We have initialed the same for identification purposes only.

#### Management's Responsibility

4. The preparation of the Statement, which is to be included in the Offer Documents, is the responsibility of the Company's Management and the same has been approved by the Board of Directors in their meeting held on April 23, 2018. This Statement has been compiled applying the principals and provisions of Ind AS and other accounting principles generally accepted in India as detailed in Note 1 to the Statement.
5. The management is responsible for the preparation and maintenance of all accounting and other relevant supporting records and documents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation; and making estimates that are reasonable in the circumstances to ensure that the Statement is free from material misstatement, whether due to fraud or error.

#### Auditors' Responsibility

6. Our responsibility is to review the Statement with reference to the consolidated financial statements of Anmol Biscuits Limited for the year ended 31st March, 2015 and 31st March, 2016 audited by us and Restated Financial Information for the year ended 31st March, 2017 and nine months ended 31st December, 2017 as given in Draft Red Herring Prospectus (**"DRHP"**), books of account and other relevant records of the Company so as to obtain moderate assurance as to whether the financial statements are free of material misstatement.
7. Within the scope of our work, we have performed the following procedures:
  - (i) Reviewed the figures for the years ended 31st March, 2016 and 31st March, 2015 extracted from the audited consolidated financial statements of Anmol Biscuits Limited (Holding Company) and its subsidiaries for the year ended March 31, 2016 and March 31, 2015 and its convergence to IND AS applying similar principles and provisions as followed for the purposes of restated financial information for the year ended March 31, 2017 and period ended December 31, 2017 as provided in the Restated Financial Information given in Draft Red Herring Prospectus (DRHP);
  - (ii) Reviewed the adjustments with respect to transactions relating to CMT Division; and
  - (iii) Obtained necessary management representation in this respect.
8. The audit of the financial statements of the Company included in the Consolidated Financial Statements of Anmol Biscuits Limited as at and for the financial years ended March 31, 2016 and March 31, 2015 was conducted by S. Poddar & Co., Chartered Accountants (the **"Previous Auditor"**) and accordingly reliance has been placed on the financial statements audited by them for the said years.



9. We conducted our examination for the purpose of this certificate in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
10. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

11. Based on the procedures performed and evidence obtained as stated above and records produced to us for the same and the information and explanations given to us, we confirm that the Statement and notes thereto have been properly prepared by the Management of the Company as set out in the basis of preparation stated in notes 1 and 2 to the Statement and nothing has come to our attention that causes us to believe that the accompanying statement is not fairly stated, in all material respects.

### **Restriction on Use**

12. This report should not in any way be construed as a reissuance or re-dating of any of the previous audit reports issued by us or by the Previous Auditor, nor should this report be construed as a new opinion on any of the financial statements referred to herein.
13. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
14. Our report is intended solely for the use of management for inclusion in the Offer Documents to be filed with Securities and Exchange Board of India, BSE Limited/National Stock Exchange of India Limited and Registrar of Companies in connection with the proposed issue of equity shares of the Company by way of offer for sale by certain existing shareholders. Our report should not be used, referred to or distributed for any other purpose, except with our prior written consent.

For **Lodha & Co,**  
Chartered Accountants  
Firm's Registration Number: 301051E

R.P.Singh  
Partner  
Membership Number: 052438  
Place: Kolkata  
Dated : April 23, 2018

**ANMOL INDUSTRIES LIMITED (Biscuit and Bakery Operations)**  
**Statement of Proforma Financial Results**

(Rs. in Millions)

Particulars	For the year ended March 31, 2016	For the year ended March 31, 2015
	Restated Proforma Ind AS	
<b>REVENUE</b>		
Sale of Products	11,615.89	11,773.30
Other Operating Revenues	268.33	262.72
Total Revenue From Operations	11,884.22	12,036.02
Other Income	103.95	18.97
<b>Total income</b>	<b>11,988.17</b>	<b>12,054.99</b>
<b>EXPENSES</b>		
Cost of materials consumed	7,434.12	8,127.60
Purchases of stock-in-trade	-	22.22
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(20.93)	60.35
Excise Duty on sale of goods	32.63	121.82
Employee benefits expense	461.48	378.05
Finance costs	80.54	93.48
Depreciation and amortisation expense	232.11	91.04
Other expenses	1,891.83	1,876.67
<b>Total expenses</b>	<b>10,111.78</b>	<b>10,771.23</b>
Profit before Tax and Exceptional Items	<b>1,876.39</b>	<b>1,283.76</b>
Exceptional Items	-	-
<b>Profit before tax from continuing operations</b>	<b>1,876.39</b>	<b>1,283.76</b>
Tax expense:		
Current tax	557.09	342.81
Deferred tax	83.78	14.41
	640.87	357.22
<b>Profit after Tax from continuing operations</b>	<b>1,235.52</b>	<b>926.54</b>
<b>Other Comprehensive Income</b>		
Items that will not be reclassified to profit or loss		
Remeasurement of defined benefit plan	2.15	(2.27)
Income tax on above	0.74	(0.79)
<b>Other Comprehensive Income for the year</b>	<b>1.40</b>	<b>(1.49)</b>
<b>Total Comprehensive Income for the year</b>	<b>1,236.92</b>	<b>925.05</b>
<b>Equity Share of face value of ₹ 10/- each (Basic and Diluted)</b>	<b>20.00</b>	<b>15.00</b>

The purpose and basis of preparation Note No 1 and other notes form an integral part of these Financial Results.

**Notes:****1. Purpose of these Proforma Financial Results and Basis of Preparation**

The Statement of Proforma Financial Results (“the Statement”) relate to and represent the core business operations of biscuits and other bakery products (“Core Business Operations”) undertaken by Anmol Industries Limited (“the Company”).

The Statement has been prepared by the management for comparative purposes post implementation of scheme of arrangement sanctioned by the Hon’ble National Company Law Tribunal (Kolkata Bench)(NCLT) vide its order dated 3rd March, 2017 (“the Scheme”). The Scheme sanctioned by NCLT resulted in amalgamation of Anmol Biscuits Limited (ABL) (Erstwhile Holding Company of Anmol Industries Limited) and Anmol Bakers Private Limited (ABPL) (Erstwhile wholly owned subsidiary of ABL) with the Company with effect from April 1, 2016 and April 2, 2016 respectively and demerger of Corporate Management and Treasury Division (“CMT Division”) to another group company with effect from March 22, 2017 and thereby biscuits and other bakery operations of various amalgamating companies have been consolidated and are now being carried out by the Company.

Accordingly, the Statement has been prepared to reflect the comparative results of the core business operations as follows:

- (a) The figures for the financial year ended March 31, 2016 and March 31, 2015 have been prepared solely for comparison purposes to reflect the results of the combined financial results of the core operations hitherto carried out by various companies amalgamated with the Company as stated above. Accordingly, the comparative figures have been prepared from Consolidated Financial Statements (CFS) of Anmol Biscuits Limited (Holding Company) and its subsidiaries for the year ended March 31, 2016 and March 31, 2015 which has been converged to IND AS applying similar principles and provisions as followed for the purposes of restated financial information for the year ended March 31, 2017 and period ended December 31, 2017 as provided in the Restated Financial Information given in Draft Red Herring Prospectus (DRHP).
- (b) Transactions relating to CMT Division (which has been demerged from the Company as stated in Note 1 above) have been adjusted and have not been considered for arriving at the financial results pertaining to core business operations.

**2. The comparative figures of the various companies considered for the Statement include financial results of the following:**

Name of the Companies	Proportion of Ownership Interest	
	2015-16	2014-15
i. Anmol Biscuits Limited (ABL)	Holding Company	
ii. Anmol Industries Limited ( <i>Refer Note 5 below</i> )	100.00%	100.00%
iii. Anmol Bakers Private Limited	100.00%	100.00%
iv. Mukund Foods Limited <sup>(*)</sup>	-	100.00%
v. Anmol Snacks Private Limited <sup>(*)</sup>	-	100.00%

<sup>(\*)</sup> Ceased to be subsidiary pursuant to amalgamation with ABL w.e.f. appointed date April 1, 2014 (order effective date January 30, 2016) pursuant to Scheme of Arrangement.

**3. During the year 2014-15, Anmol Bakers Private Limited, Mukund Foods Limited and Anmol Snacks Private Limited have changed the method of providing depreciation on fixed assets from “Written Down Value” to “Straight Line” at the rate prescribed in Schedule II to the Companies Act, 2013 with retrospective effect resulting in reduced depreciation charge of Rs 158.75 millions which remains adjusted with depreciation for the year.**

**4. Details of Earning per Share**

		31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
(a)	Profit after Tax (Rs. in Millions)	1,235.52	926.54
(b)	Weighted average number of Equity Shares	61,788,540	61,788,540
(c)	Earnings per Share Basic and Diluted (Rs.)	20.00	15.00
(d)	Face value per Equity Share (Rs.)	10.00	10.00

Weighted average number of equity shares has been considered based on the existing capital as at 31<sup>st</sup> December 2017 as adjusted for bonus issue made by the company on 24.02.2018 wherein the company has allotted 4,94,30,832 number of fully paid Bonus shares in the ratio of four equity shares of Rs 10 each fully paid up for every one existing equity shares of Rs. 10 each fully paid up.

**5. The name of the Company was changed from Bansal Biscuits Private Limited to Anmol Industries Private Limited on May 23, 2016 and subsequently to Anmol Industries Limited on March 30, 2017.**

6. The above Statement of Proforma Financial Results has been approved by the Board of Directors in their meeting held on April 23, 2018.

## FINANCIAL INDEBTEDNESS

Our Company has availed loans in the ordinary course of business for the purposes of meeting working capital requirements, acquisition of capital equipment, setting up of a factory for manufacturing certain products, rectification of cash flow mismatch, reimbursement of capital expenditure, and hedging of foreign currency exposure.

For the Offer, our Company has obtained the necessary consents required under the relevant loan documents for undertaking activities, such as change in its capital structure, change in shareholding of our Promoters and change in the equity and management structure of our Company.

Set forth below is a summary of our aggregate borrowings as of April 30, 2018:

Category of borrowing	Sanctioned Amount (₹ in million)	Outstanding amount (₹ in million) as on April 30, 2018
<b>Fund based facilities</b>		
<b>Term loans</b>		
Secured	518.00	289.67
Unsecured	-	-
<b>Total (A)</b>	<b>518.00</b>	<b>289.67</b>
<b>Working capital facilities</b>		
Secured	790.00	-
Unsecured	-	-
<b>Total (B)</b>	<b>790.00</b>	<b>-</b>
<b>Vehicle Loan</b>		
Secured	31.56	19.99
Unsecured	-	-
<b>Total (C)</b>	<b>31.56</b>	<b>19.99</b>
<b>Total (A+B +C)</b>	<b>-</b>	<b>309.66</b>
<b>Non-fund based facilities</b>		
Secured	350.00 (Sub-limit of above ₹ 790.00 million)	84.95
Unsecured	-	-
<b>Total (D)</b>	<b>-</b>	<b>84.95</b>
<b>Total (A + B + C + D)</b>	<b>1,339.56</b>	<b>394.61</b>

### Principal terms of the borrowings availed by us:

- Interest:** In terms of the loans availed by us, the interest rate is typically the base rate of a specified lender and spread per annum or a mutually agreed upon rate which is fixed with reference to the then prevailing base rate. The spread varies between different loans for different lenders. The interest rate of the auto loan availed by us is either a fixed interest rate or the BPLR linked interest rate.
- Tenor:** The tenor of the term loans availed by us typically ranges from 30 months to five years. Further, the tenor for the working capital loan is typically twelve months.
- Security:** In terms of our borrowings where security needs to be created, we are typically required to:
  - create a *pari passu* charge on the current assets;
  - create a *pari passu* charge on certain factory land and building; and
  - create a *pari passu* charge on certain fixed assets.

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.
- Re-payment:** The term loans availed by us have to be repaid in either monthly or quarterly instalments. The repayment period for certain working capital demand loan is bullet repayment. The cash credit and certain overdraft facilities are repayable on demand.
- Covenants:** Borrowing arrangements entered into by our Company contain certain covenants to be fulfilled by our Company, including:
  - obtain consent of the lender prior to formulating any scheme of amalgamation or reconstruction;

- (ii) obtain consent of the lender prior to effecting any change in capital structure of our Company;
- (iii) utilise the loan for the purpose for which the loan was availed;
- (iv) the maximum debt to EBITDA ratio should not exceed a specified ratio during the tenor of the loan;
- (v) inform the lender about any material adverse event affecting the condition of our Company;
- (vi) obtain consent of the lender prior to repayment of existing unsecured loans and advances from our Promoters or Directors;
- (vii) the total borrowing should not exceed permissible limits under the Companies Act, 2013;
- (viii) submit financial statements on a quarterly basis; and
- (ix) obtain credit rating for the lender's facility by an approved credit rating agency.

6. **Events of Default:** Certain borrowing arrangements entered into by our Company contain standard events of default, including:

- (a) non-payment of sum payable within the stipulated time;
- (b) non-compliance with the obligations or terms and conditions of the facilities by our Company;
- (c) change in material ownership structure of our Company;
- (d) cross defaults to other indebtedness of our Company; and
- (e) external ratings falling below a certain value.

This is an indicative list and there may be additional terms and conditions that may amount to an event of default under the various borrowing arrangements entered into by our Company.

Our Company is required to ensure that the aforementioned events of default and other events of default, as specified under the various binding documents and agreements entered into by our Company for the purpose of availing of loans, are not triggered.

## MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*The following discussion is intended to convey management's perspective on our financial condition and results of operations for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017. You should read the following discussion and analysis of our financial condition and results of operations in conjunction with our Restated Financial Statements. This discussion contains forward-looking statements and reflects our current views with respect to future events and our financial performance and involves numerous risks and uncertainties, including, but not limited to, those described in "Risk Factors" beginning on page 14. Actual results could differ materially from those contained in any forward-looking statements and for further details regarding forward-looking statements, see "Forward-Looking Statements" beginning on page 13. Unless otherwise stated, the financial information of our Company used in this section has been derived from Restated Financial Statements.*

*Our Restated Financial Statements for the Financial Years 2017 and nine month period ended December 31, 2017 have been prepared under Indian Accounting Standards ("Ind AS") and our Restated Financial Statements for Financial Years 2015 and 2016 have been prepared as Proforma Ind AS notified under the with Companies (Indian Accounting Standards) Rules, 2015, as amended, read with Section 133 and other relevant provisions of the Companies Act, 2013, in each case restated in accordance with the requirements of Section 26 of the Companies Act, 2013, the ICDR Regulations and the Guidance Note on "Reports in Company Prospectus (Revised 2016)" issued by the ICAI. For Financial Years 2013 and 2014, our Restated Financial Statements are prepared and presented in accordance with Indian GAAP. As required by applicable law, we transitioned from Indian GAAP to Ind AS and for the purposes of transition to Ind AS, we have followed the guidance prescribed in "Ind AS 101 - First Time adoption of Indian Accounting Standard". Ind AS differs in certain material respects from Indian GAAP, IFRS and GAAP in other countries.*

*Accordingly, The Restated Financial Statements prepared for Financial Years 2015, 2016, 2017 and nine month period ended December 31, 2017 may not be comparable to our historical financial statements. In addition, the Restated Financial Statements for Financial Year 2015 and 2016 may not be comparable to our Restated Financial Statements for Financial Year 2017 and the nine month period ended December 31, 2017 due to the Scheme of Arrangement.*

*For purposes of this section, unless the context requires otherwise, reference to "Financial Year" is to the Financial Year ended March 31 of the relevant year.*

### OVERVIEW

We are a branded packaged food company focused on biscuits and cakes and "Anmol" is our flagship brand. We have over the years leveraged our established brand presence in northern and eastern India, strategic supply chain for an extensive distribution network, diversified product portfolio and consequent value proposition for consumers, strategically located manufacturing facilities and experienced promoters and senior management team to establish the Anmol brand into a leading presence across India. We are the fourth largest biscuit brand and the fifth largest cake brand in India in terms of revenue for Calendar Year 2017. In the eastern parts of India, we rank third across the biscuits segment and fourth across the cakes segment in terms of revenue for Calendar Year 2017. (Source: FS Report)

Our diversified product portfolio contains more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich cakes and cupcakes. Our diversified product portfolio enables us to cater to a wide range of taste preferences and consumer segments. We have products in the premium as well as mass market categories, which makes our products less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product category. In addition, we also manufacture and export more than 20 varieties of biscuits for other companies from time to time.

We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. We also outsource manufacturing of our biscuits to Fortune at its manufacturing facility at Sambalpur, Odisha. The Fortune facility has an aggregate installed capacity of 10,200 MTPA for biscuits and its production was 4,401.28 MTPA as at March 31, 2018. Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, which accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from where we get our raw material supplies. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality and freshness of our products, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third party contractor, namely

Fortune, to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

Based on the FS Report, the biscuits market accounted for 35 % of the bakery products segment in India in Financial Year 2017. The biscuits market was valued at ₹ 230 billion in Financial Year 2017, and has grown at a CAGR of 9 % from Financial Years 2010 to 2017. The biscuits market is expected to grow at a CAGR of 8.2 % from Financial Years 2019 to 2022. (Source: FS Report) The cakes and pastries market was valued at ₹ 51.29 billion in Financial Year 2017, and has grown at a CAGR of 16.8 % from Financial Year 2010 to 2017. The cakes and pastries market is expected to grow at a CAGR of 15.1 % from Financial Years 2019 to 2022. (Source: FS Report)

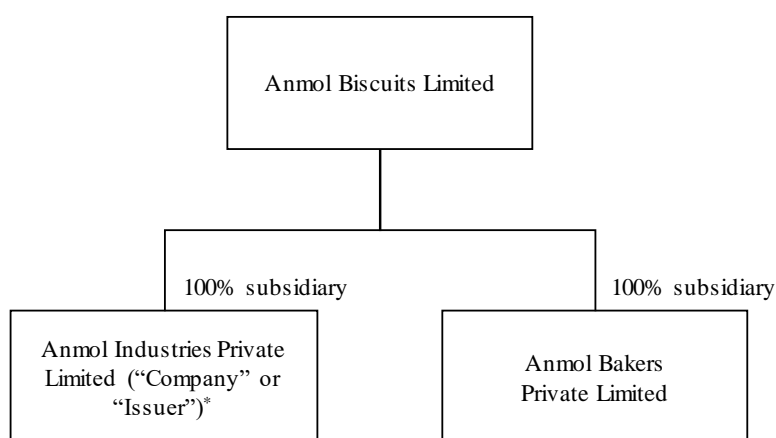
For the Financial Year 2017 and the nine month period ended December 31, 2017, our *RoE* was 33.05 % and 26.06 %, respectively, and our *ROCE* was 34.99 % and 35.35 %, respectively. Further, we recorded *EBITDA* of ₹ 1,196.42 million and ₹ 1,264.75 million, respectively, for the Financial Year 2017 and the nine month period ended December 31, 2017 and our *EBITDA margin* was 9.68 % of our operating income for Financial Year 2017 and 14.74 % of our operating income for the nine month period ended December 31, 2017. Our *PAT* was ₹ 604.57 million for Financial Year 2017 and ₹ 618.70 million for the nine month period ended December 31, 2017 and our *PAT margin* was 4.89 % for Financial Year 2017 and 7.21 % for the nine month period ended December 31, 2017.

We were awarded the “*ET Bengal Corporate Awards*” by the Economic Times in the Financial Year 2015 for being the fastest growing company, and in the Financial Year 2017 for the being the best financial performance company above ₹ 10 billion. For further details see “*History and Certain Corporate Matters- Awards and Accreditations*” on page 130.

### Corporate restructuring

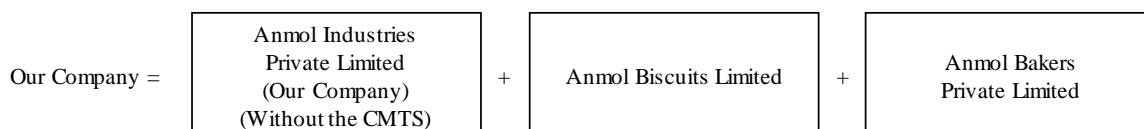
Our erstwhile holding company, ABL, started operations in 1994 with a manufacturing facility at Dankuni, West Bengal. We started our operations in 2011 with a manufacturing facility at Hajipur, Bihar. In Financial Year 2017, our erstwhile holding company, ABL and its subsidiary, ABPL merged with our Company in order to expand and increase our presence in the biscuits and cakes business as well as provide operational synergies. In addition, pursuant to the Scheme of Arrangement the CMT Division of our Company demerged into AUPL. The effect on our corporate structure of the Scheme of Arrangement is represented diagrammatically below:

#### Pre - Scheme of Arrangement



\* Including the Corporate Management and Treasury Division (“CMTS”)

#### Post – Scheme of Arrangement



For further details in relation to the Scheme of Arrangement, see “*History and Certain Corporate Matters – Scheme of Arrangement*” on page 131.

### FACTORS AFFECTING OUR RESULTS OF OPERATIONS AND FINANCIAL CONDITION

Our business, results of operations and financial condition are affected by a number of factors, some of which are beyond our control. This section sets out certain key factors that we believe have affected our business, results of operations and financial



condition in the past or which we expect will affect our business, results of operations or financial condition in the future. For a detailed discussion of certain factors that may adversely affect our business, results of operations and financial condition, see “*Risk Factors*” beginning on page 14.

### ***Market potential of our products***

Our revenue and profit margins are affected by the growth of packaged foods product market in India. Over the last four to five years, demand for packaged foods has increased substantially due to lifestyle changes, increasing affordability and urbanization. During this period, the market for organized packaged foods has grown about 20-25 %. This trend is expected to continue due to increasing product and packaging innovation, emphasis on healthy foods and increasing demand for convenience foods. The increasing sale of processed food products is seen in Tier-1 and Tier-2 cities as well. The demand for packaged foods is expected to go beyond 30% over the next few years (*Source: FS Report*). The market for bakery products is expected to grow at about 8-10 % over the next four to five years. Biscuits is one of the biggest segments within bakery products and accounts for 35% of market share. The biscuits market was valued at ₹ 230 billion in 2017 and grew at a CAGR of 9% from 2010 to 2017. The introduction of new flavours and variants has been one of the key drivers of growth. It is expected to reach ₹ 340 billion by 2022 growing at a CAGR of 8.2 % between 2019 and 2022 (*Source: FS Report*). Cakes and pastries is the third largest segment within bakery products and accounted for 12.2 % of the market share in 2017. The cakes and biscuits market was valued at ₹ 51.29 billion in 2017 and grew at a CAGR of 16.8 % from 2010 to 2017. It is expected to reach ₹ 106,800 million by 2022 growing at a CAGR of 15.1 % between 2019 and 2022 (*Source: FS Report*). We are well-positioned to capitalize on this market growth.

### ***Product mix and pricing of our products***

Our results of operations and financial condition are affected by our product mix and the pricing of our products. We have six manufacturing facilities which are located at Dankuni and Panchghara in West Bengal, Greater Noida and Ghaziabad in Uttar Pradesh, Hajipur in Bihar and Bhubaneswar in Odisha with an Actual Installed Capacity of 294,544 MTPA for biscuits and 8,148 MTPA for cakes; and production of 144,430.50 MTPA for biscuits and 2,484.89 MTPA for cakes as at March 31, 2018. We have an additional manufacturing facility at Sambalpur in Odisha with an aggregate installed capacity of 3,600 MTPA for rusk. We have not yet commenced production at this manufacturing facility and intend to relocate the manufacturing facility from Sambalpur in Odisha. We also outsource manufacturing of our biscuits to Fortune at its manufacturing facility at Sambalpur, Odisha. The Fortune facility has an aggregate installed capacity of 10,200 MTPA for biscuits and its production was 4,401.28 MTPA as at March 31, 2018. Our manufacturing facilities are strategically located, close to our key markets in northern and eastern India, which accounted for 93.90 % and 93.09 % of our sale of products in the Financial Year 2017 and the nine month period ended December 31, 2017, respectively and also close to locations from where we get our raw material supplies. The location of our facilities enables us to maintain freshness of our products and ensure cost-efficiencies in procurement of raw material as well as transportation of finished products, and enables us to leverage economies of scale in relation to efficient logistics operations and lower transportation costs. In order to maintain consistent quality and freshness of our products, 97.09 % of our products as at March 31, 2018 were manufactured in facilities owned by us and only 2.91 % of our products were manufactured by the third party contractor, namely, Fortune to whom we have outsourced manufacturing. As at December 31, 2017, our inventory days were 6 days for biscuits and 12 days for cakes.

Our diversified product portfolio contains more than 60 varieties of biscuits under categories such as crackers, sweet biscuits, health biscuits, cream biscuits and cookies; and more than 25 varieties of cakes under bar cakes, tiffin cakes, sandwich cakes and cupcakes. We have a large variety of SKUs ranging from (i) SKUs by price from ₹ 5 to ₹ 185 for biscuits and ₹ 3 to ₹ 10 for cakes; and (ii) SKUs by weight from 35 grams to 1,500 grams for biscuits and 15 grams to 50 grams for cakes. We seek to differentiate ourselves from our competitors through introduction of new products, including launching innovative flavours targeted at addressing consumer tastes, market trends and providing superior value to consumers. Our diverse line up of biscuit flavours, differentiated packaging and pricing strategies have allowed us to capture a broader consumer base by targeting consumers across different income groups and cater to different tastes and preferences. We continuously evaluate our existing products for quality, taste, nutritional value and cost and make adjustments where required, for our customers.

### ***Ability to introduce new products, premiumise our products and cater to evolving consumer preferences***

The success of our business depends upon our ability to anticipate and identify changes in consumer preferences and offer biscuits and cakes that appeal to our consumers. Our diverse range of biscuits and cakes differentiated packaging and pricing strategies enable us to cater to a wide range of taste preferences and consumer segments. We have products in the premium as well as mass market categories, which makes our products less susceptible to shifts in consumer preferences, market trends and risks of operating in a particular product category. We maintain an active new product pipeline and this enables us to efficiently introduce new products. We have successfully launched “*Anmol Marie Plus*”, “*Nutra Marie Plus*”, “*Anmol Top Magic*” and “*Lovey Dovey cakes*” since the beginning of the Financial Year 2016. For the nine month period ended December 31, 2017, we estimate that 6.01 % of our sale of products were generated by products introduced since the beginning of the Financial Year 2016. Keeping in mind the changing consumer preferences we have also introduced new products to appeal to health-conscious consumers such as our zero sugar crackers, digestive and marie biscuits with zero trans fat and essential nutrients. Further, we currently have certain premium varieties of biscuits and cakes such as “including “*Mellizo Chequered cookies*”, “*Mellizo butter cookies*” and “*Mellizo coconut cookies*” which were introduced in 2014. We intend to increase the number of premium variety of biscuits and cakes. Although we

seek to identify such trends in the industry and introduce new products, we cannot assure you that our products will gain consumer acceptance.

### ***Cost and availability of raw materials and packing materials***

Our cost of materials consumed accounted for approximately 80.39 %, 79.05 %, 74.86 % and 69.76 % of our total expense for Financial Years 2015, 2016 and 2017 and the nine month period ended December 31, 2017, respectively. Our Company procures raw materials such as flour, sugar, vegetable oil, salt, butter and milk powder and packing materials for manufacturing biscuits and cakes. We do not have any long-term contracts with any suppliers and we procure all of our raw materials and packing materials by way of purchase orders and therefore, are required to pay the market rate for such products. Fats and oils accounts for the largest cost of our raw materials. The cost of fats and oil, procured from local suppliers at market rate, represented 21.22 %, 24.97 %, 20.96 % and 21.93 % of our total expense for Financial Years 2015, 2016, 2017 and nine month period ended December 31, 2017, respectively. The cost of flour, procured from local suppliers at market rate, represented 17.01 %, 21.54 %, 20.41 % and 19.10 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively. We place orders for sugar depending on our production requirements at market rates, and typically procure sugar from a few key suppliers in India. The cost of sugar consumed represented 5.72 %, 6.23 %, 10.38 %, and 10.57 % of our total expense for Financial Years 2015, 2016, 2017 and the nine month period ended December 31, 2017, respectively.

In addition, packaging materials represented 13.04 %, 13.79 %, 11.31 % and 11.00% of our total expense for Financial Years 2015, 2016, 2017 and nine month period ended December 31, 2017, respectively.

Our business and results of operation depend on our ability to procure sufficient raw materials and packing materials at commercially viable prices. Given that most of the raw materials are commodities and they are prove to fluctuations in availability and prices as a result of seasonality, weather, demand in local and international market and other factors. The cost of certain key raw materials may increase and we may not be able to effectively pass on all increases in cost to our consumers, which may affect our margins and profitability. Furthermore, any shortage of raw materials in the market generally could lead to an increase in the cost of raw materials which could result in an increase in prices of our products which may reduce demand for our products and thereby affecting our margins and profitability. For further details, see *“Risk Factors – Any disruption or interruption in the operations of the third parties (with whom we do not have long-term agreements), from whom we procure raw materials, or the failure of adequate and timely delivery of raw materials for biscuits and cakes to our quality standards, or an increase in the prices of the raw materials, would have an adverse effect on our business, financial condition and results of operation.”* on page 15.

### ***Distribution network***

We are the fourth largest biscuit brand and the fifth largest cake brand in India in terms of revenue for Calendar Year 2017. In the eastern parts of India, we rank third across the biscuits segment and fourth across the cakes segment in terms of revenue for Calendar Year 2017. (Source: FS Report) We have established an extensive distribution network across 17 states in India comprising of three depots; more than 200 super stockists, who in turn sell our products to more than 2,500 local distributors. Thereafter, our products are distributed to retail outlets that sell to consumers. Our biscuits and cakes are being sold in approximately 1.8 million retail outlets in India. (Source: FS Report) We seek to continue to deepen and grow our distribution network, in order to capitalise on the growing market opportunity in the Indian biscuits and cakes market. We plan to focus on building long term relationships with our distributors and intend to grow the depth and breadth of our distribution network pan India. In order to broaden our reach to retail customers, we plan to continue expanding the density as well as the geographic reach of our existing distribution network. Our results depend on our ability to increase our business with current distributors, enter into new distribution arrangements and develop innovative methods of distributing our products. For further details see, *“Risk Factors - Our inability to expand or effectively manage our growing super stockists and distribution network or any disruptions in our supply or distribution infrastructure may have an adverse effect on our business, results of operations and financial condition.”* on page 21.

### ***Tax incentives***

We are currently entitled to certain governmental tax incentives. These incentives are available to our Company under Bihar Industrial Incentive Policy, 2011 from Government of Bihar. Pursuant to this policy, our Company is entitled to avail 80% reimbursement against the admitted VAT amount deposited in the account of the Government, for a period of ten years. However, pursuant to the recent introduction of GST, there is no clarification regarding this incentive policy. For further details, see, *“Risk Factors - Changes in tax laws or regulations, or their interpretation, such changes may significantly affect our financial statements for the current and future years, which may have material adverse effect on or financial position, business and results of operations”* on page 34. We are also registered under the West Bengal State Support for Industries Scheme, 2008 from the Government of West Bengal and have also applied for registration for subsidies under the Odisha Industrial Policy, 2007 from the Government of Odisha. Any changes in the tax measures may have an impact on our revenues and profitability.

### ***Competition***

We compete in India against other biscuit manufacturers, including Parle, Britannia and ITC and cake manufacturers, including Parle, Britannia, Elite, Monginis which may have larger operations and significantly more resources than us. Parle, Britannia, ITC

account for approximately 75 % of the biscuit market (*Source: FS Report*). Parle, Britannia, Elite and Monginis account for 69% of the cakes market (*Source: FS Report*). We also compete on a broader scale with regional bakeries in the unorganized sector. The artisanal cakes market is highly fragmented and the unorganized sector enjoys a substantial market share. The regional bakeries often offer their products at highly competitive prices and many of them are well established in their local markets. Retailers also market competitive products under their own private labels, which are generally sold at lower prices and compete with some of our products. To the extent that competition increases, we may be required to offer more competitive pricing to our consumers in order to maintain market share, which may affect our revenue and profitability. For further details, see “*Risk Factors – We face significant competition from manufacturers of biscuits and cakes in the organized and unorganized sectors. Any failure to compete effectively may have an adverse effect on our business and operations.*” on page 17.

## **SCHEME OF ARRANGEMENT**

Erstwhile ABL, erstwhile ABPL, our Company and AUPL filed a scheme of arrangement with the NCLT, Kolkata Bench. The NCLT, Kolkata Bench by an order dated March 3, 2017 sanctioned the Scheme of Arrangement pursuant to which erstwhile ABL was merged with our Company with effect from April 1, 2016, erstwhile ABPL was merged with our Company with effect from April 2, 2016 and the CMT Division was transferred to AUPL with effect from March 22, 2017.

Pursuant to the Scheme, all properties, rights, powers, interests, assets and undertakings of erstwhile ABL and erstwhile ABPL were transferred to our Company and all properties, rights, powers, interests, assets and undertakings of our Company relating to the CMT Division were transferred to AUPL. Further, all liabilities and duties of the erstwhile ABL and erstwhile ABPL were transferred to our Company and all liabilities and duties of our Company relating to CMT Division were transferred to AUPL. Consequent to the Scheme, suits and/or appeals and or any proceedings, of whatsoever nature pending by or against the erstwhile ABL and erstwhile ABPL were continued by or against our Company and all suits and/or appeals and or any proceedings, of whatsoever nature pending by or against CMT Division were transferred to AUPL. The permanent employees of erstwhile ABL and erstwhile ABPL became employees of our Company without any entitlement to the employment policies, schemes and benefits available to the employees of our Company. The permanent employees of CMT Division became employees of AUPL without any entitlement to the employment policies, schemes and benefits available to the employees of AUPL.

For further details, see “*History and Certain Corporate Matters – Scheme of Arrangement*” and “*Financial Statements*” on page 131 and 165, respectively.

## **SIGNIFICANT ACCOUNTING POLICIES**

### ***Basis of preparation***

The Restated Financial Statements have been prepared under the historical cost convention on accrual basis except certain financial instruments which are measured in terms of the relevant Ind AS at fair value / amortized costs at the end of each reporting period, certain class of property, plant and equipment, i.e. freehold land and building which as on the date of transition have been fair valued to be considered as deemed cost and certain assets which were acquired in terms of the Scheme of Arrangement as stated in “*Financial Statements - Note 56 – Scheme of Arrangement*” on page 239.

Historical cost convention is generally based on the fair value of the consideration given in exchange for goods and services.

As the operating cycle cannot be identified in normal course, the same has been assumed to have a duration of 12 months. All assets and liabilities have been classified as current or non-current as per the operating cycle and other criteria set out in Ind AS 1 ‘Presentation of Financial Statements’ and Schedule III to the Companies Act, 2013.

The Restated Financial Statements are presented in Indian Rupees and all values are rounded off to the nearest two decimal million except otherwise stated.

### ***Measurement of fair values***

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between the market participants at the measurement date under the current market conditions.

Our Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed for such measurement:

Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Inputs other than quoted prices included within level 1 that are observable either directly or indirectly for the asset or liability.

Level 3: Inputs for the asset or liability which are not based on observable market data (unobservable inputs).

Our Company has an established control framework with respect to the measurement of fair values. This includes a finance team that has overall responsibility for overseeing all significant fair value measurements who regularly review significant observable and unobservable inputs, valuation adjustments and fair value hierarchy under which the valuation should be classified.

### ***Property, plant and equipment (PPE)***

Property, plant and equipment are stated at deemed cost / cost of acquisition, construction and subsequent improvements thereto less accumulated depreciation and impairment losses, if any. For this purpose, cost includes deemed cost on the date of the transition and comprises purchase price of assets or its construction cost including duties and taxes, inward freight and other expenses incidental to acquisition or installation and adjustment for exchange differences wherever applicable and other cost directly attributable to bring the asset into the location and condition necessary for it to be capable of operating in the manner intended for its use. For major projects, interest and other costs incurred on / related to borrowings to finance such projects or fixed assets during construction period and related pre-operative expenses are capitalized.

Parts of an item of PPE having different useful lives and material value and subsequent expenditure there to on account of capital improvement or other factors are accounted for as separate components.

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to our Company and its cost can be measured reliably. The costs of the regular upkeep and repairing of property, plant and equipment are recognised in the income statement when incurred.

Capital work-in-progress includes preoperative and development expenses, equipment's to be installed, construction and erection materials, advances etc. Such items are classified to the appropriate categories of PPE when construction and installation thereof are completed and these are ready for intended use.

### ***Depreciation and Amortization***

Depreciation is provided, on PPE having been put to use based on useful life of the respective assets, in the following manner:

- (i) Leasehold land is amortized over the period of respective lease.
- (ii) Except as stated in (i) above, depreciation on PPE is provided on straight line method at the rates determined with reference to the useful life as specified in Schedule II of the Companies Act, 2013.
- (iii) For the purpose of (ii) above, residual value of tangible assets, where considered, has been taken to be equivalent to five percent of the original cost of respective assets.

Based on above, the estimated useful lives of various assets have been arrived as follows:

<b>Category</b>	<b>Useful life (in years)</b>
Leasehold land	84 to 90 years
Buildings	
- Factory building (RCC frame structure)	30 years
- Non-factory building (RCC frame structure)	60 years
Roads	5 years
Electrical installation	10 years
Plant and equipments	7.5 years
Computer equipment	3 years
Furniture and fixtures	10 years
Office equipment	5 years
Vehicles	8 years

Depreciation methods, useful lives and residual values are reviewed, and adjusted as appropriate, at each reporting date.

### ***Intangible Assets***

Intangible assets are stated at cost comprising of purchase price inclusive of duties and taxes less accumulated amortization and impairment losses. Such assets are amortised over the useful life using straight line method and assessed for impairment whenever there is an indication of same.

Computer software is amortized over a period of three years, on straight line basis.

### ***Derecognition of Tangible and Intangible Assets***

An item of tangible and intangible asset is derecognized upon disposal or when no future economic benefits are expected to arise therefrom. Gain or loss on the disposal or retirement of an item of asset is determined as the difference between the sales proceeds/net realizable value and the carrying amount of the asset, is recognized in the statement of profit and loss.

### ***Leases***

Leases are classified as finance leases where the company as a lessee, has substantially all the risks and rewards incidental to the ownership of an asset. All other leases are classified as operating leases.

Finance leases are capitalized at the inception of the lease at lower of its fair value and the present value of the minimum lease payments and a liability is recognized for an equivalent amount. Any initial direct costs of the lease is added to the amount recognized as an above. The assets are depreciated over their expected useful lives. Each lease payments is apportioned between finance charges and reduction of the lease liability. The finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the outstanding amount of the liabilities.

Payments made under operating leases are recognized as expenses on a straight-line basis over the term of the lease unless the lease agreement is structured to increase the amount in line with expected general inflation or another systematic basis which is more representative of the time pattern of the benefits availed. Contingent rentals, if any, arising under operating leases are recognized as an expense in the period in which they are incurred.

### ***Impairment of Tangible and Intangible Assets***

Tangible and Intangible Assets are reviewed at each balance sheet date for impairment. In case events and circumstances indicate any impairment, recoverable amount of asset is determined. An impairment loss is recognised, whenever the carrying amounts of assets either belonging to Cash Generating Unit (CGU) or otherwise exceeds recoverable amount. The impairment loss so recognized is reversed if there has been change in the recoverable amount and such loss either no longer exists or has decreased. Impairment loss / reversal thereof is adjusted to the carrying value of the respective assets, which in case of CGU, are allocated to its assets on a pro-rata basis.

### ***Financial Assets and Financial Liabilities***

Financial assets and financial liabilities (financial instruments) are recognized when our Company becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of the financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized immediately in the statement of profit and loss.

The financial assets and financial liabilities are classified as current if they are expected to be realised or settled within operating cycle of our Company or otherwise these are classified as non-current.

The financial instruments are subsequently classified at amortised cost, at Fair Value Through Profit and Loss (FVTPL) or Fair Value Through Other Comprehensive Income (FVTOCI) and such classification depends on the objective and contractual term to which they relate. Classification of financial instruments are determined on initial recognition.

#### ***(i) Cash and cash equivalents***

All highly liquid financial instruments, which are readily convertible into determinable amounts of cash and which are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, are considered as cash equivalents. Cash and cash equivalents includes balances with banks which are unrestricted for withdrawal and usage.

#### ***(ii) Financial Assets and Financial Liabilities measured at amortized cost***

Financial assets held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding are measured at amortized cost.

The above financial assets and financial liabilities subsequent to initial recognition are measured at amortized cost using Effective Interest Rate (EIR) Method.

The effective interest rate is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial assets or financial liability to the gross carrying amount of the financial asset or to the amortized cost of the financial liability, or where appropriate, a shorter period, to the net carrying amount on initial recognition.

(iii) *Financial Asset at Fair Value through Other Comprehensive Income*

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. Subsequent to initial recognition, they are measured at fair value and changes therein, are recognized directly in other comprehensive income.

(iv) For the purpose of para (ii) and (iii) above, principal is the fair value of the financial asset at initial recognition and interest consists of consideration for the time value of money and associated credit risk.

(v) *Financial Assets and Financial Liabilities at Fair value through profit or loss*

Financial Instruments which does not meet the criteria of amortized cost or fair value through other comprehensive income are classified as fair value through profit or loss. Upon initial recognition, attributable transaction costs are recognized in the income statement when incurred. Financial instruments at fair value through profit or loss are measured at fair value, and changes therein are recognized in the income statement.

***Impairment of financial assets***

A financial asset is assessed for impairment at each reporting date. A financial asset is considered to be impaired if objective evidence indicates that one or more events have a negative effect on the estimated future cash flows of that asset.

The company measures the loss allowance for a financial asset at an amount equal to the lifetime expected credit losses if the credit risk on that financial instrument has increased significantly since initial recognition. If the credit risk on a financial instrument has not increased significantly since initial recognition, the company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses.

However, for trade receivables or contract assets that result in relation to revenue from contracts with customers, the company measures the loss allowance at an amount equal to lifetime expected credit losses.

***De-recognition of financial instruments***

The company derecognizes a financial asset or a group of financial assets when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset (except for equity instruments designed at FVTOCI), the difference between the asset's carrying amount and the sum of the consideration received and receivable are recognized in profit or loss.

On derecognition of assets measured at FVTOCI the cumulative gain or loss previously recognised in other comprehensive income is reclassified from equity to profit or loss as a reclassification adjustment.

Financial liabilities are derecognized if our Company's obligations specified in the contract expire or are discharged or cancelled. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognized in profit or loss.

***Inventories***

Inventories are valued at cost or net realisable value whichever is lower.

Cost for the purpose of raw materials, packing materials and stores and spares and consumables comprise of the respective purchase costs including inward freight and non- reimbursable duties and taxes.

Cost in respect of finished goods represent material, labour, other direct cost and appropriate overheads and duties and taxes, where applicable.

For the above purposes, cost of inventories are determined on weighted average basis. Provision for inventory obsolescence is made wherever considered necessary and the same is assessed regularly.

### ***Foreign Currency Transactions***

Transactions in foreign currencies are accounted for at the exchange rate prevailing as on the date of the transaction. Foreign currency monetary assets and liabilities at the yearend are translated using closing rates. The loss or gain thereon and also on the exchange differences on settlement of the foreign currency transaction during the year are recognized as income or expenses in the statement of profit and loss. Foreign exchange gain/loss to the extent considered as an adjustment to interest cost are considered as part of borrowing cost.

### ***Equity Share Capital***

An equity instrument is a contract that evidences residual interest in the assets of the company after deducting all of its liabilities. Par value of the equity shares is recorded as share capital and the amount received in excess of par value is classified as securities premium.

Costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

### ***Borrowing Cost***

Borrowing cost comprises of interest and other costs incurred in connection with the borrowing of the funds. All borrowing costs are recognized in the statement of profit and loss using the effective interest method except to the extent attributable to qualifying Property Plant Equipment (PPE) which are capitalized to the cost of the related assets. A qualifying PPE is an asset, that necessarily takes a substantial period of time to get ready for its intended use or sale. Borrowing cost also includes exchange differences to the extent considered as an adjustment to the borrowing costs.

### ***Provision, Contingent Liabilities and Contingent Assets***

Provisions involving substantial degree of estimation in measurement are recognized when there is a legal or constructive obligation as a result of a past event and it is probable that there will be an outflow of resources and a reliable estimate can be made of the amount of the obligation. Provisions are not recognized for future operating losses. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation.

Contingent liabilities is not recognized and are disclosed by way of notes to the financial statements. Such disclosure is made when there is a possible obligation arising from past events, the existence of which is expected to be confirmed only by occurrence or non- occurrence of one or more uncertain future events not wholly within the control of the Company or when there is a present obligation that arises from past events and it is either not probable that an outflow of resources will be required to settle the same or a reliable estimate of the amount in this respect cannot be made.

Contingent assets are disclosed in the Financial Statements by way of notes to accounts when an inflow of economic benefits is probable.

### ***Revenue Recognition***

#### ***1. Sale of goods***

Revenue from sales of goods are recognised on transfer of significant risk and rewards of ownership on delivery to the buyers in terms of agreement with them.

Sales are net of Indirect taxes, sales returns, discounts etc. there against.

#### ***2. Interest and dividend income***

Dividend income is accounted for in the year in which the right to receive the same is established.

Interest on investments and deposits is booked on a time-proportion basis taking into account the amounts invested and the rate of interest.

### ***Government Grants***

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to revenue, it is recognised in the statement of profit and loss on a systematic basis over the periods to which they relate. When the grant relates to an asset, it is treated as deferred income and recognised in the statement of profit and loss by way of deduction from depreciation expense on a systematic basis over the useful life of the asset.

### ***Employee Benefit***

Employee benefits are accrued in the year services are rendered by the employees.

Contribution to the defined contribution schemes such as Provident Fund etc. are recognized as and when incurred.

Contribution to defined benefit plans consisting of contribution to gratuity are determined at close of the year at present value of the amount payable using actuarial valuation techniques. Actuarial gain and losses arising from experience adjustments and changes in actuarial assumptions are recognized in other comprehensive income.

Long term employee benefits consisting of leave encashment are determined at close of the year at present value of the amount payable using actuarial valuation techniques. The changes in the amount payable including actuarial gain/loss are recognised in the statement of profit and loss.

### ***Taxation***

Income tax expense representing the sum of current tax expenses and the net charge of the deferred taxes is recognized in the income statement except to the extent that it relates to items recognized directly in equity or other comprehensive income.

Current income tax is provided on the taxable income and recognized at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the Restated Financial Statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax assets include Minimum Alternative Tax (MAT) measured in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability and such benefit can be measured reliably and it is probable that the future economic benefit associated with same will be realized.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and adjusted to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the deferred tax asset to be utilized.

### ***Earnings Per Share***

Basic earnings per share are computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares outstanding during the period.

Diluted earnings per share is computed by dividing the net profit attributable to the equity holders of the company by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

### ***Segment Reporting***

Operating segments are identified and reported taking into account the different risk and return, organisation structure and internal reporting system.

## **PRINCIPAL COMPONENTS OF INCOME AND EXPENSES**

The following is a brief description of the principal line items that are included in the restated summary statement of profit and losses of the Restated Financial Statements.

### **Total income**

Our total income is comprised of revenue from operations and other income. Our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017 were ₹ 2,726.11 million, ₹ 2,937.38 million, ₹ 12,408.16 million and ₹ 8,588.81 million, respectively.



### ***Revenue from operations***

Our revenue from operations is comprised of sale of products and other operating revenues. Our revenue from operations was 99.78 %, 99.73 %, 99.64 % and 99.89 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### ***Sale of products***

Sale of products represents income we earn from sale of biscuits and cakes.

### ***Other operating revenue***

Other operating revenue represents income we earn from, among other things, sale of scrap and rejected materials, export incentives, subsidy from the government and excise duty on stock.

### ***Other income***

Other income includes: (i) interest income; (ii) net gain on sale of fixed assets; (iii) liabilities no longer required that are written back; (iv) miscellaneous income. Our other income was 0.22 %, 0.27 %, 0.36 % and 0.11 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### **Expenses**

Our expenses are comprised of cost of materials consumed, purchases of stock-in trade, changes in inventories of finished goods, stock-in-trade and work-in-progress, excise duty on sale of goods, employee benefits expense, finance costs, depreciation and amortisation expense and other expenses. Our total expenses for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017 were ₹ 2,244.84 million, ₹ 2,017.68 million, ₹ 11,308.58 million and ₹ 7,603.95 million, respectively.

### ***Cost of materials consumed***

The materials consumed primarily include flour, sugar, vegetable oil, chemicals, salt, butter and milk powder. Our cost of materials consumed was 66.20 %, 54.30 %, 68.22 % and 61.76 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### ***Purchases of stock-in-trade***

The purchases of stock-in-trade were 0.82 %, 1.05 %, 0.04 % and 0.02 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### ***Changes in inventories of finished goods, stock-in-trade and work-in-progress***

The changes in inventories primarily reflect the movement in our inventories of finished goods, stock-in-trade and work-in-progress at the beginning and the end of the period. The changes in inventories was 0.48 %, (0.23) %, 0.03 % and (0.30) % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively. The opening stock-in-trade brought forward for Financial Year 2017 excludes ₹ 10.80 million in respect of the stock purchased from erstwhile ABL and erstwhile ABPL and the same has been included under finished goods.

### ***Excise duty on sale of goods***

Excise duty on sale of goods were 1.35 %, 0.18 %, 0.77 % and 1.01 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### ***Employee benefits expense***

Our employee benefits expenses comprise primarily the salaries, wages and bonus of our employees and also contribution to provident and other funds and staff welfare expenses. Our employee benefits expenses were 1.03 %, 1.19 %, 4.26 % and 5.42 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### ***Finance costs***

Finance cost includes interest expense on term loans, finance lease obligations and others. Interest expense (others) includes ₹ 5.01 million, ₹ 10.90 million, ₹ 47.00 million and ₹ 24.22 million for the Financial Years 2015, 2016 and 2017 and nine month period ending December 31, 2017 in respect to interest on income tax. In addition, finance cost also includes other borrowing costs such as loan processing charges, net loss on foreign currency transactions and translations and others. Our finance costs were 0.51 %, 0.51 %, 0.51 % and 0.51 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

0.88 %, 0.66 % and 0.84 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

#### **Depreciation and amortisation expense**

Depreciation and amortization expenses consists of depreciation on tangible assets and amortization on intangible assets, less government grants for capital investment. Our depreciation and amortisation expenses were 1.62 %, 2.02 %, 1.77 % and 2.42 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

#### **Other expenses**

Other expenses primarily comprise conversion and job work charges, consumption of stores and spares, power and fuel, excise duty on stock, auditors' remuneration, directors' sitting fees, rent, repairs to machinery, buildings and others, sales promotion and advertisement, carriage outward and distribution, other selling expenditures, insurance, rates and taxes, research and development, travelling and conveyance, legal and professional charges, loss on sale of raw material and packing material, net loss on sale and discard of fixed assets, net foreign exchange loss, bad debt, provision for doubtful debts, provision for slow moving materials, provision for doubtful advances, donation and corporate social responsibility expenses and miscellaneous expenses. Our other expenses were 10.34 %, 9.32 %, 15.40 % and 17.36 % of our total income for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

#### **Tax expenses**

Our tax expenses primary comprise of current tax and deferred tax. Our tax expenses were 2.84 %, 11.04 %, 2.34 % and 4.26 % of our total income for Financial Year 2015, 2016 and 2017 and nine month period ended December 31, 2017, respectively.

### **RESULTS OF OPERATIONS**

The following table sets forth a breakdown of our result of operations for Financial Years 2015, 2016 and 2017 and nine month period ended December 31, 2017 and each item as a percentage of our total income for periods indicated:

(₹ in million)

Particulars	For the nine months period ended December 31, 2017	% of total income	For the year ended March 31, 2017	% of total income	For the year ended March 31, 2016	% of total income	For the year ended March 31, 2015	% of total income
<b>REVENUE</b>								
Revenue From Operations	8,579.18	99.89	12,363.31	99.64	2,929.32	99.73	2,720.01	99.78
Other Income	9.63	0.11	44.85	0.36	8.06	0.27	6.10	0.22
<b>Total income</b>	<b>8,588.81</b>	<b>100.00</b>	<b>12,408.16</b>	<b>100.00</b>	<b>2,937.38</b>	<b>100.00</b>	<b>2,726.11</b>	<b>100.00</b>
<b>EXPENSES</b>								
Cost of materials consumed	5,304.30	61.76	8,465.30	68.22	1,595.02	54.30	1,804.67	66.20
Purchases of stock-in-trade	1.97	0.02	5.05	0.04	30.71	1.05	22.22	0.82
Changes in inventories of finished goods, stock-in-trade and work-in-progress	(25.75)	(0.30)	3.55	0.03	(6.78)	(0.23)	13.06	0.48
Excise Duty on sale of goods	86.69	1.01	95.02	0.77	5.15	0.18	36.82	1.35
Employee benefits expense	465.52	5.42	528.22	4.26	34.85	1.19	28.17	1.03
Finance costs	71.86	0.84	81.59	0.66	25.85	0.88	13.79	0.51
Depreciation and amortisation expense	208.03	2.42	219.44	1.77	59.20	2.02	44.12	1.62
Other expenses	1,491.33	17.36	1,910.41	15.40	273.68	9.32	281.99	10.34
<b>Total expenses</b>	<b>7,603.95</b>	<b>88.53</b>	<b>11,308.58</b>	<b>91.14</b>	<b>2,017.68</b>	<b>68.69</b>	<b>2,244.84</b>	<b>82.35</b>
Profit before Tax and Exceptional Items	984.86	11.47	1,099.58	8.86	919.70	31.31	481.27	17.65
Exceptional Items	-	-	204.19	1.65	-	-	-	-
<b>Profit before tax from continuing operations</b>	<b>984.86</b>	<b>11.47</b>	<b>895.39</b>	<b>7.22</b>	<b>919.70</b>	<b>31.31</b>	<b>481.27</b>	<b>17.65</b>
Tax expense:								
Current tax	317.02	3.69	318.94	2.57	233.71	7.96	109.69	4.02
Deferred tax	49.14	0.57	(28.12)	(0.23)	90.65	3.09	(32.14)	(1.18)
	366.16	4.26	290.82	2.34	324.36	11.04	77.55	2.84

Particulars	For the nine months period ended December 31, 2017	% of total income	For the year ended March 31, 2017	% of total income	For the year ended March 31, 2016	% of total income	For the year ended March 31, 2015	% of total income
<b>Profit after Tax from continuing operations</b>	<b>618.70</b>	7.21	<b>604.57</b>	4.87	<b>595.34</b>	20.27	<b>403.72</b>	14.81
Profit from discontinuing operations		0.00	127.70	1.03	(8.24)	(0.28)	4.99	0.18
Tax expense of discontinuing operations	-	-	15.38	0.12	(1.44)	(0.05)	1.60	0.06
<b>Profit after Tax from discontinuing operations</b>	<b>-</b>	<b>-</b>	<b>112.32</b>	0.91	<b>(6.80)</b>	(0.23)	<b>3.39</b>	0.12
<b>Profit for the year</b>	<b>618.70</b>	7.21	<b>716.89</b>	5.78	<b>588.54</b>	20.04	<b>407.11</b>	14.93
<b>Other Comprehensive Income</b>		0.00		0.00		0.00		0.00
Items that will not be reclassified to profit or loss		0.00		0.00		0.00		0.00
Remeasurement of defined benefit plan	(0.65)	(0.01)	3.57	0.03	0.05	0.00	0.02	0.00
Income tax on above	(0.23)	0.00	1.24	0.01	0.02	0.00	0.01	0.00
<b>Other Comprehensive Income for the year</b>	<b>(0.42)</b>	0.00	<b>2.33</b>	0.02	<b>0.03</b>	0.00	<b>0.01</b>	0.00
<b>Total Comprehensive Income for the year</b>	<b>618.28</b>	7.20	<b>719.22</b>	5.80	<b>588.57</b>	20.04	<b>407.12</b>	14.93
<b>Earnings per equity share</b>		0.00		0.00		0.00		0.00
Equity Share of face value of Rs. 10/- each		0.00		0.00		0.00		0.00
Basic and Diluted (From Continuing Operations)	10.01	0.12	9.78	0.08	127.75	4.35	86.63	3.18
Basic and Diluted (From Discontinuing Operations)	-	-	1.82	0.01	(1.46)	(0.05)	0.73	0.03
Basic and Diluted (Total)	10.01	0.12	11.60	0.09	126.29	4.30	87.36	3.20

### Nine month period ended December 31, 2017

#### Income

Our total income for the nine month period ended December 31, 2017 amounted to ₹ 8,588.81 million.

#### Revenue from operations

Revenue from operations for the nine month period ended December 31, 2017 amounted to ₹ 8,579.18 million. This was mainly as result of sale of products of ₹ 8,401.81 million and other operating revenues such as sale of scrap and rejected materials, export incentives, subsidy from government, excise duty on stock and others aggregating to ₹ 177.37 million.

#### Other income

Other income for the nine month period ended December 31, 2017 amounted to ₹ 9.63 million. This consisted primarily of interest income amounting to ₹ 6.06 million and recurring and relating miscellaneous income amounting to ₹ 2.84 million.

#### Expenses

Our total expenses for the nine month period ended December 31, 2017 amounted to ₹ 7,603.95 million. It primarily comprised of cost of materials consumed, purchases of stock-in trade, changes in inventories of finished goods, stock-in-trade and work-in-progress, excise duty on sale of goods, employee benefits expense, finance costs, depreciation and amortisation expense and other expenses.

#### Cost of materials consumed

The materials consumed primarily include flour, sugar, vegetable oil, chemicals, salt, butter, milk powder and packing material. Our cost of materials consumed for the nine month period ended December 31, 2017 consisted of opening stock amounting to ₹ 180.75

million and purchases of raw materials and packing materials amounting to ₹ 5,323.32 million, less (i) the raw material and packing material used for trial run and research purposes amounting to ₹ 4.08 million, (ii) cost of sales of raw materials and packing materials amounting to ₹ 1.12 million; and (iii) closing stock amounting to ₹ 194.57 million.

#### *Purchases of stock-in-trade*

The purchases of stock-in-trade for the nine month period ended December 31, 2017 was ₹ 1.97 million.

#### *Changes in inventories of finished goods, stock-in-trade and work-in-progress*

The changes in inventories of finished goods, stock-in-trade and work-in-progress for the nine month period ended December 31, 2017 amounted to ₹ 25.75 million.

#### *Excise duty on sale of goods*

The excise duty on sale of goods for the nine month period ended December 31, 2017 was ₹ 86.69 million.

#### *Employee benefits expense*

Employee benefits expense for the nine month period ended December 31, 2017 was ₹ 465.52 million. The expenses consisted primarily of salaries, wages and bonus amounting to ₹ 399.12 million, contribution to provident fund and other funds amounting to ₹ 31.48 million and staff welfare expenses amounting to ₹ 34.92 million.

#### *Finance costs*

The finance costs for nine month period ended December 31, 2017 amounted to ₹ 71.86 million. The finance costs consisted primarily of interest expense on term loans, finance lease obligations and others amounting to ₹ 47.37 million, ₹ 0.27 million and ₹ 24.22 million, respectively.

#### *Depreciation and amortisation expense*

Depreciation and amortization expenses for nine month period ended December 31, 2017 amounted to ₹ 208.03 million. It primarily comprised of depreciation on property, plant and machinery amounting to ₹ 219.98 million and amortization on intangible assets amounting to ₹ 0.29 million, less government grants for capital investment amounting to ₹ 12.24 million.

#### *Other expenses*

Other expenses for the nine month period ended December 31, 2017 amounted to ₹ 1,491.33 million. Other expenses primarily comprise conversion and job work charges, consumption of stores and spares, power and fuel, auditors' remuneration, directors' sitting fees, rent, repairs to machinery, repairs to buildings and repairs to others, sales promotion and advertisement, carriage outward and distribution, other selling expenditures, insurance, rates and taxes, research and development, travelling and conveyance, legal and professional charges, loss on sale of raw material and packing material, net loss on sale and discard of fixed assets, provision for slow moving materials, donation and corporate social responsibility expenses and miscellaneous expenses.

### **Financial Year 2017 Compared to Financial Year 2016**

#### ***Income***

Our total income increased by 322.42 % from ₹ 2,937.38 million for the Financial Year 2016 to ₹ 12,408.16 million for the Financial Year 2017. This was mainly due to a 322.05 % increase in revenue from operations in Financial Year 2017 from Financial Year 2016 which was mainly pursuant to the Scheme of Arrangement.

#### *Revenue from operations*

Our revenue from operations increased by 322.05 % from ₹ 2,929.32 million for Financial Year 2016 to ₹ 12,363.31 million for Financial Year 2017. Such an increase was primarily due to transfer of revenue amounting to ₹ 5,303.70 million from erstwhile ABL and ₹ 3,961.33 million from erstwhile ABPL pursuant to the Scheme of Arrangement.

#### *Other income*

Our other income increased by 456.45 % from ₹ 8.06 million for Financial Year 2016 to ₹ 44.85 million for Financial Year 2017, primarily due to an increase in interest income on fixed deposits with banks by 370.30 % from ₹ 6.06 million in Financial Year 2016 to ₹ 28.50 million in Financial Year 2017 and increase in interest income on non-current investments from Nil in Financial Year 2016 to ₹ 1.02 million in Financial Year 2017. Further, there was an increase in recurring but non-business related activity from ₹ 0.49 million in Financial Year 2016 to ₹ 0.91 million in Financial Year 2017. In addition, there was an increase in recurring

miscellaneous income which is related to business activity from ₹ 1.38 million to ₹ 6.13 million. The increase was partially offset by a decrease in the interest income on income tax refund from ₹ 0.13 million in Financial Year 2016 to ₹ 0.02 million in Financial Year 2017.

### ***Expenses***

Our total expenses increased by 460.47 % from ₹ 2,017.68 million for the Financial Year 2016 to ₹ 11,308.58 million for the Financial Year 2017. This was primarily due to transfer of expenses on account of merger of erstwhile ABL and erstwhile ABPL pursuant to the Scheme of Arrangement and also on account of increase in input prices and other overheads.

#### ***Cost of materials consumed***

Our cost of materials consumed increased by 430.73 % from ₹ 1,595.02 million for the Financial Year 2016 to ₹ 8,465.30 million for the Financial Year 2017 due to the transfer of cost of materials consumed amounting to ₹ 3,935.95 million and ₹ 2,838.82 million from erstwhile ABL and erstwhile ABPL, respectively pursuant to the Scheme of Arrangement. Primarily, there has been an increase in cost of key raw materials including butter, pamolien, palm oil, sugar and wheat flour. In addition, there has also been substantial increase in number of varieties of cakes and biscuits in Financial Year 2017 compared to Financial Year 2016, on account of merger of erstwhile ABL and erstwhile ABPL pursuant to the Scheme of Arrangement.

#### ***Purchases of stock-in-trade***

The purchases of stock-in-trade reduced by 83.56 % from ₹ 30.71 million in Financial Year 2016 to ₹ 5.05 million in Financial Year 2017. This was primarily due to purchase of biscuits and cakes from the erstwhile ABL in the Financial Year 2016. There was no such purchase in Financial Year 2016 on account of merger of erstwhile ABL and erstwhile ABPL pursuant to the Scheme of Arrangement.

#### ***Changes in inventories of finished goods, stock-in-trade and work-in-progress***

The inventories of finished goods, stock-in-trade and work-in-progress changed from ₹ (6.78) million in Financial Year 2016 to ₹ 3.55 million in Financial Year 2017.

#### ***Excise duty on sale of goods***

The excise duty on sale of goods increased by 1,745.05 % from ₹ 5.15 million in Financial Year 2016 to ₹ 95.02 million in Financial Year 2017 as certain goods which were earlier exempt from tax, are now taxable goods and transfer of excise duty paid amounting to ₹ 35.68 million and ₹ 24.84 million on account of erstwhile ABL and erstwhile ABPL, respectively pursuant to the Scheme of Arrangement.

#### ***Employee benefits expense***

Our employee benefits expense increased by 1,415.87 % from ₹ 34.85 million in Financial Year 2016 to ₹ 528.22 million in Financial Year 2017 primarily due to an increase in the salaries, wages and bonus from ₹ 27.36 million in Financial Year 2016 to ₹ 462.34 million in Financial Year 2017. Our contribution to provident and other funds also increased from ₹ 2.05 million in Financial Year 2016 to ₹ 39.75 million in Financial Year 2017 and our staff welfare expenses increased from ₹ 5.44 million in Financial Year 2016 to ₹ 26.13 million in Financial Year 2017. Such an increase was primarily due to the transfer of employees from erstwhile ABL and ABPL pursuant to the Scheme of Arrangement. The employee benefits expense incurred by the erstwhile ABL and erstwhile ABPL was ₹ 276.64 million and ₹ 206.51 million, respectively.

#### ***Finance costs***

The finance costs increased by 215.68 % from ₹ 25.85 million in Financial Year 2016 to ₹ 81.59 million in Financial Year 2017. This was due to an increase in the interest expenses from ₹ 25.85 million in Financial Year 2016 to ₹ 80.73 million in Financial Year 2017. There was also an increase in the loan processing charges from NIL in Financial Year 2016 to ₹ 0.17 million in Financial Year 2017 and increase in net loss on foreign currency transactions and translations from NIL in Financial Year 2016 to ₹ 0.69 million in Financial Year 2017. Such an increase was primarily due to the transfer of finance costs amounting to ₹ 50.47 million and ₹ 8.07 million from erstwhile ABL and erstwhile ABPL, respectively, pursuant to the Scheme of Arrangement.

#### ***Depreciation and amortisation expense***

Depreciation and amortization expense increased by 272.80 % from ₹ 59.20 million in Financial Year 2016 to ₹ 220.72 million in Financial Year 2017. This was primarily due to transfer of depreciation and amortization expense amounting ₹ 105.53 million and ₹ 54.43 million from erstwhile ABL and ABPL, respectively, pursuant to the Scheme of Arrangement.

#### *Other expenses*

Other expenses increased by 598.05 % from ₹ 273.68 million in Financial Year 2016 to ₹ 1,910.41 million in Financial Year 2017. This was primarily because of increase in conversion and job work charges consumption of stores and spares, power and fuel, excise duty on stock, auditors' remuneration, directors' sitting fees, rent, repairs to machinery, buildings and others, sales promotion and advertisement, carriage outward and distribution, other selling expenditures, insurance, rates and taxes, research and development, travelling and conveyance, legal and professional charges, net loss on sale and discard of fixed assets, net foreign exchange loss, bad debts, provision for doubtful debts, provision for slow moving materials, provision for doubtful advances, donation and corporate social responsibility expenses and miscellaneous expenses. Such an increase in the other expenses was primarily due to clubbing of expenses amounting to ₹ 971.51 million and ₹ 636.33 million, on account of the expenses from erstwhile ABL and ABPL respectively, pursuant to Scheme of Arrangement.

#### *Restated profit before tax from continuing operations*

As a result of the foregoing, our restated profit before tax, decreased by 2.64 % from ₹ 919.70 million for Financial Year 2016 to ₹ 895.39 million for Financial Year 2017.

#### *Tax expense*

Our tax expense decreased by 10.34 % from ₹ 324.36 million for Financial Year 2016 to ₹ 290.82 million for Financial Year 2017 primarily due to a decrease in deferred tax. This was partially offset by an increase in current tax.

#### *Restated profit after tax from continuing operations*

As a result of the foregoing, our restated profit after tax from continuing operations increased by 1.55 % from ₹ 595.34 million for Financial Year 2016 to ₹ 604.57 million for Financial Year 2017.

#### *Restated profit after tax from discontinuing operations*

Our restated profit after tax from discontinuing operations increased by 1,751.76 % from ₹ (6.80) million for Financial Year 2016 to ₹ 112.32 million for Financial Year 2017.

#### *Restated profit for the year*

As a result of the foregoing, our restated profit for the year increased by 21.81 % from ₹ 588.54 million for Financial Year 2016 to ₹ 716.89 million for Financial Year 2017.

### **Financial Year 2016 Compared to Financial Year 2015**

#### ***Income***

Our total income increased by 7.75 % from ₹ 2,726.11 million for the Financial Year 2015 to ₹ 2,937.38 million for the Financial Year 2016.

#### *Revenue from operations*

Our revenue from operations increased by 7.70 % from ₹ 2,720.01 million for Financial Year 2015 to ₹ 2,929.32 million for Financial Year 2016 primarily due to an increase of sale of products from ₹ 2,499.98 million in Financial Year 2015 to ₹ 2,697.20 million and an increase in the other operating revenues from ₹ 220.03 million for Financial Year 2015 to ₹ 232.12 million for Financial Year 2016. Such an increase was due to an increase in sale of products by ₹ 197.22 million and increase in other operating revenues by ₹ 12.09 million.

#### *Other income*

Our other income increased by 32.13 % from ₹ 6.10 million for Financial Year 2015 to ₹ 8.06 million for Financial Year 2016, primarily due to an increase in interest income on fixed deposits with banks by 1,136.73 % from ₹ 0.49 million in Financial Year 2015 to ₹ 6.06 million in Financial Year 2016. This was due to an increase in interest income on income tax refund of ₹0.13 million in Financial Year 2016 compared to NIL in Financial Year 2015. There was an increase in interest income on others from ₹ 0.11 million in Financial Year 2015 to ₹ 0.49 million in Financial Year 2016. The increase was partially offset by a decrease in the net gain on sale of fixed assets from ₹ 0.17 million in Financial Year 2015 to NIL in Financial Year 2016 and a decrease in the miscellaneous income from ₹ 5.33 million in Financial Year 2015 to ₹ 1.38 million in Financial Year 2016. The miscellaneous income is non-recurring in nature.

## ***Expenses***

Our total expenses decreased by 10.12 % from ₹ 2,244.84 million for the Financial Year 2015 to ₹ 2,017.68 million for the Financial Year 2016.

### ***Cost of materials consumed***

Our cost of materials consumed decreased by 11.62 % from ₹1,804.67 million for the Financial Year 2015 to ₹1,595.02 million for the Financial Year 2016. The decrease in cost of materials consumed was primarily due to a decrease in the purchase of raw materials and packing materials from ₹ 1,816.82 million in Financial Year 2015 to ₹ 1,586.39 million in Financial Year 2016. The decrease in purchase of raw materials was due to the reduction in the cost of raw materials as well as a change in the product mix. Further, there was an increase in cost of sales of raw materials and packing materials from NIL in Financial Year 2015 to ₹ 3.71 million in Financial Year 2016. The decrease in cost of materials consumed was partially offset due to a decrease in the raw materials and packing materials used for trial run and research purpose from ₹ 0.86 million in Financial Year 2015 to ₹ 0.49 million in Financial Year 2016.

### ***Purchases of stock-in-trade***

The purchases of stock-in-trade increased by 38.21 % from ₹ 22.22 million in Financial Year 2015 to ₹ 30.71 million in Financial Year 2016 due to purchase of namkeen products from third parties. However, in order to maintain consistent quality our Company has stopped purchasing namkeen from third parties.

### ***Changes in inventories of finished goods, stock-in-trade and work-in-progress***

The changes in inventories of finished goods, stock-in-trade and work-in-progress decreased by 151.91 % from ₹ (13.06) million in Financial Year 2015 to ₹ 6.78 million in Financial Year 2016 due to an increase in closing stock by 58.10 % from ₹ 11.67 million to ₹ 18.45 million.

### ***Excise duty on sale of goods***

The excise duty on sale of goods decreased by 86.01 % from ₹ 36.82 million in Financial Year 2015 to ₹ 5.15 million in Financial Year 2016 due to reduction in price of biscuits and non-imposition of excise duty on biscuits priced at less than ₹ 100 per kg.

### ***Employee benefits expense***

Our employee benefits expense increased by 23.71 % from ₹ 28.17 million in Financial Year 2015 to ₹ 34.85 million in Financial Year 2016 primarily due to an increase in the salaries, wages and bonus from ₹ 20.92 million in Financial Year 2015 to ₹ 27.36 million in Financial Year 2016. Our contribution to provident and other funds also increased from ₹ 1.63 million in Financial Year 2015 to ₹ 2.05 million in Financial Year 2016. Such an increase in our employee benefits expense was primarily due to an increase in our total number of employees as well as an increase in increments. The increase was partially offset by a decrease in our staff welfare expenses from ₹ 5.62 million in Financial Year 2015 to ₹ 5.44 million in Financial Year 2016.

### ***Finance costs***

The finance costs increased by 87.45 % from ₹ 13.79 million in Financial Year 2015 to ₹ 25.86 million in Financial Year 2016. This was due to an increase in the interest expenses from ₹ 8.76 million in Financial Year 2015 to ₹ 14.93 million in Financial Year 2016. Such an increase was primarily due to the loan availed for setting up units for manufacturing cakes at our Hajipur facility. Further, there was an increase in other finance costs from ₹ 5.01 million in Financial Year 2015 to ₹ 10.90 million in Financial Year 2016. The increase in other finance costs was primarily due to the interest on unsecured loans and cash credit limits.

### ***Depreciation and amortisation expense***

Depreciation and amortization expense increased by 34.18 % from ₹ 44.12 million in Financial Year 2015 to ₹ 59.20 million in Financial Year 2016. This was primarily due to an increase in the depreciation on property, plant and machinery amounting to ₹ 58.15 million in Financial Year 2015 to ₹ 73.51 million in Financial Year 2016. Such an increase was due to the setting up of the units for manufacturing cakes at our Hajipur facility. This was partially offset by the decrease in the expenses for amortization of intangible assets from ₹ 0.29 million in Financial Year 2015 to ₹ 0.01 million in Financial Year 2016.

### ***Other expenses***

Other expenses decreased by 2.95 % from ₹ 281.99 million in Financial Year 2015 to ₹ 273.68 million in Financial Year 2016. This was primarily because of a decrease in consumption of stores and spares, power and fuel, excise duty on stock, rent, repairs to machinery and others, other selling expenditures, insurance, rates and taxes, net loss on sale and discard of fixed assets, donation and corporate social responsibility expenses and miscellaneous expenses. This was partially offset by an increase in the expenses towards conversion and job work charges, directors sitting fees, repairs to buildings, sales promotion and advertisement, carriage

outward, distribution, research and development, travelling and conveyance, legal and professional charges, loss on sale of raw material and packing material and net foreign exchange loss.

#### *Restated profit before tax from continuing operations*

As a result of the foregoing, our restated profit before tax from continuing operation, increased by 91.10 % from ₹ 481.27 million for Financial Year 2015 to ₹ 919.70 million for Financial Year 2016.

#### *Tax expense*

Our tax expense increased by 318.26 % from ₹ 77.55 million for Financial Year 2015 to ₹ 324.36 million for Financial Year 2016 primarily due to an increase in current tax from ₹ 109.69 million for Financial Year 2015 to ₹ 233.71 million for Financial Year 2016 and increase in deferred tax from ₹ (32.14) million for Financial Year 2015 to ₹ 90.65 million for Financial Year 2016.

#### *Restated profit after tax from continuing operations*

As a result of the foregoing, our restated profit after tax from continuing operations increased by 47.46 % from ₹ 403.72 million for Financial Year 2015 to ₹ 595.34 million for Financial Year 2016.

#### *Restated profit after tax from discontinuing operations*

Our restated profit after tax from discontinuing operations decreased by 300.59 % from ₹ 3.39 million for Financial Year 2015 to ₹ (6.80) million for Financial Year 2016.

#### *Restated profit for the year*

As a result of the foregoing, our restated profit for the year increased by 44.56 % from ₹ 407.11 million for Financial Year 2015 to ₹ 588.54 million for Financial Year 2016.

## **LIQUIDITY AND CAPITAL RESOURCES**

### **Overview**

We finance our operations and capital requirements primarily through cash flows from operations and borrowings under credit facilities from certain banks. We believe that our credit facilities, together with cash generated from our operations will be sufficient to finance our working capital needs for the 12 months following the date of this Draft Red Herring Prospectus. We expect that these sources will continue to be our principal sources of cash in the medium term.

### **Cash flows**

Cash and bank balances primarily consist of balances in current accounts with banks, fixed deposits with banks and cash on hand.

The following table sets forth a summary of our statement of cash flows for the periods indicated.

(₹ in million)

	For nine month period ended December 31, 2017	For Financial Year ended March 31,		
		2017	2016	2015
Net cash generated / (used in) operating activities	959.66	989.13	838.49	461.32
Net cash generated / (used in) investing activities	(17.51)	(905.67)	(975.31)	(219.01)
Net cash generated / (used in) financing activities	(922.34)	(136.94)	166.24	(216.67)
Opening balance of cash and cash equivalents	29.64	83.12 <sup>#</sup>	31.49	5.85
Closing balance of cash and cash equivalents	49.45	29.64	60.91	31.49
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>19.81</b>	<b>(53.48)</b>	<b>29.42</b>	<b>25.64</b>

<sup>#</sup> Includes the opening balance of cash and cash equivalents acquired on account of Scheme of Arrangement.



### *Net Cash Flow from Operating Activities*

Our net cash flow from operating activities for nine month period ended December 31, 2017 was ₹ 959.66 million primarily due to “operating profit before working capital changes” of ₹ 1,259.15 million, adjustments for changes in working capital of ₹ (60.10) million and net taxes paid of ₹ (239.39) million.

Our net cash flow from operating activities for Financial Year 2017 was ₹ 989.13 million, primarily due to “operating profit before working capital changes” of ₹ 1,269.20 million, adjustments for changes in working capital of ₹ 107.70 million and net taxes paid of ₹ (387.77) million.

Our net cash flow from operating activities for Financial Year 2016 was ₹ 838.49 million, primarily due to “operating profit before working capital changes” of ₹ 974.11 million, adjustments for changes in working capital of ₹ 53.91 million and net taxes paid of ₹ (189.53) million.

Our net cash flow from operating activities for Financial Year 2015 was ₹ 461.32 million, primarily due to “operating profit before working capital changes” of ₹ 538.41 million, adjustments for changes in working capital of ₹ 32.42 million and net taxes paid of ₹ (109.51) million.

### *Net Cash Flow from Investing Activities*

Our net cash flow used in investing activities for nine month period ended December 31, 2017 was ₹ (17.51) million, primarily due to purchase of fixed assets and movements in capital work in progress / capital advances worth ₹ (98.78) million, sale of fixed assets worth ₹ 3.93 million, matured fixed deposit worth ₹ 71.28 million and interest received worth ₹ 6.06 million.

Our net cash flow used in investing activities for Financial Year 2017 was ₹ (905.67) million, primarily due to purchase of fixed assets and movements in capital work in progress / capital advances worth ₹ (454.12) million, sale of fixed assets worth ₹ 8.89 million, purchase of investments worth ₹ (699.42) million, loan given to body corporate worth ₹ (187.23) million, matured fixed deposit worth ₹ 333.60 million, interest received worth ₹ 82.38 million and dividend received worth ₹ 10.23 million.

Our net cash flow used in investing activities for Financial Year 2016 was ₹ (975.31) million, primarily due to purchase of fixed assets and movements in capital work in progress / capital advances worth ₹ (23.82) million, sale of fixed assets worth ₹ 0.14 million, purchase of investments worth ₹ (775.55) million, loan recovered from body corporate worth ₹ 5.00 million, fixed deposit taken worth ₹ (201.00) million, interest received worth ₹ 12.83 million and dividend received worth ₹ 7.09 million.

Our net cash flow used in investing activities for Financial Year 2015 was ₹ (219.01) million, primarily due to purchase of fixed assets and movements in capital work in progress / capital advances worth ₹ (138.54) million, sale of fixed assets worth ₹ 1.18 million, purchase of investments worth ₹ (85.00) million, and interest received worth ₹ 3.35 million.

### *Net Cash Flow from Financing Activities*

Our net cash flow from financing activities for nine month period ended December 31, 2017 was ₹ (922.34) million, primarily due to proceeds from borrowings of ₹ (786.51) million, interest paid worth of ₹ (61.46) million, dividend paid worth of ₹ (61.79) million and tax on dividend worth ₹ (12.58) million.

Our net cash flow from financing activities for Financial Year 2017 was ₹ (136.94) million, primarily due to proceeds from borrowings of ₹ 14.46 million, buyback of shares worth ₹ (65.38) million and interest paid worth of ₹ (86.02) million.

Our net cash flow from financing activities for Financial Year 2016 was ₹ 166.24 million, primarily due to proceeds from borrowings of ₹ 248.42 million, interest paid worth of ₹ (26.08) million, dividend paid worth of ₹ (46.60) million and tax on dividend worth of ₹ (9.50) million.

Our net cash flow used in financing activities for Financial Year 2015 was ₹ (216.67) million, primarily due to proceeds from long term borrowings of ₹ (174.56) million, interest paid worth of ₹ (14.86) million, dividend paid worth of ₹ (23.30) million and tax on dividend worth of ₹ (3.95) million.

## **BORROWINGS**

Set forth below is a summary of our aggregate borrowings as of April 30, 2018:

Category of borrowing	Sanctioned Amount (₹ in million)	Outstanding amount (₹ in million) as on April 30, 2018
<i>Fund based facilities</i>		
<b>Term loans</b>		
Secured	518.00	289.67

Category of borrowing	Sanctioned Amount (₹ in million)	Outstanding amount (₹ in million) as on April 30, 2018
Unsecured	-	-
<b>Total (A)</b>	<b>518.00</b>	<b>289.67</b>
<b>Working capital facilities</b>		
Secured	790.00	-
Unsecured	-	-
<b>Total (B)</b>	<b>790.00</b>	-
<b>Vehicle Loan</b>		
Secured	31.56	19.99
Unsecured	-	-
<b>Total (C)</b>	<b>31.56</b>	<b>19.99</b>
<b>Total (A+B +C)</b>	-	<b>309.66</b>
<b>Non-fund based facilities</b>		
Secured	350.00 (Sub-limit of above ₹ 790.00 million)	84.95
Unsecured	-	-
<b>Total (D)</b>	-	<b>84.95</b>
<b>Total (A + B + C + D)</b>	<b>1,339.56</b>	<b>394.61</b>

See “*Financial Indebtedness*” for a description of broad terms of our indebtedness on beginning page 283. In the event that our lenders declare an event of default, such current and any future defaults could lead to acceleration of our obligations, termination of one or more of our financing agreements or force us to sell our assets, which may adversely affect our business, results of operations and financial condition. See “*Risk factors - Our Company’s indebtedness could adversely affect our financial condition and results of operations.*” on page 27.

## CAPITAL EXPENDITURES AND CAPITAL INVESTMENTS

### Historical Capital Expenditures

The following table shows our capital expenditures in respect of additions to property, plant and equipment and intangible assets for each of the periods indicated:

	As at	As at March 31,		
	December 31, 2017	2017 <sup>#</sup>	2016	2015
Freehold land	-	667.08	-	-
Leasehold land	-	285.45	-	5.52
Buildings	64.86	1,194.40	0.43	107.60
Plant and equipments	34.54	1,050.05	2.37	140.64
Furniture and fixtures	1.11	47.45	0.02	2.10
Motor vehicle	-	56.78	12.51	0.85
Office equipment	2.00	38.79	0.06	0.07
Electrical installation	0.13	52.11	-	8.28
Roads	0.88	60.29	-	4.07
Computer software	-	7.41	-	-

<sup>#</sup> Includes the additions made in terms of the Scheme of Arrangement.

## CONTRACTUAL OBLIGATIONS AND COMMITMENTS

Our Company has certain operating lease arrangements for storage of goods and other commercial purposes with tenure ranging from 11 months to three years. Terms of some of these lease arrangements include escalation clause for rent and deposit/refund of security deposit. Expenditure incurred on account of rent has been recognized in the statement of profit and loss amounting to ₹ 1.12 million, ₹ 0.51 million, ₹ 17.92 million and ₹ 12.53 million for the Financial Years 2015, 2016 and 2017 and nine month period ended December, 2017, respectively.

Our Company has certain finance lease arrangements for land taken on lease from government authorities for setting up of factory premises / office thereon with tenure ranging from 84 years to 90 years. Terms of some of these lease arrangements include escalation clause for rent. The net carrying amount of the leasehold land is ₹ 55.20 million, ₹ 54.55 million, ₹ 250.78 million and ₹ 247.40 million as at March 31, 2015, March 31, 2016, March 31, 2017 and nine month period ended December 31, 2017. For further details in relation to finance lease liabilities, see “*Financial Statements – Note 44 - Obligation under leases – Finance lease liabilities*” on page 214.

Estimated amount of contracts remaining to be executed on capital account and not provided for:

(₹ in million)

	For the nine month period ended December 31, 2017	For Financial Year ended March 31,		
		2017	2016	2015
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 3.24 million (previous year ₹ 15.66 million))	3.74	56.84	-	-

## OFF-BALANCE SHEET ARRANGEMENTS

We do not have any material off-balance sheet arrangements.

## CONTINGENT LIABILITIES AND COMMITMENT (TO THE EXTENT NOT PROVIDED FOR)

We have had the following contingent liabilities and commitments that had not been provided for:

(₹ in million)

Contingent Liabilities and Commitment (To the extent not provided for):	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
(a) Guarantees issued by banks on behalf of our Company to third parties	61.53	101.67	14.34	4.34
(b) Corporate guarantee given by our Company on behalf of body corporate (Refer Note 49) limit: ₹ 180.00 million	-	86.80	-	-
<b>Others</b>				
(c) Certain demands (excluding interest and penalty - to the extent amount not ascertained) relating to income tax, excise duty, entry tax, service tax and VAT/sales tax matters pending with various authorities to the extent ascertainable from the records and details available are as follows:				
(i) Disputed income tax matters pending under appeal	2.01	2.01	-	
(ii) Excise duty - including various show cause/ demand notices pending under appeal	69.34	46.22	-	
(iii) Entry tax - claimed by assessing authorities pending under appeal	-	2.44	-	
(iv) Disputed VAT/sales tax matters under appeal.	68.44	25.58	0.22	0.22
(v) Service Tax	26.13	2.75	-	
<b>Total</b>	<b>227.45</b>	<b>267.47</b>	<b>14.56</b>	<b>4.56</b>

For further details on our contingent liabilities and commitments that had not been provided for, see “Financial Statements – Note 46 - Contingent Liabilities and Commitment (To the extent not provided for)” on page 219.

## MARKET RISKS

We are exposed to price risk, interest rate risk, credit risk, liquidity risk and foreign currency exchange risk and commodity price risk among others. Our risk management approach seeks to minimize the potential material adverse effects from these exposures. We have implemented risk management policies and guidelines that set out our tolerance for risk and our general risk management philosophy. Accordingly, we have established a framework and process to monitor the exposures to implement appropriate measures in a timely and effective manner. We do not have a fixed hedging policy.

### Interest Rate Risk

Interest rate risk is a risk that primarily arises from floating rate that we pay on our borrowings with banks and financial institutions. We are exposed to the effects of fluctuations in the prevailing levels of market rates on our financial position. As at December 31, 2017, substantially all of our Company’s borrowings were subject to floating interest rate, which are reset at short intervals. We expect that any changes in such rates would have a material impact on our financial condition and results of operations.

With all other variables held constant, our Company’s profit before tax is affected through the impact on floating rate borrowings, as follows:

Interest rate sensitivity	Effect on profit before tax			
	For nine month period ended December 31, 2017	For Financial Year 2017	For Financial Year 2016	For Financial Year 2015
₹ borrowings (+ 0.50)	75.46	84.60	27.23	14.29
Foreign borrowing	-	-	-	-

A decrease in 0.50 basis point in rupee loan and 0.25 basis point in foreign currency loan would have an equal and opposite effect on our Company's financial statements.

### Commodity Price Risk

We are exposed to the price risk associated with purchasing our raw materials such as flour, sugar, vegetable oil, butter, flavouring agents and packaging materials. We typically do not enter into formal arrangements with our suppliers. Therefore, our financial results can be affected significantly by fluctuations in these prices, which depend on many factors, including the demand in local and international markets, changes in the economy, worldwide production levels, worldwide inventory levels and disruptions in the supply chain.

### Credit Risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. Our Company is exposed to credit risk from its operating activities (primarily trade receivables). To manage this, our management has a policy of taking a substantial amount of the sale in advance from the customers and exposure to the remaining credit risk is monitored on an ongoing basis. Our Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends and ageing of accounts receivable. Individual risk limits are set accordingly. Our Company establishes an allowance for impairment that represents its estimates of incurred losses in respect of trade and other receivables. Receivables from customers are reviewed / evaluated periodically by the management and appropriate provisions are made to the extent recovery there against has been considered to be remote. The carrying amount of respective financial assets recognized in the financial statements, (net of impairment losses) represents our Company's maximum exposure to credit risk. The concentration of credit risk is limited due to our customer base being large and unrelated.

### Liquidity risk

Liquidity risk is defined as the risk that our Company will not be able to settle or meet our obligations on time or at a reasonable price. Our Company monitors our liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance our Company's operations and to mitigate the effects of fluctuations in cash flows. For further details in relation to our Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods, see "*Financial Statements – Note 45 - Financial Instruments – 45.5. Liquidity Risk*" on page 218.

### Foreign Currency Risk

We do not consider our exposure to foreign currency exchange risk to be material as we do not have any significant transaction in foreign currency. There are no outstanding derivative contracts as on December 31, 2017.

The details of the unhedged foreign currency exposure are as follows:

Particulars	(in million)			
	December 31, 2017	March 31, 2017	March 31, 2016	March 31, 2015
<b>Advance received against exports</b>				
USD	-	0.00	-	-
EURO	0.06	-	-	-
INR	4.21	0.26	-	-
<b>Trade receivables against exports</b>				
USD	0.08	0.02	-	-
INR	5.21	1.30	-	-
<b>Capital Expenditure</b>				
EURO		0.01	-	-
INR		0.61	-	-

### Inflation Risk

We do not consider our exposure to inflation risk to be material.

## **Price risk**

Price risk relates to our Company's current investments which are fair valued through profit and loss. During the nine month period ended December 31, 2017, our Company does not have any current investments and accordingly, there is no price risk at the time of filing of this Draft Red Herring Prospectus. As risk mitigation measures, our Board reviews and approves all investment decisions.

## **SIGNIFICANT ECONOMIC CHANGES THAT MATERIALLY AFFECT OR ARE LIKELY TO AFFECT INCOME FROM CONTINUING OPERATIONS**

Our business has been subject, and we expect it to continue to be subject, to significant economic changes that materially affect or are likely to affect income from continuing operations identified above in "*Management's Discussion and Analysis of Financial Condition and Results of Operations - Factors Affecting Our Results of Operation*" on page 286 and uncertainties described in "*Risk Factors*" on page 14.

## **TOTAL TURNOVER IN EACH MAJOR INDUSTRY SEGMENT**

Our Company operates in one business segment of food products comprising of biscuits and other bakery products and requirements of segmental disclosure information is not applicable to our Company.

## **UNUSUAL OR INFREQUENT EVENTS OR TRANSACTIONS**

To our knowledge there have been no transactions or events which, in our judgment, would be considered unusual or infrequent.

## **FUTURE RELATIONSHIP BETWEEN COST AND REVENUE**

Other than as described in the section "*Risk Factors*" beginning on page 14, there are no known factors that might affect the future relationship between cost and revenue.

## **PUBLICLY ANNOUNCED NEW PRODUCTS OF BUSINESS SEGMENTS / MATERIAL INCREASES IN REVENUE DUE TO INCREASED DISBURSEMENTS AND INTRODUCTION OF NEW PRODUCTS.**

Other than as disclosed in this section and "*Our Business*" beginning on pages 285 and 106, there are no new products or business segments that have or are expected to have a material impact on our business, prospects, results of operation or financial conditions.

## **SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL PERIOD**

Other than as disclosed in this Draft Red Herring Prospectus, there has not arisen, since the date of the last financial statements set out herein, any circumstance that materially or adversely affects or is likely to affect our profitability, taken as a whole, or the value of our consolidated assets or our ability to pay our liabilities over the next twelve months.

## **SIGNIFICANT DEPENDENCE ON SINGLE OF FEW CUSTOMERS OR SUPPLIERS**

Other than as described in this Draft Red Herring Prospectus particularly in "*Risk Factors - Our inability to expand or effectively manage our growing super stockists and distribution network or any disruptions in our supply or distribution infrastructure may have an adverse effect on our business, results of operations and financial condition*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations*" on pages 21 and 285, respectively, to our knowledge, there is no dependence on a single or few customers or suppliers.

## **COMPETITIVE CONDITIONS**

We operate in a competitive environment. For further details, see "*Our Business*" "*Industry*" and "*Risk Factors*" on pages 106, 83 and 14.

## **SEASONALITY**

Our business operations are not subject to significant seasonal trends.

## **KNOWN TRENDS AND UNCERTAINTIES**

Our business has been impacted and we expect will continue to be impacted by the trends identified above in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Factors Affecting Our Results of Operations*” and the uncertainties described in “*Risk Factors*” beginning on pages 286 and 14, respectively. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors that we expect to have a material adverse impact on our revenues or income from operations.

## SECTION VI: LEGAL AND OTHER INFORMATION

### OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no (i) criminal proceedings involving our Company, our Promoters, our Directors or our Group Companies; (ii) actions taken by statutory or regulatory authorities involving our Company, our Promoters, our Directors or our Group Companies; (iii) taxation proceedings involving our Company, our Promoters, our Directors or our Group Companies (disclosed in a consolidated manner giving the total number of claims and total amount involved); (iv) pending proceedings initiated against our Company for economic offences; (v) non-payment of statutory dues by our Company; (vi) other pending litigation involving our Company, our Promoters, our Directors or our Group Companies which are identified as material in terms of the materiality policy approved by our Board; and (vii) any litigation involving our Company, our Promoters, our Directors or our Group Companies or any other person whose outcome could have material adverse effect on the position of our Company.

Given the nature and extent of operations of our Company, our Board, at its meeting, held on February 24, 2018, approved a policy for determining the 'material' legal proceedings indicated in (vi) above. The outstanding litigation involving our Company, our Promoters, our Directors and our Group Companies or having any bearing on our Company before any judicial forum and having a monetary impact in excess of 1 % of the profit after tax of our Company, as per the Restated Financial Statements, for the last completed financial year i.e. Financial Year 2017, would be considered 'material' for our Company, our Promoters, our Directors and our Group Companies. The profit after tax of our Company as per the Restated Financial Statements, as of and for the Financial Year 2017, was ₹ 716.89 million. Accordingly, we have disclosed all outstanding litigation involving our Company, our Promoters, our Directors and our Group Companies where (a) the aggregate amount involved exceeds ₹ 7.17 million (being 1 % of profit after tax for Financial Year 2017) individually; and (b) all other outstanding litigation which may not meet the specific threshold and parameters as set out in (a) above, but where in the opinion of our Board, an adverse outcome would materially and adversely affect the business, operations, financial position or reputation of our Company.

Our Board, at its meeting held on February 24, 2018, has also approved that creditors to whom the amount of dues exceeds 5 % of our Company's total trade payables for the nine month period ended December 31, 2017, would be considered as 'material' creditors. The trade payables of the Company as per the Restated Financial Statements, as of and for the nine month period ended December 31, 2017, was ₹ 497.13 million. Accordingly, we have disclosed all outstanding dues in excess of ₹ 24.87 million (being approximately 5 % of the total trade payables for the nine month period ended December 31, 2017).

It is clarified that for the purposes of the above, pre-litigation notices (other than those issued by statutory or regulatory authorities) received by our Company, our Promoters, our Directors or our Group Companies shall, unless otherwise decided by our Board, not be considered as litigation until such time that our Company or any of its Promoters, Directors or its Group Companies, as the case may be, is impleaded as a defendant in litigation proceedings before any judicial forum.

Unless stated to the contrary, the information provided below is as of the date of this Draft Red Herring Prospectus.

#### 1. LITIGATION INVOLVING OUR COMPANY

##### A. Litigation against our Company

###### (a) Tax matters

Particulars	Number of matters	Amount involved to the extent quantifiable (in ₹ million)
Direct tax	3	2.96
Indirect tax	30	189.36
<b>Total</b>	<b>33</b>	<b>192.32</b>

###### (b) Actions by regulatory / statutory authorities

###### Actions under FSSA

The Food Safety Officer, Poudhi, Gadwal visited the factory for inspection and examination on August 27, 2015. During the inspection, the Food Safety Officer purchased four packets of Anmol Butter Bake kaju cookies of 105 gm each. These food packets were found to be in violation of Section 26 and 27 of FSSA. A show cause notice was issued by the Food Safety Officer to our Company to show cause in

writing why action should not be taken and to also appear in person. If our Company failed to appear in person then action will be taken under Section 52 of FSSA. The matter is currently pending.

*Actions under LM Act*

- (i) A show cause notice was issued to our Company on April 9, 2018 pursuant to an inspection conducted on March 26, 2018 by the Inspector, Legal Metrology, Bhiwani (Haryana) for violation of Sections 12 and 30 of the LM Act. The matter is currently pending.
- (ii) A show cause notice was issued to our Company by the Senior Inspector, Legal Metrology Department, Kanpur on February 1, 2018 for the alleged non-compliance of our Company's advertisement dated January 31, 2018 in Amar Ujala with LM Act and the LM Rules. Our Company has submitted a reply to this show cause notice on February 15, 2018 stating that the provisions of the LM Act are not applicable to it. The matter is currently pending.

(c) ***Other matters***

*Proceedings under Prevention of Food Adulteration Act, 1954*

- (i) The Food Inspector, Hazaribagh, filed a prosecution report before the Chief Judicial Magistrate, Hazaribagh, on July 1, 2008 along with the report of the public analyst against our Company, wherein it was alleged that the sample of the Anmol biscuits did not conform with the specifications laid down under the Prevention of Food Adulteration Rules, 1955, as amended, as the biscuits had a high acidity content. The Chief Judicial Magistrate, Hazaribagh, took cognizance under Section 16 (a) of the Prevention of Food Adulteration Act, 1954, as amended. A criminal revision application was filed on September 21, 2011 before the Sessions Judge against the order passed by the Judicial Magistrate, Hazaribagh. The Sessions Judge allowed the revision application and set aside the impugned order and directed the trial court to pass a fresh order in view of the fact that mandatory provisions under the Prevention of Food Adulteration Act, 1954 were violated by the Food Inspector. The matter is currently pending.
- (ii) The Food Safety Officer, Indore took the sample of Anmol Glucose Shakti Biscuit, 80 grams on May 25, 2009. Thereafter, the Food Safety Officer sent the sample to laboratory for testing where the proper ingredients were not found in appropriate quantity in the Anmol Glucose Shakti Biscuit. Hence, a case was filed before First Class Judicial Magistrate (Special Municipal Court), Indore by the Foods and Drugs Administration, Indore on April 19, 2010 under Sections 7 and 16 of the Prevention of Food Adulteration Act, 1954. The matter is currently pending.

*Proceedings under FSSA*

- (i) The Food Safety Officer took the sample of food articles manufactured and marketed by the erstwhile ABPL from the Hammad Kiran Store, Ratanpur Bagli Tehsil on June 18, 2012. The Food Safety Officer filed a charge sheet before the court of Adjudicating Officer, District Dewas on January 31, 2013 along with the report of the public analyst against the erstwhile ABPL and its nominee, Ajay Kumar, wherein it was alleged that the sample of the Anmol Snackles biscuits did not conform with the specifications laid down in FSSA and Food Safety and Standards (Packaging and Labelling) Regulation, 2011, as amended as the biscuits were misbranded as the best before information was not in the prescribed format. The court of Adjudicating Officer, District Dewas passed the order on November 12, 2014 where the erstwhile ABPL was held guilty under Sections 52 and 58 of the FSSA and a penalty of ₹ 100,000 was imposed upon it. An appeal was filed by Ajay Kumar against this order before the District and Sessions Judge and Presiding Officer, Food Safety Appellate Tribunal, Dewas on February 4, 2015. The District and Sessions Judge and Presiding Officer, Food Safety Appellate Tribunal, Dewas allowed the appeal and set aside the penalties imposed by the Adjudicating Officer, District Dewas on the basis of the fact that there was substantial compliance of Food Safety and Standards (Packaging and Labelling) Regulation, 2011 and that a notice was not sent to the appellants under Section 46 of the FSSA thereby depriving the appellants their right of appeal.
- (ii) The Food Inspector, Ambikapur inspected the premises of Mukund Foods Limited, the firm of Ajay Kumar Agarwal on June 23, 2005. During the inspection, the Food Inspector took samples of food articles of Mukund Marie Lite Vitamin Energy biscuits. It was also noted that the above biscuits were sold without obtaining the license under FSSA for the year 2005-2006 was not available with the firm. The matter is currently pending before the Deputy Director, Controller, Foods and Drugs Administration, Ambikapur.



### *Proceedings under the Factories Act*

On November 10, 2016, a workman died on spot while undertaking the cleaning and maintenance work of cooling belt and roller of the cake division at our manufacturing facility at Hajipur. Therefore, it was alleged that the activities of our Company at our manufacturing facility at Hajipur was in violation of the Factories Act, 1948 read with Rule 55 of Bihar Factories Rules, 1950. The Factory Officer, Hajipur filed a case before the Chief Judicial Magistrate, Vaishali, Hajipur against Vikash Choudhary and Venugopalan Seshadri on January 24, 2017 alleging violation of the Factories Act read with the relevant rules thereunder. The matter is currently pending.

#### (d) *Notices*

##### *Notices under Trademark Act*

ITC Limited issued a notice to our Company to cease and desist from using “*Romanzo Choco filled cookies*” on May 30, 2018 on grounds of alleged deceptive similarity to their product, “*Sunfeast Dark Fantasy*”. Caveat petitions have been filed by our Company before the HC on June 5, 2018 and before the City Civil Court at Calcutta on June 6, 2018. The matter is currently pending.

### **B. Litigation initiated by our Company**

#### (a) *Criminal matters*

##### *Proceedings under the NI Act*

15 cases have been initiated by our Company against distributors / suppliers of our Company before various judicial forums in relation to cheque bouncing under Section 138 of the Negotiable Instruments Act, 1881, as amended. These matters are currently pending and the aggregate amount involved is ₹ 1.96 million.

##### *Criminal Proceedings*

- (i) A first information report was filed by Bimal Kumar Choudhary representing the erstwhile ABL before the Bhadreswar Police Station, District Hooghly on August 8, 2015 under Section 417, 420, 467 and 468 of the IPC and Sections 63, 64, 65 and 69 of the Copyrights Act against Satya Mandal for cheating, forgery and infringement of copyright of ‘*Anmol, the Right Bite*’ and sale of inferior quality of goods in the counterfeit packaging material that was identical to the Company’s packaging.
- (ii) Written complaints were filed by Sounak Mitra on behalf of our Company before the Bhowanipore Police Station, Kolkata and by Rupesh Pandey on behalf of our Company before the Hajipur Industrial Area Police Station on December 20, 2017 against Mohan K. Sarang for threatening to falsely implicate the Directors and officers of our Company in judicial procedure and threatening to defame our Company over print, electronic and social media and posting defamatory post on social media.
- (iii) A written complaint was filed by the erstwhile ABPL with the Surajpur Police Station against the driver of the truck wherein biscuit packages from a fully loaded truck of biscuits was found missing from the truck. The complaint was prosecuted before the Chief Judicial Magistrate, Gautambudhnagar. The matter is currently pending.

#### (b) *Other matters*

##### *Proceedings under the Trademarks Act, 1999*

- (i) The erstwhile ABL filed a civil suit before the Calcutta High Court against Suruchi Biscuits Private Limited (“**Suruchi**”) in relation to the infringement of trademark, passing off and infringement of copyright in relation to our Company’s trademark “**Butter Bake**” ABL alleged that the trademark of Suruchi’s biscuits “**Butter Bite**” was identical or deceptively similar to our trademark “**Butter Bake**”. ABL also filed an interlocutory application for interim relief in relation to this matter. An order was passed on November 5, 2015 by the HC (Vacation Bench) passing, *inter alia*, a decree of permanent injunction restraining Suruchi from infringing our Company’s trademark “**Butter Bake**”. Subsequently, a special officer was appointed by the HC on December 14, 2015 pursuant to the application by our Company for such an appointment as Suruchi continued manufacturing and distributing its products under the trademark “**Butter**

Bite” even after providing an undertaking to the HC. Thereafter, on February 18, 2016, the HC directed the special officer to take physical possession of any articles lying in the godown containing mark “Butter Bite”. On March 31, 2016, the HC disposed of the application where the special officer appointed by the HC has taken physical possession of the products from the godown of Suruchi. This matter is currently pending.

- (ii) The erstwhile Anmol Biscuits Limited filed an application under Order XXXIX, Rules 1 and 2 and Section 151 of the Code of Civil Procedure, 1908 before the District Judge, Alipore against Hemant Jeitwani in relation to the usage of phonetically, structurally and visually identical or deceptively similar logo ‘MOLGOL’ with the Company’s trademark ‘GOLMOL’. This matter is currently pending.

## 2. LITIGATION INVOLVING OUR PROMOTERS

### A. Litigation against our Promoters

#### (a) *Criminal matters*

##### *Biswanath Choudhary*

A charge sheet was filed by the sub-inspector against Biswanath Choudhary, Sachidnanda Moy Hati, Ramesh Yadav, Bimal Kumar Choudhary, Gopal Choudhary and Gobind Ram Choudhary under Sections 147, 149, 341, 332 and 323 of the IPC on January 11, 1997 for voluntarily causing hurt, rioting, voluntarily causing hurt to deter public servant from his duty and wrongful restraint. The matter is currently pending.

##### *Bimal Kumar Choudhary*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Criminal matters – Biswanath Choudhary*” on page 312.

##### *Gobind Ram Choudhary*

- (i) The Labour Enforcement Officer, Gautam Budh Nagar filed a case before the Chief Judicial Magistrate, Gautam Budh Nagar (“**CJM**”) against Gobind Ram Choudhary under Sections 22A of the Minimum Wages Act, 1948 on February 23, 2015 for the non maintainence of records as required under Section 18 of the Minimum Wages Act, 1948 at the manufacturing facility at Greater Noida owned by erstwhile ABPL. An arrest warrant was issued against Gobind Ram Choudhary on June 8, 2018 under Section 22A of the Minimum Wages Act, 1948 by the CJM. The matter is currently pending.
- (ii) The Labour Enforcement Officer, Gautam Budh Nagar filed a case before the CJM against Gobind Ram Choudhary under Sections 21 and 22 of the Maternity Benefits Act, 1961 on February 23, 2015 for the non maintainence of registers as required under Section 20 of the Maternity Benefits Act, 1961 at the manufacturing facility at Greater Noida owned by erstwhile ABPL. An arrest warrant was issued against Gobind Ram Choudhary on June 8, 2018 under Sections 21 and 22 of the Maternity Benefits Act, 1961 by the CJM. The matter is currently pending.
- (iii) The Assistant Director of Factories, Uttar Pradesh filed a case before the CJM against Gobind Ram Choudhary under Sections 61, 62, 79 and 112 of the Factories Act, 1948 and the rules thereunder on March 30, 2012 for the non maintainence of *inter alia*, muster rolls, inspection book, attendance register and leave records at the manufacturing facility at Greater Noida owned by erstwhile ABPL. An arrest warrant was issued against Gobind Ram Choudhary on January 20, 2018 under Section 92 of the Factories Act, 1948 by the CJM. In this regard, a bail application has been filed by the Company with the CJM on January 24, 2018. The matter is currently pending.
- (iv) For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Criminal matters – Biswanath Choudhary*” on page 312.

#### (b) *Actions by regulatory / statutory authorities*

##### *Actions under the LM Act*

*Dilip Kumar Choudhary*

A show cause notice was issued to all the Directors including *inter alia*, Mamta Binani, Sumit Malhotra, Dilip Kumar Choudhary, Baijnath Choudhary and Vimal Choudhary by the Senior Inspector, Legal Metrology Department, Kanpur on February 22, 2018 for non-compliance of our Company's advertisement dated January 31, 2018 in Amar Ujala with LM Act and the LM Rules. Our Company has submitted a reply to this show cause notice on April 16, 2018 stating that the provisions of the LM Act are not applicable to them. The matter is currently pending.

*Bimal Kumar Choudhary*

For details, see - “*Litigation involving our Promoters - Litigation against our Promoters - Actions by regulatory / statutory authorities - Actions under LM Act - Dilip Kumar Choudhary*” on page 313.

(c) **Tax matters**

Particulars	Number of matters	Amount involved to the extent quantifiable (₹ in million)
<b>Bimal Kumar Choudhary</b>		
Direct tax	3	54.76
<b>Total</b>	<b>3</b>	<b>54.76</b>
<b>Biswanath Choudhary</b>		
Direct tax	3	11.74
<b>Total</b>	<b>3</b>	<b>11.74</b>
<b>Gobind Ram Choudhary</b>		
Direct tax	2	11.04
Indirect tax	1	2.50
<b>Total</b>	<b>3</b>	<b>13.54</b>
<b>Dilip Kumar Choudhary</b>		
Direct tax	2	9.96
Indirect tax	1	0.50
<b>Total</b>	<b>3</b>	<b>10.46</b>

3. **LITIGATION INVOLVING OUR DIRECTORS**

A. **Litigation against our Directors**

(a) **Criminal matters**

*Biswanath Choudhary*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Criminal matters – Biswanath Choudhary*” on page 312.

*Bimal Kumar Choudhary*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Criminal matters – Biswanath Choudhary*” on page 312.

*Gobind Ram Choudhary*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Criminal matters – Gobind Ram Choudhary*” on page 312.

(b) **Actions by regulatory / statutory authorities**

*Actions under the LM Act*

*Mamta Binani*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Actions by regulatory / statutory authorities - Actions under the LM Act – Dilip Kumar Choudhary*” on page 312.

*Dilip Kumar Choudhary*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Actions by regulatory / statutory authorities - Actions under the LM Act – Dilip Kumar Choudhary*” on page 312.

*Sumit Malhotra*

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Actions by regulatory / statutory authorities - Actions under the LM Act – Dilip Kumar Choudhary*” on page 312.

*Bimal Kumar Choudhary*

For details, see - “*Litigation involving our Promoters - Litigation against our Promoters - Actions by regulatory / statutory authorities - Actions under LM Act - Dilip Kumar Choudhary*” on page 312.

(c) **Tax matters**

For details, see “– *Litigation involving our Promoters – Litigation against our Promoters – Tax matters*” on page 313.

#### 4. LITIGATION INVOLVING OUR GROUP COMPANIES

##### A. Litigation against our Group Companies

(a) **Actions by regulatory / statutory authorities**

*ACSPL and BHPL*

ACSPL and BHPL have been named as a high risk financial institution in the list of ‘high risk financial institutions’ published by the Financial Intelligence Unit, Ministry of Finance, Government of India on January 31, 2018. ACSPL and BHPL were named as a high risk financial institution on account of non-compliance of the rule of registration of principal officer of a NBFC under Prevention of Money Laundering Act, 2002 and the rules thereunder. ACSPL and BHPL have submitted a reply to this notice on March 29, 2018 furnishing the relevant documents and details. The matter is currently pending.

*ACSPL*

A show cause notice was issued to ACSPL by the Deputy Registrar, Office of Registrar of Companies, West Bengal on May 16, 2018 for non-compliance of provisions of Sections 2(87) of the Companies Act, 2013 read with Companies (Restriction on Number of Layers) Rules, 2017 by ACSPL. ACSPL has submitted a reply to this show cause notice on May 21, 2018 stating that they are in compliance with the said provisions. The matter is currently pending.

(b) **Tax matters**

Particulars	Number of matters	Amount involved to the extent quantifiable (in ₹ million)
<b>ACSPL</b>		
Direct tax	16	101.05
<b>Total</b>	<b>16</b>	<b>101.05</b>
<b>ASPL</b>		
Direct tax	1	24.07
Indirect tax	2	3.18*
<b>Total</b>	<b>3</b>	<b>27.25</b>
<b>BHPL</b>		
Direct tax	1	2.19
<b>Total</b>	<b>1</b>	<b>2.19</b>
<b>Monarch</b>		
Direct tax	1	0.09
<b>Total</b>	<b>1</b>	<b>0.09</b>

\* This includes the penalty of ₹ 500,000 on the director of ASPL.

## B. Litigation by our Group Companies

### ASPL

#### (a) Criminal matters

##### *Proceedings under NI Act*

Six cases have been initiated by ASPL against distributors / suppliers of Anmol Stainless Private Limited before various judicial forums in relation to cheque bouncing under Section 138 of the Negotiable Instruments Act, 1881. These matters are currently pending and the aggregate amount involved is ₹ 18.51 million.

##### *Criminal Proceedings*

- (i) A petition was filed under Section 200 of the CrPC before the Chief Judicial Magistrate, Alipore by ASPL against Shivam Steel Tube and Vijay Mishra, the partner of Shivam Steel Tube for the commission of offence under Section 406 and Section 420 read with Section 120B of the IPC for criminal breach of trust and cheating. ASPL alleged that Vijay Sharma did not make requisite payments for goods supplied by ASPL to Shivam Steel Tube. The matter is currently pending.
- (ii) A petition was filed under Section 200 of the CrPC before the Chief Judicial Magistrate, Alipore by ASPL against Pankaj Choudhary, the proprietor of Aaray Steels for the commission of offence under Section 406 and Section 420 of the IPC for criminal breach of trust and cheating. ASPL alleged that Pankaj Choudhary did not make requisite payments for goods supplied by ASPL to Aaray Steels. The matter is currently pending.

## 5. SMALL SCALE UNDERTAKINGS OR ANY OTHER CREDITORS

As on December 31, 2017, we had 486 creditors and the aggregate amount outstanding to such creditors was ₹ 497.13 million.

The outstanding dues owed to small scale undertakings, material creditors and other creditors, is set out below:

Material creditors	Number of cases	Amount involved (₹ in million)
Dues to small scale undertakings	6	8.37
Material dues to creditors <sup>#</sup>	Nil	Nil
Dues to other creditors	470	241.05
Creditors for other liabilities <sup>*</sup>	10	247.71
<b>Total</b>	<b>486</b>	<b>497.13</b>

<sup>#</sup> As per the materiality policy adopted by our Board in its meeting held on February 24, 2018

<sup>\*</sup> Creditors for other liabilities pertain to outstanding expenses under different heads as provided for in the accounts.

There are no disputes with such entities in relation to payments to be made to them. The details pertaining to amounts due towards such creditors are available on the website of our Company at the following link: <http://www.anmolindustries.com/creditors/>. The details in relation to such creditors and amount payable to each such creditor available on the website of our Company do not form a part of this Draft Red Herring Prospectus. Any person relying on the information disclosed on the aforesaid link shall rely at their own risk.

## 6. MATERIAL DEVELOPMENTS SINCE THE LAST BALANCE SHEET DATE

For details of material developments, see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations – Factors affecting our results of operations*” on page 286.

## GOVERNMENT AND OTHER APPROVALS

*Our Company has received the necessary consents, licenses, permissions, registrations and approvals from various governmental agencies and other statutory and / or regulatory authorities required for carrying out its business activities and except as mentioned below, no further material approvals are required for carrying on our business activities. Unless otherwise stated, these material approvals or licenses are valid as of the date of this Draft Red Herring Prospectus. Certain material approvals or licenses may have lapsed in their normal course and in relation to those which have expired, we have either made applications for renewal or are in the process of making applications for renewal. For further details in connection with the applicable regulatory and legal framework, see “Regulations and Policies” beginning on page 124.*

The approvals required to be obtained by us includes the following:

### 1. Approvals in relation to the Offer

For the approvals and authorisations obtained by our Company and the Selling Shareholders in relation to the Offer, see “Other Regulatory and Statutory Disclosures – Authority for the Offer” on page 319.

### 2. Incorporation details of our Company

- (a) Certificate of incorporation dated November 19, 2009 issued by the RoC to our Company.
- (b) Fresh certificate of incorporation consequent upon change of name dated May 23, 2016 issued by the RoC to our Company.
- (c) Fresh certificate of incorporation consequent upon conversion to public limited company dated March 30, 2017 issued by the RoC to our Company.

### 3. Approvals under tax legislations

Our Company is required to register itself under various tax laws such as the Income Tax Act, 1961 and Central Goods and Services Tax Act, 2017. Our Company is also required to pay state specific professional tax. Our Company has obtained the necessary approvals and licenses from the appropriate regulatory and governing authorities in relation to such tax laws.

### 4. Approvals in relation to our business operations

Our Company requires various approvals to carry on its business. The material registrations and approvals generally required to be obtained by our Company, include the following:

#### (a) *Environment related approvals*

Consents to operate from the relevant state pollution control board under Water Act and Air Act.

#### (b) *Approvals under employment and labour law legislations*

- (i) Registrations and licenses under Factories Act.
- (ii) Registration certificates for registering contract labourers issued under the provisions of the Contract Labour (Regulation and Abolition) Act, 1970.
- (iii) Registrations under the Employees’ State Insurance Act, 1948; and
- (iv) Registrations under the Employees’ Provident Fund and Miscellaneous Provisions Act, 1952.
- (v) Registration from relevant state labour department under the shops and establishments act of the West Bengal where our Company operates an establishment.

#### (c) *Approvals in relation to the industry*

- (i) Certificates of enlistment and no objection certificates for setting up factories under relevant municipal laws, as applicable.
- (ii) Registration and membership of APEDA.
- (iii) Permission for installation of solar power plant at our manufacturing facility at Bhubaneswar from the Central Electricity Supply Utility of Odisha, Office of Divisional Engineer.

- (iv) Registration and membership of the Federation of Indian Export Organisations.
- (v) Approvals from relevant authorities for obtaining registrations under the Food Safety and Standards Act, 2006, The Standards of Weights and Measures Act, 1976 and Legal Metrology Act, 2009, LM Rules, rules and regulations made thereunder.
- (vi) No objection certificates from the state fire and emergency services department, as applicable regarding compliance of the fire prevention and life safety measures under the relevant state fire prevention and life safety legislations.
- (vii) No objection certificates from the Central Ground Water Authority of the applicable states.
- (viii) Licenses to store compressed gas in pressure vessels under the Indian Explosives Act, 1884.
- (ix) Acknowledgement of receipt of our Industrial Entrepreneur Memorandum.

## 5. Intellectual Property Rights

For further information on the intellectual property of our Company, see “*Our Business*” on page 106.

## 6. Material approvals for which applications (including renewal applications) have been made

- (a) Our Company has made an application to the relevant Central Government or State Government authorities for change in name from ABL or ABPL, as applicable, to our Company, in relation to various licenses, consents, registrations, permissions and approvals that were transferred to the Company pursuant to the merger. For details, See “*History and Certain Corporate Matters - Scheme of Arrangement.*” on page 131.
- (b) Our Company has made an application to the Collector, Government of West Bengal for grant of fire license for our Company’s manufacturing facility at Panchghara.
- (c) Our Company has made an application dated November 28, 2016 to the Director General of Police, Fire Services, Home Guards and Civil Defence, Cuttack, Odisha for grant of renewal of fire safety certificate for our Company’s manufacturing facility at Bhubaneswar.
- (d) Our Company has made an application dated January 10, 2018 to the Fire Safety Officer, Greater Noida for renewal of fire no objection certificate for our manufacturing facility at Greater Noida.
- (e) Our Company has made an application dated December 15, 2017 to the Petroleum and Explosives Safety Organisation for license to import and store petroleum for our Company’s manufacturing facility at Greater Noida.
- (f) Our Company has made an application dated April 30, 2018 to the Employees’ Provident Fund Organisation for incorporation of our Company’s registered and corporate office and its manufacturing facilities at Panchghara and Bhubaneswar as a unit.
- (g) Our Company has made an application dated April 26, 2018 to the Deputy Commissioner of Commercial Taxes, Sambalpur- I circle for incorporation of our manufacturing facility at Bhubaneswar as an additional place of business in the profession tax enrolment certificate.
- (h) Our Company has made an application dated December 11, 2017 to the Uttar Pradesh Pollution Control Board for consent to operate under Air Act and Water Act for our Company’s manufacturing facility at Ghaziabad.
- (i) Our Company has made an application dated May 18, 2018 to the West Bengal Pollution Control Board for consent to operate under Air Act and Water Act for our Company’s manufacturing facility at Dankuni.
- (j) Our Company has made an application dated April 23, 2018 to the Central Ground Water Authority, Ministry of Water Resources, RD & GR for the extension of the validity of the no objection certificate for groundwater usage at our manufacturing facility at Bhubaneswar.
- (k) Our Company has made an application dated June 1, 2015 to the Member Secretary, District Level Authority (West Bengal), Ground Water Resources, Chinsurah, Hooghly for our Company’s manufacturing facility at Dankuni.
- (l) Our Company has made an application dated May 7, 2018 to the Chairman /Vice-Chairman, Dankuni Municipality for the renewal of the trade license for the Company’s manufacturing facility at Dankuni.

- (m) Our Company has made an application dated August 25, 2017 to the Registering Authority, Shops and Establishments, Kolkata for renewal of registration (under the provisions of the West Bengal Shops and Establishments Act, 1963 and the West Bengal Shops and Establishments Rules, 1964,) for our registered and corporate office at Kolkata.
- (n) Our Company has made an application dated May 19, 2018 to the Guwahati Municipal Corporation for the renewal of the trade license for the Company's depot at Gauripur, Assam.

**7. Material approvals required / expired for which no application has been made by our Company**

- (a) Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952 for inclusion of our Company's manufacturing facility at Ghaziabad.
- (b) Registration under the Contract Labour (Regulation and Abolition) Act, 1970 for our Company's manufacturing facility at Dankuni, Panchghara, Ghaziabad and Greater Noida.
- (c) Registration under Food Safety and Standard Authority Act, 2006 for our Company's depots at Telangana and Andhra Pradesh.
- (d) No objection certificate from the respective ground water authorities of the applicable states for our manufacturing facilities at Panchghara, Ghaziabad, Great Noida and Hajipur.

**8. Material approvals required at our manufacturing facility in Sambalpur, Odisha for which no application has been made by our Company**

In addition, we have not yet commenced production at this manufacturing facility and we intend to relocate the manufacturing facility from Sambalpur in Odisha. Hence, we have not renewed or applied for the following government approvals at our manufacturing facility at Sambalpur:

- (a) License under the Factories Act.
- (b) Registration under the Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
- (c) Registration under the Contract Labour (Regulation and Abolition) Act, 1970.
- (d) Fire safety license.
- (e) Approvals from relevant authorities for obtaining registration under the Legal Metrology Act, 2009 and LM Rules.
- (f) Registration and enrolment under state Professions, Trades, Callings and Employment legislations.
- (g) Registration under the Employees' State Insurance Act, 1948.
- (h) Registration under Central Goods and Services Tax Act, 2017.
- (i) Packaging license.
- (j) No objection certificate from the ground water authority of the applicable state.



## OTHER REGULATORY AND STATUTORY DISCLOSURES

### Authority for the Offer

Our Board has approved the Offer pursuant to the resolutions passed at its meetings held on September 12, 2017 and April 23, 2018 in accordance with the provisions of the Companies Act, 2013.

The Offer has been authorised by the Selling Shareholders as follows:

S. No.	Name of the Selling Shareholder	Offer	Date of consent / authorisation
1.	BCF Trust	Up to [●] Equity Shares aggregating up to ₹ 7,204.00 million	Consent letter dated April 3, 2018 and resolution passed by the board of Trustees at the meeting dated April 2, 2018
2.	SKG Land Developers LLP	Up to [●] Equity Shares aggregating up to ₹ 225.00 million	Consent letter dated April 3, 2018 and resolution passed by the partners at the meeting dated April 2, 2018
3.	Delta Nirman LLP	Up to [●] Equity Shares aggregating up to ₹ 40.00 million	Consent letter dated April 3, 2018 and resolution passed by the partners at the meeting dated April 2, 2018
4.	Anmol Hi-Cool LLP	Up to [●] Equity Shares aggregating up to ₹ 25.00 million	Consent letter dated April 3, 2018 and resolution passed by the partners at the meeting dated April 2, 2018
5.	Puneet Mercantiles LLP	Up to [●] Equity Shares aggregating up to ₹ 6.00 million	Consent letter dated April 3, 2018 and resolution passed by the partners at the meeting dated April 2, 2018

The Equity Shares being offered by the Selling Shareholders in the Offer have been held by them for a period of at least one year prior to the filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the ICDR Regulations and are eligible for being offered for sale in the Offer. The Selling Shareholders have confirmed that they are the legal and beneficial owner of the Equity Shares being offered by them pursuant to the Offer for Sale.

Our Company has received in-principle approvals from BSE and NSE for the listing of the Equity Shares pursuant to letters dated [●] and [●], respectively.

### Prohibition by SEBI or other Governmental Authorities

Our Company, our Promoters, natural persons behind BCF Trust, members of our Promoter Group, our Directors, persons in control of our Company, our Group Companies and the Selling Shareholders have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or other authorities.

The companies with which our Promoters, our Directors or persons in control of our Company are or were associated as promoters, directors or persons in control are not or have not been debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory or governmental authority.

None of our Directors are associated with the securities market in any manner.

There have been no violations of securities laws committed by any of our Directors in the past or are pending against them.

There has been no action taken by SEBI against our Directors or any entity in which our Directors are involved as promoters or directors, except as stated in “*Our Management – Confirmations*” on page 136.

### Prohibition by RBI

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, our Directors, our Group Companies nor the Selling Shareholders have been identified as Wilful Defaulters.

## Eligibility for the Offer

Our Company is eligible to undertake the Offer in accordance with the provisions of Regulation 26(1) of the ICDR Regulations, as explained under the eligibility criteria as calculated in accordance with Restated Financial Statements:

1. our Company has had net tangible assets of at least ₹ 30.00 million in each of the preceding three full years (of 12 months each);
2. our Company has a minimum average pre-tax operating profit of ₹ 150.00 million calculated on a restated basis, during the three most profitable years out of the immediately preceding five years;
3. our Company has had a net worth of at least ₹ 10.00 million in each of the three preceding full years (of 12 months each);
4. the aggregate of the proposed Offer and all previous issues, if any, made in the same financial year, in terms of the Offer size, does not exceed five times of the pre-Offer net worth of our Company as per the audited balance sheet of the preceding Financial Year; and
5. our Company has not changed its name within the last one year.

Our Company's pre-tax operating profit net worth and net tangible assets derived from the Restated Financial Statements included in this Draft Red Herring Prospectus as at, and for the last five Financial Years ended March 31, 2017, 2016, 2015, 2014 and 2013 are set forth below:

(in ₹ million)

Particulars	As at December 31, 2017	Financial year ended March 31, 2017	Financial Year ended March 31, 2016	Financial Year ended March 31, 2015	Financial Year ended March 31, 2014	Financial Year ended March 31, 2013	Average Pre-tax operating profit of three most profitable years out of the preceding 5 years
Net tangible Assets*	4,606.74	4,591.84	1,084.78	979.19	885.87	703.13	
Pre-tax operating profits for the year**	1,047.09	1,136.32	937.49	488.96	288.85	207.10	854.26 (Average of 2014-15, 2015-16 and 2016-17)
Net Worth***	2,373.94	1,829.30	451.61	672.08	451.09	220.19	

\* 'Net tangible assets' mean the sum of all net assets of the Issuer, excluding intangible assets as defined in Indian Accounting Standard 38 "Intangibles" as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended).

\*\* 'Pre-tax Operating Profit' is defined as the restated profit before tax but after adjusting other income, exceptional items and finance costs and income from discontinued operations.

\*\*\* 'Net Worth' means the aggregate of equity share capital and reserves, excluding goodwill on amalgamation, revaluation reserves, capital investment subsidy reserves and net asset transferred on demerger.

Our average pre-tax operating profit is based on the three most profitable years of the immediately preceding five years, being Financial Years 2015, 2016 and 2017, in term of the ICDR Regulations is ₹ 854.26 million.

Further, in accordance with Regulation 26(4) of ICDR Regulations, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted shall not be less than 1,000, failing which the entire application monies shall be refunded forthwith/ unblocked in the respective ASBA Accounts of the ASBA Bidders, as applicable in terms of the Companies Act 2013, ICDR Regulations and any other applicable law. In case of delay, if any, in refund, our Company shall pay interest at the specified interest rate for the delayed period.

Our Company is in compliance with the conditions specified in Regulations 4(2) and 4(5)(a) of the ICDR Regulations, to the extent applicable.

The Selling Shareholders have confirmed that they have held the portion of Equity Shares proposed to be offered and sold by them in the Offer for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus.

## **DISCLAIMER CLAUSE OF SEBI**

**AS REQUIRED, A COPY OF THE DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE OFFER IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, EDELWEISS FINANCIAL SERVICES LIMITED, ICICI SECURITIES LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.**

**IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE DRAFT RED HERRING PROSPECTUS, AND THE SELLING SHAREHOLDERS ARE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKINGS MADE BY THEM IN THE DRAFT RED HERRING PROSPECTUS IN RELATION TO THEMSELVES AND THE RESPECTIVE PORTION OF EQUITY SHARES BEING OFFERED BY THEM IN THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS, EDELWEISS FINANCIAL SERVICES LIMITED, ICICI SECURITIES LIMITED AND MOTILAL OSWAL INVESTMENT ADVISORS LIMITED HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JUNE 19, 2018 WHICH READS AS FOLLOWS:**

**WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVEMENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:**

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID OFFER;**
- 2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE OFFER, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY AND THE SELLING SHAREHOLDERS, WE CONFIRM THAT:**
  - (a) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI") IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE OFFER;**
  - (b) ALL THE LEGAL REQUIREMENTS RELATING TO THE OFFER AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED/ISSUED BY SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
  - (c) THE DISCLOSURES MADE IN THE DRAFT 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 OFFER AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956 (AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE), THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED (THE "ICDR REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID. COMPLIED WITH AND NOTED FOR COMPLIANCE.**

4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS. - NOTED FOR COMPLIANCE
5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR EQUITY SHARES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING OF THE DRAFT RED HERRING PROSPECTUS WITH THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS. COMPLIED WITH AND NOTED FOR COMPLIANCE.
6. WE CERTIFY THAT REGULATION 33 OF THE ICDR REGULATIONS, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS' CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS. - COMPLIED WITH AND NOTED FOR COMPLIANCE.
7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSES (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE ICDR REGULATIONS SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE OFFER. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. - NOT APPLICABLE
8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT OFFER FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION. - COMPLIED WITH, TO THE EXTENT APPLICABLE.
9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE OFFER, THE SELLING SHAREHOLDERS AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE, ALL MONIES RECEIVED OUT OF THE OFFER SHALL BE CREDITED, TRANSFERRED TO A SEPARATE BANK ACCOUNT AS REFERRED TO IN SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013.
10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT 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 HAVE TO BE ISSUED IN DEMATERIALISED FORM ONLY.
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE ICDR REGULATIONS 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. - COMPLIED WITH.
12. WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
- (a) AN UNDERTAKING FROM THE COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY; AND
- (b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE ICDR REGULATIONS WHILE MAKING THE OFFER. - NOTED FOR COMPLIANCE

14. **WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE ICDR REGULATIONS, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT 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 THE MERCHANT BANKER (WHO IS RESPONSIBLE FOR PRICING THE ISSUE)', AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR.**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS OF THE COMPANY, AS PER THE ACCOUNTING STANDARD 18 AND INDIAN ACCOUNTING STANDARD 24 AND INCLUDED IN THE DRAFT RED HERRING PROSPECTUS AS CERTIFIED BY LODHA & CO., CHARTERED ACCOUNTANTS (FIRM REGISTRATION NUMBER: 301051E) PURSUANT TO ITS CERTIFICATE DATED JUNE 19, 2018).**
18. **WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THE ICDR REGULATIONS (IF APPLICABLE) - NOT APPLICABLE.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company, the Promoter Selling Shareholders and any person who has authorized the issue of this Draft Red Herring Prospectus from any liabilities under Section 34 or Section 36 of Companies Act, 2013, or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the Offer. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in this Draft Red Herring Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve the Non-Promoter Selling Shareholders from any liability to the extent of the statements specifically confirmed or undertaken by the Non-Promoter Selling Shareholders in respect of the Equity Shares offered by the Promoter Selling Shareholder under the Offer, under Section 34 and 36 of the Companies Act, 2013.

All legal requirements pertaining to the Offer will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Offer will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26, 30 and 32 of the Companies Act, 2013.

#### **Caution - Disclaimer from our Company, the Selling Shareholders and the BRLMs**

Our Company, our Directors, our Promoters, the Promoter Selling Shareholder and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website [www.anmolindustries.com](http://www.anmolindustries.com) would be doing so at his or her own risk. Each Non-Promoter Selling Shareholder, its partners, affiliates, associates and officers accepts/undertakes no responsibility for any statements made other than those statements specifically confirmed or undertaken by such Non-Promoter Selling Shareholder in relation to itself and to the Equity Shares offered by it under the Offer.

The BRLMs accepts no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement.

All information shall be made available by our Company, the BRLMs and the Selling Shareholders to the public and investors at large and no selective or additional information would be made available by our Company, Selling Shareholders or the BRLMs for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither our Company, the Selling Shareholders nor any member of the Syndicate shall be liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders, Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares and will not issue, sell, pledge, or transfer the Equity Shares to

any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, Underwriters and their respective directors, trustees, partners, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire the Equity Shares.

The BRLMs and its associates and affiliates may engage in transactions with and perform services for our Company, the Selling Shareholders and their respective group companies, affiliates or third parties in the ordinary course of business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company, the Selling Shareholders and their respective group companies, affiliates or third parties, for which they have received, and may in the future receive customary compensation.

#### **Disclaimer in respect of Jurisdiction**

The Offer is being made in India to persons resident in India (including Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their respective constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India, systemically important non-banking financial company) and to eligible non-residents including Eligible NRIs and Eligible FPIs. This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase Equity Shares in the Offer in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Offer will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

The Equity Shares offered in the Offer have not been and will not be registered, listed or otherwise qualified in any jurisdiction except India and may not be offered or sold to persons outside of India except in compliance with the applicable laws of each such jurisdiction. In particular, the Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**U.S. Securities Act**”), or the securities laws of any state of the United States and may not be offered or sold in the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, the Equity Shares are being offered and sold only outside the United States pursuant to Rule 903 of Regulation S under the U.S. Securities Act (“**Regulation S**”).

**NO PERSON OUTSIDE INDIA IS ELIGIBLE TO BID FOR EQUITY SHARES UNLESS THAT PERSON HAS RECEIVED A PRELIMINARY OFFERING MEMORANDUM FOR THE OFFER, WHICH COMPRISES THE RED HERRING PROSPECTUS AND A PRELIMINARY INTERNATIONAL WRAP THAT CONTAINS, AMONG OTHER THINGS, THE SELLING RESTRICTIONS APPLICABLE TO THE OFFER OUTSIDE INDIA.**

Each purchaser of the Equity Shares offered in the Offer in India shall be deemed to:

- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member that it was outside the United States (as defined in Regulation S) at the time the offer of the Equity Shares was made to it and it was outside the United States when its buy order for the Equity Shares was originated.
- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member that it did not purchase the Equity Shares as result of any “directed selling efforts” (as defined in Regulation S).
- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member that it bought the Equity Shares being offered pursuant the Offer for investment purposes and not with a view to the distribution thereof. If in the future it decides to resell or otherwise transfer any of the Equity Shares, it agrees that it will not offer, sell or otherwise transfer the Equity Shares except in a transaction complying with Rule 903 or Rule 904 of Regulation S or pursuant to any other available exemption from registration under the U.S. Securities Act.
- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member that if it acquired any of the Equity Shares as fiduciary or agent for one or more investor accounts, it has sole investment discretion with respect to each such account and that it has full power to make the foregoing representations, warranties, acknowledgements and agreements on behalf of each such account.
- Represent and warrant to our Company, the Selling Shareholders, the BRLMs and the Syndicate Member that if it acquired any of the Equity Shares for one or more managed accounts, that it was authorized in writing by each such managed account to subscribe to the Equity Shares for each managed account and to make (and it hereby makes) the representations, warranties, acknowledgements and agreements herein for and on behalf of each such account, reading the reference to “it” to include such accounts.

- Agree to indemnify and hold the Company, the Selling Shareholders, the BRLMs and the Syndicate Member harmless from any and all costs, claims, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of these representations, warranties or agreements. It agrees that the indemnity set forth in this paragraph shall survive the resale of the Equity Shares.
- Acknowledge that our Company, the Selling Shareholders, the BRLMs, the Syndicate Member and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgements and agreements.

#### **Disclaimer Clause of BSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to BSE. The disclaimer clause as intimated by BSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus, prior to RoC filing.

#### **Disclaimer Clause of NSE**

As required, a copy of this Draft Red Herring Prospectus has been submitted to NSE. The disclaimer clause as intimated by NSE to our Company, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus, prior to RoC filing.

#### **Filing**

A copy of this Draft Red Herring Prospectus has been filed with SEBI at Corporate Finance Department, Plot No. C4-A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at Nizam Palace, 2<sup>nd</sup> MSO Building, 2<sup>nd</sup> Floor, 234/4, A.J.C. Bose. Road, Kolkata 700 020, West Bengal, India.

#### **Listing**

Applications have been made to the Stock Exchanges for permission to deal in and for an official quotation of the Equity Shares. [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in, and for an official quotation of, the Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all monies received from the Bidders in pursuance of the Red Herring Prospectus and the Selling Shareholders will be liable to reimburse our Company for such repayment of monies, on its behalf, with respect to the Equity Shares offered by it in the Offer.

If such money is not repaid within the prescribed time, then our Company, the Selling Shareholders and every officer in default shall be liable to repay the money, with interest, as prescribed under applicable law.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within six Working Days from the Bid/Offer Closing Date.

If our Company does not Allot Equity Shares pursuant to the Offer within six Working Days from the Bid/ Offer Closing Date or within such timeline as prescribed by SEBI, our Company and the Selling Shareholders shall repay, without interest, all monies received from the Bidders, failing which interest shall be due to be paid to the Bidders at applicable interest for the delayed period.

Each Selling Shareholder, undertakes to provide such reasonable support and extend reasonable co-operation as may be required by our Company and the BRLMs, in relation to the Equity Shares offered by it in the Offer to the extent such support and cooperation is required from such Selling Shareholder to facilitate the process of listing and commencement of trading of the Equity Shares on the Stock Exchanges where the Equity Shares are proposed to be listed within six Working Days from the Bid / Offer Closing Date or such other timeline as prescribed by law.

## Price information of past issues handled by the BRLMs

### A. Edelweiss

#### 1. Price information of past issues handled by Edelweiss:

S. No.	Issue Name	Issue Size (₹ million)	Issue price (₹)	Listing Date	Opening Price on Listing Date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	ICICI Securities Limited	34,801.16	520.00	April 4, 2018	435.00	-27.93% [5.44%]	Not Applicable	Not Applicable
2	Galaxy Surfactants Limited	9,370.88	1480.00	February 8, 2018	1,525.00	1.14% [-3.31%]	-0.85% [1.33%]	Not Applicable
3	Amber Enterprises India Limited	6,000.00	859.00^^	January 30, 2018	1,175.00	27.15% [-5.04%]	32.56% [-2.81%]	Not Applicable
4	Future Supply Chain Solutions Limited	6,496.95	664.00	December 18, 2017	664.00	3.50% [3.00%]	6.27% [-2.83%]	-5.20% [4.13%]
5	Shalby Limited	5,048.00	248.00	December 15, 2017	239.70	-3.57% [3.95%]	-11.51% [0.75%]	-28.51 [4.93%]
6	HDFC Standard Life Insurance Company Limited	86,950.07	290.00	November 17, 2017	310.00	30.16% [1.02%]	48.93% [2.11%]	74.66% [5.04%]
7	Reliance Nippon Life Asset Management Limited	15,422.40	252.00	November 6, 2017	295.90	3.61% [-3.19%]	8.12% [2.05%]	-4.21% [1.59%]
8	Prataap Snacks Limited	4,815.98	938.00^^	October 5, 2017	1,270.00	25.12% [5.70%]	31.82% [5.60%]	40.99% [3.27%]
9	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	September 27, 2017	651.10	3.62% [6.25%]	18.97% [8.17%]	15.36% [4.06%]
10	Cochin Shipyard Limited	14,429.30	432.00^	August 11, 2017	440.15	30.14% [3.04%]	30.96% [6.10%]	20.01% [8.11%]

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

^^ Amber Enterprises India Limited - employee discount of ₹ 85 per Equity Share to the Offer Price was offered to the eligible employees Bidding in the employee reservation portion. All calculations are based on the Offer Price of ₹ 859 per equity share

^^ Prataap Snacks Limited - employee discount of ₹ 90 per Equity Share to the Issue Price was offered to the eligible employees Bidding in the employee reservation portion. All calculations are based on the issue price of ₹ 938 per equity share

^ Cochin Shipyard Limited - Discount of ₹ 21 per equity share was offered to retail bidders & eligible employees. All calculations are based on the offer price of ₹ 432 per equity share

#### Notes

1. Based on date of listing.

2. % of change in closing price on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is calculated vs Issue price. % change in closing benchmark index is calculated based on closing index on listing day vs closing index on 30<sup>th</sup> / 90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day.



3. Wherever 30<sup>th</sup>/90<sup>th</sup> / 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
4. The Nifty 50 index is considered as the Benchmark Index
5. Not Applicable. – Period not completed
6. Disclosure in Table-1 restricted to 10 issues.

2. Summary statement of disclosure:

Financial Year	Total No. of IPOs	Total amount of funds raised (₹ in Millions)	No. of IPOs trading at discount - 30th calendar days from listing			No. of IPOs trading at premium - 30th calendar days from listing			No. of IPOs trading at discount 180th calendar days from listing			No. of IPOs trading at premium - 180th calendar days from listing		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018-19*	1	34,801.16	-	1	-	-	-	-	-	-	-	-	-	-
2017-18	11	218,549.76	-	-	1	1	5	4	-	1	2	3	1	2
2016 - 17	6	123,361.22	-	-	1	1	3	1	-	-	-	3	2	1

\* The information is as on the date of the document

1. Based on date of listing.
2. Wherever 30<sup>th</sup> and 180<sup>th</sup> calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
3. The Nifty 50 index is considered as the Benchmark Index.

For the Financial Year 2018-19 – 1 issue has been completed.

For the Financial Year 2017-18 – 11 issues have been completed. All the 11 issues have completed 90 days and only 9 issues have completed 180 days yet.

**B. I- Sec**

1. Price information of past issues handled by I-Sec:

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1	Housing and Urban Development Corporation Limited	12,095.70	60.00 <sup>(1)</sup>	19-May-17	73.00	+13.17%, [+2.44%]	+34.67%, [+4.98%]	+35.67%, [+8.05%]
2	AU Small Finance Bank Limited	19,125.14	358.00	10-Jul-17	530.00	+58.76%, [+2.12%]	+65.20%, [+2.23%]	+95.38%, [+8.06%]
3	Security and Intelligence Services (India) Limited	7,795.80	815.00	10-Aug-17	879.80	-3.29%, [+1.17%]	+3.14%, [+5.40%]	+39.12%, [+8.62%]
4	Matrimony.Com Limited	4,974.79	985.00 <sup>(2)</sup>	21-Sep-17	985.00	-12.28%, [+0.62%]	-7.64%, [+3.37%]	-16.55%, [-0.27%]
5	ICICI Lombard General Insurance Company Limited	57,009.39	661.00	27-Sep-17	651.10	+3.62%, [+6.25%]	+18.97%, [+8.17%]	+15.36%, [4.06%]
6	SBI Life Insurance Company Limited	83,887.29	700.00 <sup>(3)</sup>	03-Oct-17	735.00	-7.56%, [+5.89%]	-0.07%, [+5.84%]	-2.30%, [3.57%]
7	Newgen Software Technologies Limited	4,246.20	245.00	29-Jan-18	254.10	-0.20%, [-5.18%]	+2.51%, [-3.51%]	-
8	Galaxy Surfactants Limited	9,370.90	1,480.00	8-Feb-18	1,525.00	+1.14%, [-3.31%]	-0.85%, [+1.33%]	-

Sr. No.	Issue Name	Issue Size (Rs. Mn.)	Issue Price (Rs.)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
9	Aster DM Healthcare Limited	9,801.4	190.00	26-Feb-18	183.00	-13.66%, [-3.77%]	-5.29%, [+1.00%]	-
10	Sandhar Technologies Limited	5,124.80	332.00	02-Apr-18	346.10	+19.59% [+4.96%]	-	-

(1) Discount of Rs.2 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 60.00 per equity share.

(2) Discount of Rs. 98 per equity share offered to retail investors and to Eligible Employees. All calculations are based on Issue Price of Rs. 985.00 per equity share.

(3) Discount of Rs. 68 per equity share offered to Eligible Employees. All calculations are based on Issue Price of Rs. 700.00 per equity share.

**Notes:**

1. All data sourced from [www.nseindia.com](http://www.nseindia.com)
2. Benchmark index considered is NIFTY
3. 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30<sup>th</sup>, 90<sup>th</sup>, 180<sup>th</sup> calendar day is a holiday, in which case we have considered the closing data of the next trading day

2. Summary statement of Disclosure:

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 30 <sup>th</sup> calendar days from listing			No. of IPOs trading at discount - 180 <sup>th</sup> calendar days from listing			No. of IPOs trading at premium - 180 <sup>th</sup> calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
2018-19	1	5,124.80	-	-	-	-	-	1	-	-	-	-	-	-
2017-18	9	208,306.61	-	-	5	1	-	3	-	-	2	1	2	1
2016-17	12	160,855.45	-	-	3	4	4	1	-	1	1	7	2	1

**C. Motilal Oswal**

1. Price information of past public issues handled by Motilal Oswal (during current financial year and two financial years preceding the current financial year):

Sr. No.	Issue Name	Issue Size (Rs. million)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 <sup>th</sup> calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 <sup>th</sup> calendar days from listing
1.	IndoStar Capital Finance Limited	18,440.00	572.00	21-May-18	600.00	NA	NA	NA
2.	MAS Financial Services Limited	4,600.42	459.00	18-Oct-17	660.00	28.45% [+0.71%]	35.80% [+4.79%]	31.55% [+3.11%]
3.	Dixon Technologies (India) Limited	5,992.79	1766.00	18-Sep-17	2,725.00	50.78% [+0.57%]	80.93% [+1.77%]	95.22% [+0.41%]
4.	AU Small Finance Bank Limited	19,125.14	358.00	10-July-17	530.00	53.60% [+1.40%]	71.80% [+2.14%]	95.38% [+8.06%]
5.	GTPL Hathway Limited	4,848.00	170.00	4-July-17	170.00	-13.32% [+4.16%]	-19.09% [+1.82%]	-2.94% [+9.54%]

Sr. No.	Issue Name	Issue Size (Rs. million)	Issue Price (Rs.)	Listing Date	Opening Price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
6.	PSP Projects Limited	2,116.80	210.00	29-May-17	190.00	21.67% [-1.18%]	68.37% [+2.63%]	103.21% [+8.17%]
7.	Avenue Supermarts Limited	18,700.00	299.00	21-Mar-17	600.00	152.94% [+0.16%]	166.35% [+5.88%]	263.80% [+10.57%]
8.	BSE Limited	12,434.32	806.00	3-Feb-17	1,085.00	10.51% [+1.79%]	24.21% [+7.08%]	32.41% [+15.34%]
9.	S.P. Apparels Limited	2,391.20	268.00	12-Aug-16	275.00	27.33% [+2.24%]	17.09% [-0.54%]	51.94% [+1.11%]
10.	Parag Milk Foods Limited	7,505.37	215.00	19-May-16	217.50	17.07% [+4.97%]	48.67% [+11.04%]	38.93% [+6.59%]

Source: www.nseindia.com

Notes:

- The S&P CNX NIFTY is considered as the Benchmark Index.
- Price on NSE is considered for all of the above calculations.
- In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.
- In Parag Milk Foods Limited, the issue price to retail individual investor and employees was ₹ 203 per equity share after a discount of ₹ 12 per equity share. The Anchor Investor Issue price was ₹ 227 per equity share.

## 2. Summary statement of price information of past public issues handled by Motilal Oswal:

Financial Year	Total no. of IPOs	Total funds raised (Rs. million)	Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date			Nos. of IPOs trading at discount as on 180th calendar day from listing date			Nos. of IPOs trading at premium as on 180th calendar day from listing date		
			Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%	Over 50%	Between 25%-50%	Less than 25%
2018 – date*	1	18,440.00	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2017-2018	5	36,683.15	NA	NA	1	2	1	1	NA	NA	1	3	1	NA
2016-2017	4	41,000.89	NA	NA	NA	1	1	2	NA	NA	NA	2	2	NA

Source: www.nseindia.com

\* The information is as on the date of the document

The information for each of the financial years is based on issues listed during such financial year.

## Track record of past issues handled by the BRLMs

For details regarding the track record of the BRLMs, as specified in circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please see the website of the BRLMs, as set out in the table below:

Serial Number	Name of the BRLMs	Website
1.	Edelweiss	www.edelweissfin.com
2.	I-Sec	www.icicisecurities.com
3.	Motilal Oswal	www.motilaloswalgroup.com

## Consents

Consents in writing of (a) our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Legal Counsel to our Company as to Indian law, Legal Counsel to the BRLMs as to Indian law, Special International Legal Counsel to the BRLMs, bankers/lenders to our Company; and (b) the BRLMs, the Syndicate Members, the Escrow Collection Bank(s), the Public Offer Account Bank, the Refund Bank, the monitoring agency, Frost & Sullivan and the Registrar to the Offer to act in their respective capacities, has been obtained / will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC as required under the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

Our Company has received written consent from the Statutory Auditors namely, M/s. Lodha & Co., Chartered Accountants, to include their name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements dated April 23, 2018 and the statement of tax benefits dated June 19, 2018, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an “expert” as defined under the U.S. Securities Act.

## Expert to the Offer

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

Our Company has received written consent from the Statutory Auditor namely, Lodha & Co., Chartered Accountants, to include its name in this Draft Red Herring Prospectus and as an “expert” as defined under Section 2(38) of the Companies Act, 2013, in respect of the report of the Statutory Auditor dated April 23, 2018 on the Restated Financial Statements, and the statement of tax benefits dated June 19, 2018, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term “Expert” shall not be construed to mean an expert as defined under the U.S. Securities Act.

Our Company has received written consent from Deb Kumar Bandyopadhyay, Consultant Chartered Engineer, M.I.E., to include his name in this Draft Red Herring Prospectus and as “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the certificate dated April 23, 2018 and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

## Offer Expenses

The expenses of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see “*Objects of the Offer - Offer Expenses*” beginning on page 75.

## Fees Payable to the Syndicate

The total fees payable to the Syndicate (including underwriting commission and selling commission and reimbursement of their out-of-pocket expense) will be as per the Syndicate Agreement, a copy of which will be available at the Registered Office of our Company. For details of the fees payable to the Syndicate see “*Objects of the Offer – Offer Expenses*” on page 75.

## Commission Payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to SCSBs, Registered Brokers, RTAs and CDPs, see “*Objects of the Offer – Offer Expenses*” on page 75.

## Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of applications, data entry, printing of Allotment Advice/CAN/refund order, and preparation of refund data on magnetic tape and printing of bulk mailing register will be as per the Registrar Agreement, a copy of which is available for inspection at the Registered and Corporate Office of our Company.

The Registrar to the Offer will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided to the Registrar to the Offer to enable it to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

For details of the fees payable to the Registrar to the Offer, see “*Objects of the Offer – Offer Expenses*” on page 75.

## Particulars regarding public or rights issues by our Company during the last five years

Our Company has not made any public or rights issues during the five years preceding the date of this Draft Red Herring Prospectus.

### **Previous issues of Equity Shares otherwise than for cash**

Except as disclosed in the “*Capital Structure- Notes to Capital Structure- Equity Shares issued by our Company through bonus issuance or for consideration other than cash*” on page 67, our Company has not issued any Equity Shares for consideration otherwise than for cash.

### **Commission and brokerage paid on previous issues of the Equity Shares**

Since this is the initial public offer of Equity Shares, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for the Equity Shares since our Company’s inception.

### **Previous capital issue during the previous three years by listed Subsidiaries and Group Companies**

Our Company does not have any subsidiaries as on the date of filing of this Draft Red Herring Prospectus. Our Group Companies are not listed.

### **Performance vis-à-vis objects – Public/rights issue of our Company and / or listed Group Companies and Subsidiaries/and associates of our Company**

Our Company has not undertaken any previous public or rights issue.

Our Company does not have any subsidiaries as on the date of filing of this Draft Red Herring Prospectus. Our Group Companies are not listed and have not undertaken any public or rights issue of its equity shares in the last ten years preceding the date of this Draft Red Herring Prospectus.

### **Outstanding debentures or bonds**

Our Company does not have any outstanding debentures or bonds as of the date of filing this Draft Red Herring Prospectus.

### **Outstanding Preference Shares or convertible instruments issued by our Company**

Our Company does not have any outstanding preference shares including redeemable preference shares or other convertible instruments, as on date of this Draft Red Herring Prospectus.

### **Partly Paid-up Shares**

Our Company does not have any partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.

### **Stock Market Data of Equity Shares**

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

### **Mechanism for redressal of investor grievances by our Company**

The Registrar Agreement provides for retention of records with the Registrar to the Offer for a period of at least three years from the last date of despatch of the letters of allotment demat credit and refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary to whom the ASBA Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, ASBA number, Bidder DP ID, Client ID, PAN, date of the submission of ASBA, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the ASBA Form was submitted by the Bidder.

Further, the Bidder shall also enclose a copy of the Acknowledgment Slip duly received from the concerned Designated Intermediary in addition to the information mentioned hereinabove.

All grievances of the Anchor Investors may be addressed to the Registrar to the Offer, giving full details such as name of the sole or first Bidder, Anchor Investor Application Form number, Bidder DP ID, Client ID, PAN, date of the Anchor Investor Application Form, address of the Bidder, number of Equity Shares applied for, Bid Amount paid on submission of the Anchor Investor Application Form and the name and address of the BRLM where the Anchor Investor Application Form was submitted by the Anchor Investor.

Investors can contact our Company Secretary and Compliance Officer or the Registrar to the Offer in case of any pre-Offer or post-Offer related problems such as non-receipt of letters of Allotment, non-credit of Allotted Equity Shares in the respective beneficiary account, non-receipt of refund intimations and non-receipt of funds by electronic mode.

The Registrar to the Offer shall obtain the required information from the SCSBs for addressing any clarifications or grievances of ASBA Bidders. Our Company, the BRLMs and the Registrar to the Offer accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under ICDR Regulations.

#### **Disposal of investor grievances by our Company**

Our Company estimates that the average time required by our Company or the Registrar to the Offer or the SCSB, for the redressal of routine investor grievances shall be 10 Working Days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed a Stakeholders' Relationship Committee comprising of Sumit Kumar Agarwal, Bimal Kumar Choudhary and Dilip Kumar Choudhary as members. For details, see "*Our Management*" beginning on page 133. As on the date of this Draft Red Herring Prospectus, there are no pending investor complaints. Our Company has not received any investor complaint in the three years prior to the filing of this Draft Red Herring Prospectus.

Our Company has also appointed Brundaban Behera, Company Secretary of our Company as the Compliance Officer for the Offer. and he may be contacted in case any pre-Offer or post-Offer related problems. For details, see "*General Information*" beginning on page 58.

The Selling Shareholders have authorised the Compliance Officer of our Company and the Registrar to the Offer to redress any complaints received from Bidders in respect of their respective portion of Equity Shares.

#### **Disposal of Investor Grievances by listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956**

There are no listed companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956 and therefore there are no investor complaints.

#### **Changes in Auditors**

Except as stated below, there has been no change in the auditors of our Company during the last three years:

<b>Name of auditor</b>	<b>Date of change</b>	<b>Reason</b>
Lodha & Co., Chartered Accountants	September 25, 2017	Appointment as Statutory Auditor
S. Poddar & Co., Chartered Accountants	May 5, 2017	Resignation

#### **Capitalisation of Reserves or Profits**

Except for the issuance of Equity Shares pursuant to the Bonus Issue, as disclosed in "*Capital Structure*" beginning on page 66, Our Company has not capitalised its reserves or profits at any time during the last five years.

#### **Revaluation of Assets**

Our Company has not revalued its assets at any time in the last five years.

## SECTION VII: OFFER INFORMATION

### TERMS OF THE OFFER

The Equity Shares being offered pursuant to the Offer shall be subject to the provisions of the Companies Act, the ICDR Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, the Bid cum Application Form, the Revision Form, the CAN, Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/certificates that may be executed in respect of the Offer. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/or other authorities, as in force on the date of the Offer and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/or any other authorities while granting their approval for the Offer.

#### Offer for Sale

The Offer comprises an offer for sale by the Selling Shareholders. For further details in relation to Offer expenses, see “*Objects of the Offer*” and “*Other Regulatory and Statutory Disclosures*” beginning on pages 75 and 319, respectively.

#### Ranking of the Equity Shares

The Equity Shares being offered and transferred pursuant to the Offer shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association, the Listing Regulations and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the right to receive dividend. The Allottees upon Allotment of Equity Shares under the Offer, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with the Companies Act and the Articles of Association. For further details, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 164 and 380.

#### Mode of payment of dividend

Our Company shall pay dividends, if declared, to the Shareholders in accordance with the provisions of Companies Act, the Memorandum of Association and Articles of Association and provisions of the Listing Regulations, as applicable. In relation to the Offer, the dividend for the entire financial year shall be payable to the transferees. For further details, in relation to dividends, see “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” beginning on pages 164 and 380, respectively.

#### Face Value and Offer Price

The face value of each Equity Share is ₹ 10 and the Floor Price is [●] times the face value and the Cap Price is [●] times the face value. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band and the minimum Bid Lot will be decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●] (Bengali being the regional language of West Bengal, where our Registered Office is located), each with wide circulation, at least five Working Days prior to the Bid/Offer Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading the same on their respective websites. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available on the respective websites of the Stock Exchanges.

The Offer will constitute [●] % of post-offer paid up Equity Share capital of our Company.

At any given point of time there shall be only one denomination of Equity Shares.

#### Compliance with disclosure and accounting norms

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

#### Rights of the Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

1. Right to receive dividends, if declared;
2. Right to attend general meetings and exercise voting rights, unless prohibited by law;

3. Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
4. Right to receive offers for rights shares and be allotted bonus shares, if announced;
5. Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
6. Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
7. Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the Listing Regulations, the Memorandum of Association and the Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/or consolidation/splitting, see “*Main Provisions of the Articles of Association*” beginning on page 380.

#### **Option to receive securities in dematerialised form**

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares in the Offer shall be Allotted only in dematerialised form. Bidders shall not have the option of Allotment of Equity Shares in physical form. Further, as per the 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 Offer:

1. Tripartite agreement dated September 25, 2017 among NSDL, our Company and the Registrar to the Offer; and
2. Tripartite agreement dated April 18, 2018 among CDSL, our Company and the Registrar to the Offer.

#### **Market Lot and Trading Lot**

Since trading of the Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in the Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

#### **Joint Holders**

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

#### **Jurisdiction**

Exclusive jurisdiction for the purpose of the Offer is with the competent courts/authorities in Mumbai.

#### **Nomination facility to Bidders**

In accordance with Section 72 of the Companies Act, 2013, read with the Companies (Share Capital and Debentures) Rules, 2014, as amended the sole Bidder, or the first Bidder along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, 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 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/transfer/alienation of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Registered Office or to the RTAs.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

1. to register himself or herself as the holder of the Equity Shares; or
2. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of 90 days, our Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have



been complied with.

Since the Allotment of Equity Shares in the Offer will be made only in dematerialized mode, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the Bidders want to change the nomination, they are requested to inform their respective depository participant.

### Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the BRLMs, reserve the right not to proceed with the Offer, in whole or part thereof, at any time including after the Bid/Offer Opening Date but before the Allotment. In the event our Company and the Selling Shareholders in consultation with the BRLMs decides not to proceed with the Offer, our Company would issue a public notice in the newspapers in which the pre-Offer advertisements were published, within two days of the Bid/Offer Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Offer. The Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders and the BRLMs shall notify the Escrow Collection Bank to release the Bid Amounts of the Anchor Investors 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. If the Offer is withdrawn after the Designated Date, amounts that have been credited to the Public Offer Account shall be transferred to the Refund Account.

Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, 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 and the Selling Shareholders withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue and / or offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI.

### Bid/Offer Programme

<b>BID/OFFER OPENS ON</b>	[●] <sup>(1)</sup>
<b>BID/OFFER CLOSES ON</b>	[●] <sup>(2)</sup>

<sup>(1)</sup> Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid/Offer Opening Date in accordance with the ICDR Regulations.

<sup>(2)</sup> Our Company and the Selling Shareholders may, in consultation with the BRLMs, consider closing the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer Closing Date in accordance with the ICDR Regulations.

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

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or about [●]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	On or about [●]
Credit of Equity Shares to demat accounts of Allottees	On or about [●]
Commencement of trading of the Equity Shares on the Stock Exchanges	On or about [●]

The above timetable, other than the Bid/Offer Closing Date, is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs.

While our Company and the Promoter Selling Shareholder 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 Exchanges are taken within six Working Days of the Bid/Offer Closing Date, the timetable may be extended due to various factors, such as extension of the Bid/Offer Period by our Company, revision of the Price Band or any delay in receiving the final listing and trading approval from the Stock Exchanges. The commencement of trading of the Equity Shares will be entirely at the discretion of the Stock Exchanges and in accordance with the applicable laws. Each Non-Promoter Selling Shareholder confirms that it shall extend reasonable co-operation required by our Company and the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at the Stock Exchanges within six Working Days from the Bid/Offer Closing Date, solely with respect to the Equity Shares being offered by such Selling Shareholder in the Offer.

### Submission of Bids (other than Bids from Anchor Investors):

Bid/Offer Period (except the Bid/Offer Closing Date)	
Submission and Revision in Bids	Only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time (“IST”))

Bid/Offer Closing Date	
Submission and Revision in Bids	Only between 10.00 a.m. and 3.00 p.m. IST

**On the Bid/Offer Closing Date, the Bids shall be uploaded until:**

1. 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
2. until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders.

On Bid/Offer Closing Date, extension of time will be granted by Stock Exchanges only for uploading Bids received from Retail Individual Bidders after taking into account the total number of Bids received and as reported by the BRLMs to the Stock Exchanges.

**It is clarified that Bids not uploaded on the electronic bidding system or in respect of which the full Bid Amount is not blocked by SCSBs would be rejected.**

Due to limitation of time available for uploading the Bids on the Bid/Offer Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/Offer Closing Date and in any case, no later than 3.00 PM IST on Bid/Offer Closing Date. Any time mentioned in this Draft Red Herring Prospectus is IST. Bidders are cautioned that, in the event a large number of Bids are received on the Bid/Offer 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 Offer. Bids will be accepted only on Working Days. None among our Company, the Selling Shareholders or any member of the Syndicate is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-a-vis data contained in the physical Bid cum Application Form, for a particular Bidder, the details of the Bid File received from the Stock Exchanges may be taken as the final data for the purpose of Allotment.

Our Company and the Selling Shareholders in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period. The revision in the Price Band shall not exceed 20 % on 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. The Floor Price shall not be less than the face value of the Equity Shares.

**In case of revision in the Price Band, the Bid/Offer Period shall be extended for at least three additional Working Days after such revision, subject to the Bid/Offer Period not exceeding 10 Working Days. Any revision in Price Band, and the revised Bid/Offer Period, if applicable, shall be widely disseminated by notification to the Stock Exchanges, by issuing a press release and also by indicating the change on the terminals of the Syndicate Member.**

#### **Minimum Subscription**

The requirement of minimum subscription is not applicable to the Offer in accordance with ICDR Regulations. However, if our Company does not make the minimum Allotment requirements as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the Bid/Offer Closing Date, our Company and the Selling Shareholders shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company and the Selling Shareholders shall pay interest prescribed under the Companies Act, 2013, the ICDR Regulations and other applicable law.

Further, our Company shall ensure that the number of prospective Allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

#### **Arrangements for Disposal of Odd Lots**

There are no arrangements for disposal of odd lots.

#### **Restrictions, if any on Transfer and Transmission of Equity Shares**

Except for the lock-in of the pre-Offer capital of our Company, the minimum promoters' contribution and the Anchor Investor lock-in as provided in "*Capital Structure*" beginning on page 66, there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on the transmission of shares/debentures and on their consolidation/splitting, except as provided in the Articles of Association. For details, see "*Main Provisions of the Articles of Association*" beginning on page 380.

## OFFER STRUCTURE

Initial public offering of up to [●] Equity Shares of our Company for cash at a price of ₹ [●] per Equity Share aggregating up to ₹ 7,500.00 million through an offer for sale of up to [●] Equity Shares by the Promoter Selling Shareholder aggregating up to ₹ 7,204.00 million, up to [●] Equity Shares by SKG Land Developers LLP aggregating up to ₹ 225.00 million, up to [●] Equity Shares by Delta Nirman LLP aggregating up to ₹ 40.00 million, [●] Equity Shares by Anmol Hi-Cool LLP aggregating up to ₹ 25.00 million and up to [●] Equity Shares by Puneet Mercantiles LLP aggregating up to ₹ 6.00 million. The Offer would constitute [●] % of our post-Offer paid-up Equity Share capital.

The Offer is being made through the Book Building Process.

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/allocation* <sup>(2)</sup>	Not more than [●] Equity Shares	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Retail Individual Bidders	Not less than [●] Equity Shares available for allocation or Offer less allocation to QIB Bidders and Non-Institutional Bidders
Percentage of Offer Size available for Allotment/allocation	Not more than 50 % of the Offer shall be available for allocation to QIBs.  However, at least 5 % of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the Mutual Fund Portion will also be eligible for allocation in the remaining Net QIB Portion.  Unsubscribed portion in the Mutual Fund Portion will be added to the Net QIB Portion	Not less than 15 % of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders has been made available for allocation	Not less than 35 % of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders has been made available for allocation
Basis of Allotment/allocation if respective category is oversubscribed*	Proportionate as follows (excluding the Anchor Investor Portion):  1. Up to [●] Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds only; and  2. Not more than [●] Equity Shares shall be Allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (1) above.  Up to [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors	Proportionate	The Allotment to each Retail Individual Bidder shall not be less than the minimum Bid lot, subject to availability of Equity Shares in the Retail Portion, and the remaining available Equity Shares, if any, shall be Allotted on a proportionate basis. For details see, “Offer Procedure – Part B – Allotment Procedure and Basis of Allotment – Allotment to RIBs” on page 369.
Mode of Bidding	ASBA only <sup>(3)</sup>	ASBA only	ASBA only
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	Such number of Equity Shares that the Bid Amount exceeds ₹ 200,000 and in multiples of [●] Equity Shares thereafter	[●] Equity Shares and in multiples of [●] Equity Shares thereafter

Particulars	QIBs <sup>(1)</sup>	Non-Institutional Bidders	Retail Individual Bidders
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits	Such number of Equity Shares so that the Bid Amount does not exceed ₹ 200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter		
Mode of Allotment	Compulsorily in dematerialized form		
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter		
Trading Lot	One Equity Share		
Who can apply <sup>(4)</sup>	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, FPIs other than Category III FPIs, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDAI, provident fund (subject to applicable law) with minimum corpus of ₹ 250.0 million, pension fund (subject to applicable law) with minimum corpus of ₹ 250.0 million, National Investment Fund set up by the Government of India, 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 and systemically important non-banking financial companies (as defined under Regulation 2(zla) of the ICDR Regulations)	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III FPIs,	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)
Terms of Payment	Full Bid Amount shall be blocked by the SCSBs in the bank account of the ASBA Bidder that is specified in the ASBA Form at the time of submission of the ASBA Form <sup>(3)(5)</sup>		

\* Assuming full subscription in the Offer

<sup>(1)</sup> Our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60 % of the QIB Portion to Anchor Investors on a discretionary basis in accordance with the ICDR Regulations. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the Anchor Investor Allocation Price. For details, see "Offer Structure" beginning on page 337.

<sup>(2)</sup> Subject to valid Bids being received at or above the Offer Price. The Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under the ICDR Regulations.

<sup>(3)</sup> Anchor Investors are not permitted to use the ASBA process.

<sup>(4)</sup> In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should 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.

<sup>(5)</sup> Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Form. For details of terms of payment applicable to Anchor Investors, please see "Offer Procedure – Part B - Section 7.4: Allotment to Anchor Investor (if applicable)" beginning on page 370.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange in a proportionate basis, subject to applicable laws. However, under-subscription, if any, in the QIB portion will not be allowed to be met with spill-over from other categories or combination of categories.

## OFFER 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 (the “General Information Document”) 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 SCRA, the SCRR and the ICDR Regulations. The General Information Document has been updated to reflect the enactments and regulations to the extent applicable to a public issue but has not been updated to reflect the commercial considerations between our Company and the Selling Shareholders with respect to the Offer. 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 Offer.*

*Our Company, the Selling Shareholders 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 Draft 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 Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.*

### PART A

#### Book Building Procedure

The Offer is being made through the Book Building Process in terms of Rule 19(2)(b) of the SCRR read with Regulation 41 of ICDR Regulations and in accordance with Regulation 26(1) of the SEBI Regulations, wherein not more than 50 % of the Offer shall be allocated on a proportionate basis to QIBs, provided that our Company and the Selling Shareholders may, in consultation with the BRLMs, allocate up to 60 % of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price in accordance with the ICDR Regulations, of which one-third shall be reserved for domestic Mutual Funds, subject to valid Bids being received from them at or above the Anchor Investor Allocation Price. 5 % of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders (other than Anchor Investors), including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15 % of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35 % of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the ICDR Regulations, subject to valid Bids being received at or above the Offer Price. However, the value of Allotment to any Retail Bidder shall not exceed ₹ 200,000.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company and the Selling Shareholders in consultation with the BRLMs and the Designated Stock Exchange in a proportionate basis, subject to applicable laws. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or combination of categories.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

**Bidders should note that the Equity Shares will be Allotted to all successful Bidders only in dematerialised form. The Bid cum Application Forms which do not have the details of the Bidders’ depository account, including DP ID, Client ID and PAN, shall be treated as incomplete and will be rejected. Bidders will not have the option of being Allotted Equity Shares in physical form.**

#### Bid cum Application Form

Copies of the ASBA Form and the abridged prospectus will be available with the Designated Intermediaries at the Bidding Centre, and the Registered Office. An electronic copy of the ASBA Form will also be available for download on the websites of NSE ([www.nseindia.com](http://www.nseindia.com)) and BSE ([www.bseindia.com](http://www.bseindia.com)) at least one day prior to the Bid/Offer Opening Date.

All Bidders (other than Anchor Investors) shall mandatorily participate in the Offer only through the ASBA process. Anchor Investors are not permitted to participate in the Offer through ASBA process.

ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the ASBA Form and the ASBA Forms that do not contain such details will be rejected. ASBA Bidders shall ensure that the Bids are made on ASBA Forms bearing the stamp of the Designated Intermediary, submitted at the Bidding Centres only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

For Anchor Investors, the Anchor Investor Application Form will be available at the offices of the BRLMs.

The prescribed colour of the Bid cum Application Form for the various categories is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents including Eligible NRIs, FPI or FVCIs their sub-accounts (other than sub-account which are Foreign Corporates or Foreign individuals under the QIB Category.) or FPIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Anchor Investors	White

\* Excluding electronic Bid cum Application Form

Designated Intermediaries (other than SCSBs) shall submit/deliver the ASBA Forms to the respective SCSBs, where the Bidder has a bank ASBA account details of which are provided by the Bidder in his respective ASBA Form, and shall not submit it to any non-SCSB or any Escrow Collection Bank.

#### **Participation by the Promoters, the members of the Promoter Group, the BRLMs, the Syndicate Members and persons related to them**

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in the Offer in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the BRLMs and the Syndicate Members may Bid for Equity Shares in the Offer, either in the QIB Portion or in the Non-Institutional Portion as may be applicable to such Bidders, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of the BRLMs and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

The BRLMs and any person related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs) and our Promoter, members of the Promoter Group and any persons related to our Promoter and Promoter Group cannot apply in the Offer under the Anchor Investor Portion.

Other than the sale of Equity Shares by the Promoters and Promoter Group in the Offer, the Promoters and Promoter Group will not participate in the Offer.

#### **Who can Bid?**

In addition to the category of Bidders set forth under the sub-section “- Part B - General Information Document for Investing in Public Issues – Category of Investors Eligible to Participate in an Issue” on page 351, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- (i) scientific and/or industrial research organisations authorised in India to invest in the Equity Shares; and
- (ii) any other persons eligible to Bid in the Offer under the laws, rules, regulations, guidelines and policies applicable to them.

#### **Bids by Mutual Funds**

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids made by asset management companies or custodians of Mutual Funds shall specifically state names of the concerned schemes for which such Bids are made.

**In case of a Mutual Fund, a separate Bid 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.**

**No Mutual Fund scheme shall invest more than 10 % of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10 % shall not be applicable for investments in case of index funds or sector or industry specific schemes. No Mutual Fund under all its schemes should own more than 10 % of any company's paid-up share capital carrying voting rights.**

## **Bids by Anchor Investors**

For details in relation to Bids by Anchor Investors, see the section entitled “*Offer Procedure – Part B – General Information Document for Investing in Public Issues*” beginning on page 348.

## **Bids by Eligible NRIs**

Eligible NRIs may obtain copies of Bid cum Application Form from 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**”) 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.

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 FPIs**

In terms of the 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 % of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10 % 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 sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by our Shareholders 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 shall be included.

Subject to the prior intimation to the RBI, the existing individual and aggregate investment limits for an FPI in our Company have been increased to 10 % and 40 % of the total paid-up Equity Share capital of our Company, respectively. We intend to intimate the RBI of such increase in our individual and aggregate investment limits for an FPI.

FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the Government from time to time. FPIs who wish to participate in the Offer are advised to use the Bid Cum Application Form for non-residents. FPIs are required to Bid through the ASBA process to participate in the Offer.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the FPI Regulations and circulars issued in this regard, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPI by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (1) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; (2) such offshore derivative instruments are issued after compliance with ‘know your client’ norms; and (3) such offshore derivative instruments shall not to be issued to or transferred to person who resident Indians or non-resident Indian to entities that are beneficially owned by resident Indian or non-resident Indian.

An FPI issuing offshore derivative instruments is also required to ensure that any transfer of offshore derivative instruments issued by or on its behalf, is carried out subject to the following conditions:

1. such offshore derivative instruments are transferred only to persons subject to fulfilment of the provisions of the FPI Regulations; and
2. prior consent of the FPI is obtained for such transfer, except when the persons to whom the offshore derivative instruments are to be transferred to are pre-approved by the FPI.

## **Bids by SEBI registered VCFs, AIFs and FVCIs**

The FVCI Regulations and the AIF Regulations, *inter-alia*, prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI.

The holding by any individual VCF or FVCI registered with SEBI in one venture capital undertaking should not exceed 25 % of the corpus of the VCF or FVCIs. Further, VCFs and FVCIs can invest only up to 33.3 % of the investible funds by way of subscription to an initial public offerings.

Category I AIFs and Category II AIFs cannot invest more than 25 % of the investible funds in one investee company. A Category III AIF cannot invest more than 10 % of the investible funds in one investee company. A venture capital fund registered as a Category I AIF, as defined in the AIF Regulations, cannot invest more than 1/3<sup>rd</sup> of its investible funds 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 AIF Regulations shall continue to be regulated by the VCF Regulations until the existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after the notification of the AIF Regulations.

**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. Our Company, the Selling Shareholders and the BRLMs will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.**

**All non-resident investors should note that refunds (in case of Anchor Investors), dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and commission.**

#### **Bids by Systemically Important NBFCs**

In case of Bids made by Systemically Important NBFCs, (i) a certified copy of the certificate of registration issued by the RBI; (ii) a certified copy of its last audited financial statements on a standalone basis; (iii) a net worth certificate from its statutory auditor(s); (iv) such other approval as may be required by Systemically Important NBFCs, must be attached to the Bid-cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof. Systemically Important NBFC participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by RBI from time to time.

#### **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 and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

#### **Bids by banking companies**

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 and the Selling Shareholders reserve the right to reject any Bid 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 Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, as amended is 10 % of the paid-up share capital of the investee company not being its subsidiary engaged in non-financial services or 10 % of the banks' own paid-up share capital and reserves, whichever is lower. Further, the aggregate investment in subsidiaries and other entities engaged in financial and non-financial services company cannot exceed 20 % of the bank's paid-up share capital and reserves. However, a banking company would be permitted to invest in excess of 10 % but not exceeding 30 % of the paid up share capital of such investee company if (i) the investee company is engaged in non-financial activities permitted for banks in terms of Section 6(1) of the Banking Regulation Act, or (ii) the additional acquisition is through restructuring of debt / corporate debt restructuring / strategic debt restructuring, or to protect the banks' interest on loans / investments made to a company. The bank is required to submit a time bound action plan for disposal of such shares within a specified period to RBI. Further, the aggregate equity investment by a banking company (excluding certain investments such as investments made through restructuring of debt) in all subsidiaries and other entities engaged in financial and nonfinancial services (including overseas investments) cannot exceed 20 % of the bank's paid-up share capital and reserves.

A banking company would require a prior approval of RBI to make (i) investment in a subsidiary and a financial services company that is not a subsidiary (with certain exception prescribed), and (ii) investment in a non-financial services company in excess of 10 % of such investee company's paid up share capital as stated in 5(a)(v)(c)(i) of the Master Direction - Reserve Bank of India (Financial Services provided by Banks) Directions, 2016. Further, except in cases mentioned in (i) and (ii) in the preceding sentence, the aggregate investment by a banking company along with its subsidiaries, associates and joint ventures or other entities directly or indirectly controlled by the bank and asset management companies controlled by the bank cannot hold more than 20 % of the paid-up share capital and of the investee company that is engaged in non- financial services.

#### **Bids by SCSBs**

SCSBs participating in the Offer are required to comply with the terms of the SEBI circular CIR/CFD/DIL/12/2012 dated September 13, 2012 and SEBI circular (CIR/CFD/DIL/1/2013) dated January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear



demarcated funds should be available in such account for such ASBA applications.

### **Bids by insurance companies**

In case of Bids by insurance companies registered with the IRDAI, a certified copy of certificate of registration issued by IRDAI must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve 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, 2016, as amended, are broadly set forth below:

1. equity shares of a company: the lower of 10 %\* of the outstanding equity shares (face value) or 10 % of the respective fund in case of life insurer or 10 % of investment assets in case of general insurer or reinsurer;
2. the entire group of the investee company: not more than 15 % of the respective fund in case of a life insurer or 15 % of investment assets in case of a general insurer or reinsurer or 15 % of the investment assets in all companies belonging to the group, whichever is lower; and
3. the industry sector in which the investee company operates: not more than 15 % of the fund of a life insurer or a general insurer or a reinsurer or 15 % of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10 % of the investment assets of a life insurer or general insurer and the amount calculated under (1), (2) and (3) above, as the case may be.

\* The above limit of 10 % shall stand substituted as 15 % of outstanding equity shares (face value) for insurance companies with investment assets of ₹ 2,500,000.0 million or more and 12 % of outstanding equity shares (face value) for insurers with investment assets of ₹ 500,000 million or more but less than ₹ 2,500,000 million.

Insurance companies participating in the Offer shall comply with all applicable regulations, guidelines and circulars issued by IRDAI from time to time.

### **Bids by provident funds/pension funds**

In case of Bids made by provident funds/pension funds, subject to applicable laws, with minimum corpus of ₹ 250.0 million, a certified copy of a 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 and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

### **Bids under Power of Attorney**

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, Eligible FPIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the India, insurance funds set up by the Department of Posts, India or the National Investment Fund, Systemically Important NBFCs, and provident funds with a minimum corpus of ₹ 250.0 million and pension funds with a minimum corpus of ₹ 250.0 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged along with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company and the Selling Shareholders, in consultation with the BRLMs, in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application Form.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus, the Red Herring Prospectus and the Prospectus.**

### **General Instructions**

#### **Do's:**

1. Check if you are eligible to apply as per the terms of this Draft Red Herring Prospectus and under applicable law, rules,

regulations, guidelines and approvals;

2. All Bidders (other than Anchor Investors) should submit their Bids through the ASBA process only;
3. Ensure that you have Bid within the Price Band;
4. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
5. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
6. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre within the prescribed time;
7. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the ASBA Form to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or the CDP (at the Designated CDP Locations);
8. If the first applicant is not the bank 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;
9. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms;
10. Ensure that 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;
11. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
12. Ensure that you request for and receive a stamped acknowledgement of the Bid cum Application Form for all your Bid options from the concerned Designated Intermediary;
13. Ensure that you submit the revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised Acknowledgment Slip;
14. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of the 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 Income Tax 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 applications in which PAN is not mentioned will be rejected;
15. Ensure that the Demographic Details are updated, true and correct in all respects;
16. 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;
17. Ensure that the category and the investor status is indicated;
18. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
19. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
20. Ensure that the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in the Bid cum Application Form, as the Allotment of the Equity Shares will be in dematerialised form only;
21. Ensure that the name of the Bidder, the DP ID, Client ID and the PAN entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as applicable, matches with the name, DP ID, Client ID and PAN available in the Depository database; and
22. Ensure that you have correctly signed the authorisation/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.

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 cheques, demand drafts or by cash, money order, 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 Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
6. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
7. Do not withdraw your Bid or lower the size of your Bid (in terms of number of Equity Shares or Bid Amount) at any stage, if you are a QIB or a Non-Institutional Bidder;
8. Do not instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not submit the Bid for an amount more than funds available in your ASBA account;
10. 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;
11. 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;
12. 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);
13. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer 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;
14. Do not submit more than five Bid cum Application Forms per ASBA Account;
15. Anchor Investors should not bid through the ASBA process; and
16. Do not Bid on another Bid cum Application Form and the Anchor Investor Application Form, as the case may be, after you have submitted a Bid to any of the Designated Intermediaries.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

**Payment into Escrow Account for Anchor Investors**

Our Company and the Selling Shareholders in consultation with the BRLMs, in its absolute discretion, will decide the list of Anchor Investors to whom the CAN will be sent, pursuant to which the details of the Equity Shares allocated to them in their respective names will be notified to such Anchor Investors. For Anchor Investors, the payment instruments for payment into the Escrow Account should be drawn in favour of:

1. In case of resident Anchor Investors: “[●]”
2. In case of Non-Resident Anchor Investors: “[●]”

**Pre- Offer Advertisement**

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Red Herring Prospectus with the RoC, publish a pre- Offer advertisement, in the form prescribed in Part A of Schedule XIII of the ICDR Regulations, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●] and [●] edition of the Bengali newspaper [●]

(Bengali being the regional language of West Bengal, where the Registered Office is located), each with wide circulation.

### **Signing of the Underwriting Agreement and the RoC Filing**

1. Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
2. After signing the Underwriting Agreement, an updated Red Herring Prospectus will be filed with the RoC in accordance with applicable law, which then would be termed as the 'Prospectus'. The Prospectus will contain details of the Offer Price, the Anchor Investor Offer Price, Offer size, and underwriting arrangements and will be complete in all material respects.

### **Impersonation**

**Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013, which is reproduced below:**

***“Any person who:***

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

***shall be liable for action under Section 447.”***

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

### **Undertakings by our Company**

Our Company undertakes the following:

1. the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
2. all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed are taken within six Working Days of the Bid/Offer Closing Date;
3. the funds required for making refunds (to the extent applicable) as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
4. if 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 a delay beyond the prescribed time, interest shall be paid to the Bidders at the rate prescribed under the Companies Act, the ICDR Regulations and applicable law for the delayed period;
5. where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within the time prescribed under applicable law, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. intimation of the credit of the securities/refund orders to Eligible NRIs shall be despatched within specified time;
7. no further issue of the Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are unblocked in ASBA Account/refunded on account of non-listing, under-subscription, etc.; and
8. adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders.

### **Undertakings by the Selling Shareholders**

The statements and undertakings set out below, in relation to the Selling Shareholders, are statements which are specifically confirmed or undertaken by the Selling Shareholders. Each Selling Shareholder undertakes the following:

1. the Equity Shares offered by it have been held by it for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of ICDR Regulations;
2. it is the legal and beneficial owner of, and has clear title to the Equity Shares being sold by it in the Offer;
3. it has authorised the Compliance Officer and the Registrar to the Offer to redress complaints, if any, in relation to the Equity Shares held by it and being offered pursuant to the Offer, and it shall extend reasonable cooperation to our Company and the BRLMs in this regard;
4. it shall make available funds required for making refunds to the extent applicable to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus to the Registrar to the Offer;
5. it shall provide such reasonable support and extend such reasonable co-operation as may be required by our Company in sending a suitable communication, where refunds to the extent applicable are made through electronic transfer of funds, to the applicant within six Working Days from the Offer Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
6. it shall not further transfer the Equity Shares offered in the Offer during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer and shall not sell, dispose of in any manner or create any lien, charge or encumbrance on the Equity Shares offered by it in the Offer;
7. it shall not have recourse to the proceeds from the Offer which shall be held in escrow in its favour until the final listing and trading approvals from all the Stock Exchanges have been obtained;
8. it shall provide reasonable assistance to our Company and the BRLMs to ensure that the Equity Shares offered by it in the Offer, shall be transferred to the successful Bidders within the time specified under applicable law;
9. it shall give appropriate instructions for dispatch of the refund orders or Allotment Advice to successful Bidders within the time specified under applicable law; and
10. it shall comply with all applicable laws in India, including the Companies Act, the ICDR Regulations, the FEMA and the applicable circulars, guidelines and regulations issued by SEBI and RBI, each in relation to the Equity Shares offered by it in the Offer.

### **Utilisation of Offer Proceeds**

The Selling Shareholders, along with our Company declare that all monies received out of Offer shall be credited to a separate bank account opened in accordance with Section 40(3) of the Companies Act, 2013.

## PART B

### GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

*This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the ICDR Regulations. Bidders should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.*

#### SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building Process as well as to the Fixed Price Issues. The purpose of the “General Information Document for Investing in Public Issues” is to provide general guidance to potential Bidders/Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (“**SEBI ICDR Regulations, 2009**”).

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue are set out in the Red Herring Prospectus (“**RHP**”)/Prospectus filed by the Issuer with the Registrar of Companies (“**RoC**”).

Bidders/Applicants should carefully read the entire RHP/Prospectus and the Bid cum Application Form/Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/Prospectus, the disclosures in the RHP/Prospectus shall prevail. The RHP/Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the BRLM(s) to the Issue and on the website of Securities and Exchange Board of India (“**SEBI**”) at [www.sebi.gov.in](http://www.sebi.gov.in).

For the definitions of capitalized terms and abbreviations used herein Bidders/Applicants may see “*Glossary and Abbreviations*”.

#### SECTION 2: BRIEF INTRODUCTION TO IPOs/FPOs

##### 2.1 Initial public offer (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.

For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

##### 2.2 Further public offer (FPO)

An FPO means an offer of specified securities by a listed Issuer to the public for subscription and may include Offer for Sale of specified securities to the public by any existing holder of such securities in a listed Issuer.

For undertaking an FPO, the Issuer is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/ Regulation 27 of the SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by the Issuer, Bidders/Applicants may refer to the RHP/Prospectus.

##### 2.3 Other Eligibility Requirements:

In addition to the eligibility requirements specified in paragraphs 2.1 and 2.2, an Issuer proposing to undertake an IPO or an FPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the Securities Contracts (Regulation) Rules, 1957 (the “**SCRR**”), industry-specific regulations, if any, and other applicable laws for the time being in force.

For details in relation to the above Bidders/Applicants may refer to the RHP/Prospectus.

## 2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process (“**Book Built Issue**”) or undertake a Fixed Price Issue (“**Fixed Price Issue**”). An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Bid/Issue Opening Date, in case of an IPO and at least one Working Day before the Bid/Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

## 2.5 Issue Period

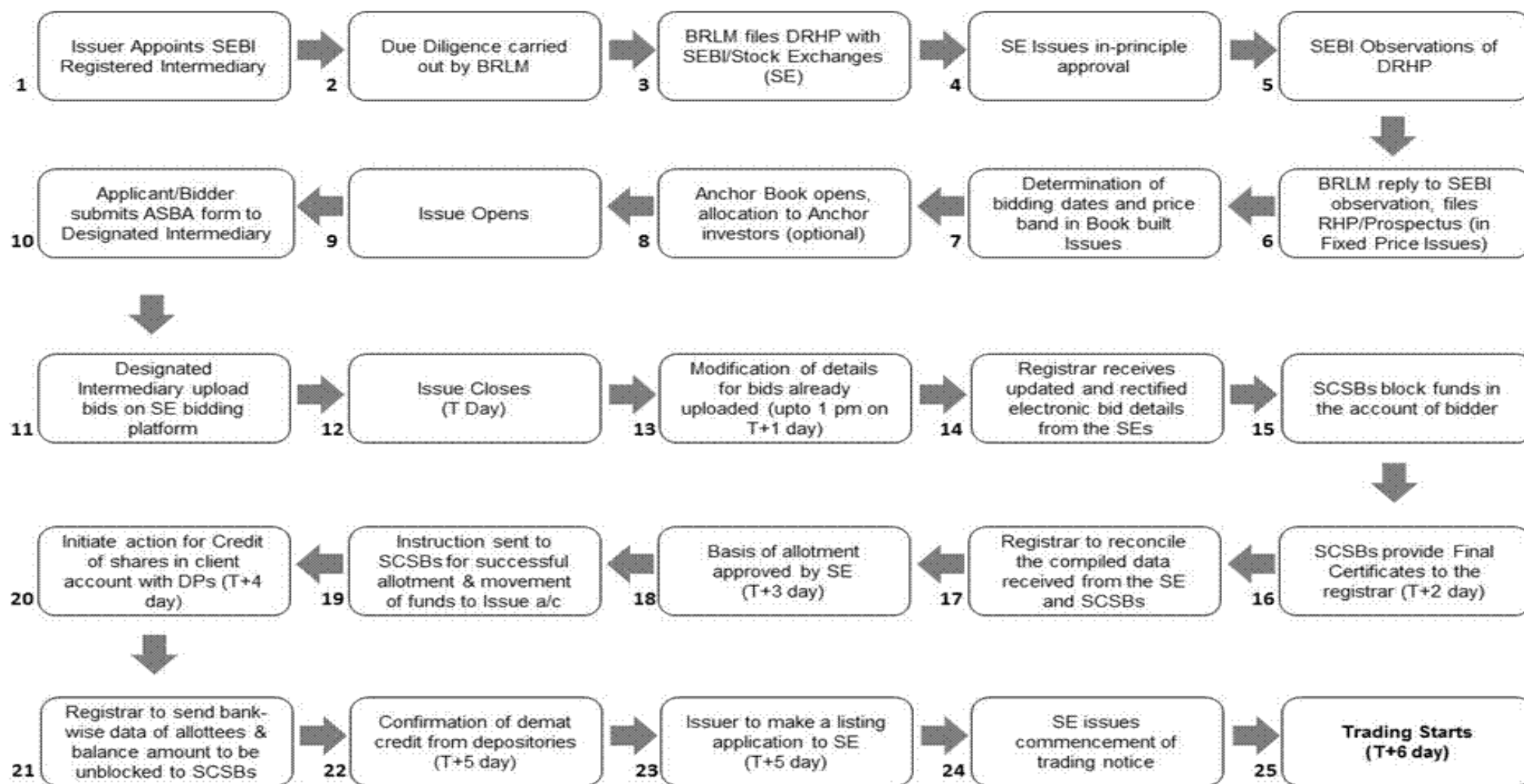
The Issue may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Issue Period. Details of Bid/Issue Period are also available on the website of the Stock Exchange(s).

In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at least three Working Days, subject to the total Bid/Issue Period not exceeding 10 Working Days. For details of any revision of the Floor Price or Price Band, Bidders/Applicants may check the announcements made by the Issuer on the websites of the Stock Exchanges, and the advertisement in the newspaper(s) issued in this regard.

## 2.6 Flowchart of timelines

A flow chart of process flow in Fixed Price and Book Built Issues is as follows. Bidders/Applicants may note that this is not applicable for Fast Track FPOs:

- In case of Issue other than Book Built Issue (Fixed Price Issue) the process at the following of the below mentioned steps shall be read as:
  - i. Step 7: Determination of Issue Date and Price
  - ii. Step 10: Applicant submits ASBA Form with any of the Designated Intermediaries





### SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

**Each Bidder/Applicant should check whether it is eligible to apply under applicable law.** Furthermore, certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the Karta. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: "Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the Karta". Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian Financial Institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI ICDR Regulations, 2009 and other laws, as applicable);
- FPIs other than Category III foreign portfolio investors Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIBs category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares;
- Trusts/societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008;
- Any other person eligible to Bid/Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws; and
- As per the existing regulations, Overseas Corporate Bodies are not allowed to participate in an Issue.

### SECTION 4: APPLYING IN THE ISSUE

**Book Built Issue:** Bidders should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) bearing the stamp of a Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the book running lead managers, the Designated Intermediaries at the Bidding centres and at the registered office of the Issuer. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Issue Opening Date. For further details, regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

**Fixed Price Issue:** Applicants should only use the specified Bid cum Application Form bearing the stamp of the relevant Designated Intermediaries, as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Designated Branches of the SCSBs and at the registered office of the Issuer. For further details, regarding availability of Application Forms, Applicants may refer to the Prospectus.

Bidders/Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Colour of the Bid cum Application Form
Resident Indian, Eligible NRIs applying on a non repatriation basis	White

<b>Category</b>	<b>Colour of the Bid cum Application Form</b>
NRIs, FVCIs, FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013.

Bidders/Applicants will not have the option of getting the Allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to Allotment.

#### **4.1 INSTRUCTIONS FOR FILLING THE BID CUM APPLICATION FORM/APPLICATION FORM**

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:

<b>COMMON BID CUM APPLICATION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : _____ Contact Details: _____ CIN No. _____	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>																																																																																																		
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TEAR HERE

PLEASE FILL IN BLOCK LETTERS

TEAR HERE

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR		FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCIS, ETC APPLYING ON A REPATRIATION BASIS
	Address : _____ Contact Details: _____ CIN No. _____		
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	BOOK BUILT ISSUE ISIN : _____	Bid cum Application Form No. _____

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr. / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER _____

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS NRI Non-Resident Indian(s) (Repatriation basis) FII FII or Sub-account not a Corporate/Foreign Individual FIISA FII Sub-account Corporate/Individual FVCI Foreign Venture Capital Investor FPI Foreign Portfolio Investors OTH Others (Please Specify) _____
For NSDL, enter 3 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID		
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB
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Option 1		
(OR) Option 2		
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Bank Name & Branch _____	

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABREGEED PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GID) AND HEREBY AGREE AND CONFIRM THE "BIDDERS UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.	
8A. SIGNATURE OF SOLE / FIRST BIDDER	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the line: 1) _____ 2) _____ 3) _____
Date : _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)

LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - NR	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No. _____
DPID / CLID	PAN of Sole / First Bidder _____		
Amount paid (₹ in figures) _____	Bank & Branch _____	Stamp & Signature of SCSB Branch	
ASBA Bank A/c No. _____			
Received from Mr./Ms. _____			
Telephone / Mobile _____	Email _____		

XYZ LIMITED - INITIAL PUBLIC ISSUE - NR	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____
	No. of Equity Shares				
	Bid Price				Acknowledgement Slip for Bidder
	Amount Paid (₹)				
ASBA Bank A/c No. _____				Bid cum Application Form No. _____	
Bank & Branch _____					

#### 4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/FIRST BIDDER/APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/mobile number fields are optional. Bidders/Applicants should note that the contact details mentioned in the Bid cum Application Form/Application Form may be used to dispatch communications in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Issuer, the Designated Intermediaries and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/Applications:** In the case of Joint Bids/Applications, the Bids/Applications should be made in the name of the Bidder/Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/Applicant would be required in the Bid cum Application Form/Application Form and such first Bidder/Applicant would be deemed to have signed on behalf of the joint holders.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

*“Any person who:*

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*

*shall be liable for action under Section 447.”*

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six months extending up to 10 years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (e) **Nomination Facility to Bidder/Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of Allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/Applicants should inform their respective CDP.

#### 4.1.2 FIELD NUMBER 2: PAN OF SOLE/FIRST BIDDER/APPLICANT

- (a) PAN (of the sole/first Bidder/Applicant) provided in the Bid cum Application Form/Application Form should be exactly the same as the PAN of the person in whose sole or first name the relevant beneficiary account is held as per the Depositories' records.
- (b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Bids/Applications on behalf of the Central or State Government, Bids/Applications by officials appointed by the courts and Bids/Applications by Bidders/Applicants residing in Sikkim (“PAN Exempted Bidders/Applicants”). Consequently, all Bidders/Applicants, other than the PAN Exempted Bidders/Applicants, are required to disclose their PAN in the Bid cum Application Form/Application Form, irrespective of the Bid/Application Amount. Bids/Applications by the Bidders/Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.
- (c) The exemption for the PAN Exempted Bidders/Applicants is subject to (a) the Demographic Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

- (d) Bid cum Application Forms which provide the GIR Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders/Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and Demographic Details are not provided by depositories.

#### 4.1.3 FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of the DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice or unblocking of ASBA Account or for other correspondence(s) related to an Issue.
- (d) Bidders/Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Bidders/Applicants' sole risk.

#### 4.1.4 FIELD NUMBER 4: BID OPTIONS

- (a) Price or Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) may be disclosed in the Prospectus/RHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs/FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (for further details Bidders may refer to Section 5.6 (e)).
- (c) **Cut-Off Price:** Retail Individual Bidders or Employees or Retail Individual Shareholders can Bid at the Cut-off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIBs and such Bids from QIBs and NIBs may be rejected.
- (d) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum application value.
- (e) **Allotment:** The Allotment of specified securities to each RIB shall not be less than the minimum Bid Lot, subject to availability of shares in the RIB category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Issuer.

##### 4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders and Retail Individual Shareholders must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by the Bidder does not exceed ₹ 200,000.
- (b) Bids by Employees must be for such number of shares so as to ensure that the Bid Amount less Discount (as applicable), payable by such Bidder does not exceed ₹ 500,000. However, Allotment to the Employees under the Employees Reservation Portion may exceed ₹ 200,000 (which will be less Employee Discount) only in the event of an under-subscription in the Employees Reservation Portion and such unsubscribed portion may be allotted on a proportionate basis to Employees Bidding in the Employees Reservation Portion, for a value in excess of ₹

200,000, subject to total Allotment to an Employee not exceeding ₹ 500,000 (which will be less the Employee Discount).

- (c) In case the Bid Amount exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, due to revision of the Bid or any other reason, the Bid may be considered for allocation under the Non-Institutional Category, with it not being eligible for Discount then such Bid may be rejected if it is at the Cut-off Price.
- (d) For NRIs, a Bid Amount of up to ₹ 200,000 may be considered under the Retail Category for the purposes of allocation and a Bid Amount exceeding ₹ 200,000 may be considered under the Non-Institutional Category for the purposes of allocation.
- (e) Bids by QIBs and NIBs must be for such minimum number of shares such that the Bid Amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the Bid cum Application Form and the RHP/Prospectus, or as advertised by the Issuer, as the case may be. NIBs and QIBs are not allowed to Bid at Cut-off Price.
- (f) RIB may revise or withdraw their bids till closure of the bidding period. QIBs and NIB's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (g) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the NIBs who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (h) For Anchor Investors, if applicable, the Bid Amount shall be least ₹ 10 crores. One-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors. Bids by various schemes of a Mutual Fund shall be aggregated to determine the Bid Amount. A Bid cannot be submitted for more than 60% of the QIB Category under the Anchor Investor Portion. Anchor Investors cannot withdraw their Bids or lower the size of their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after the Anchor Investor Bid/Issue Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Allocation Price is lower than the Issue Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Issue Price is lower than the Anchor Investor Allocation Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (i) A Bid cannot be submitted for more than the Issue size.
- (j) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (k) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for Allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of Bidders may refer to (Section 5.6 (e)).

#### 4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of three Bids at different price levels in the Bid cum Application Form and such options are not considered as multiple Bids.
- (b) Submission of a second Bid cum Application Form to either the same or to another Designated Intermediary and duplicate copies of Bid cum Application Forms bearing the same application number shall be treated as multiple Bids and are liable to be rejected.
- (c) Bidders are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple Bids:
  - (i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds, Bids bearing the same PAN may be treated as multiple Bids by a Bidder and may be rejected.

- (ii) For Bids from Mutual Funds, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders, the Bid cum Application Forms may be checked for common DP ID and Client ID. Such Bids which have the same DP ID and Client ID may be treated as multiple Bids and are liable to be rejected.
- (d) The following Bids may not be treated as multiple Bids:
  - (i) Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.
  - (ii) Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
  - (iii) Bids by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.
  - (iv) Bids by Anchor Investors under the Anchor Investor Portion and the QIB Category.

#### 4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, NIBs and QIBs.
- (b) Up to 60% of the QIB Category can be allocated by the Issuer, on a discretionary basis subject to the criteria of minimum and maximum number of Anchor Investors based on allocation size, to the Anchor Investors, in accordance with SEBI ICDR Regulations, 2009, with one-third of the Anchor Investor Portion reserved for domestic Mutual Funds subject to valid Bids being received at or above the Issue Price. For details regarding allocation to Anchor Investors, Bidders may refer to the RHP/Prospectus.
- (c) An Issuer can make reservation for certain categories of Bidders/Applicants as permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder/Applicant may refer to the RHP/Prospectus.

#### 4.1.6 **FIELD NUMBER 6: INVESTOR STATUS**

- (a) Each Bidder/Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective Allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

#### 4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If the Discount is applicable in the Issue, the RIBs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the RHP/Prospectus indicates that part payment may be made, such an option can be exercised by the Bidder. In case of Bidders specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less Discount offered, if any.
- (b) RIBs who Bid at Cut-off Price shall arrange to block the Bid Amount based on the Cap Price.



- (c) All Bidders (except Anchor Investors) have to participate in the Issue only through the ASBA mechanism.
- (d) Bid Amount cannot be paid in cash, through money order or through postal order.

#### **4.1.7.1 Instructions for Anchor Investors:**

- (a) Anchor Investors may submit their Bids with a Book Running Lead Manager.
- (b) Payments should be made either by direct credit, RTGS or NEFT.
- (c) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Anchor Investors until the Designated Date.

#### **4.1.7.2 Payment instructions for ASBA Bidders**

- (a) Bidders may submit the ASBA Form either
  - (i) in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
  - (ii) in physical mode to any Designated Intermediary.
- (b) Bidders must specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by Bidder and which is accompanied by cash, demand draft, cheque, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder.
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) Bidders should submit the Bid cum Application Form only at the Bidding Centres, i.e. to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations.
- (g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
- (h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
- (k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
- (l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs.

- (m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

#### 4.1.7.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six Working Days of the Bid/ Issue Closing Date.

#### 4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by Eligible NRI Bidders applying on a repatriation basis, payment shall not be accepted out of NRO Account.

#### 4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RIB category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Issue may block the Bid Amount less Discount.

Bidder may note that in case the net amount blocked (post Discount) is more than two lakh Rupees, or more than five lakh Rupees in case of Employees Bidding under the Employees Reservation Portion, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RIB category.

#### 4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder/Applicant is required to sign the Bid cum Application Form/ Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder/Applicant, then the Signature of the ASBA Account holder(s) is also required.
- (c) The signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and/or ASBA Account holder is liable to be rejected.

#### **4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the Acknowledgment Slip duly signed and stamped by the Designated Intermediary, as applicable, for submission of the ASBA Form.
- (b) All communications in connection with Bids made in the Issue may be addressed to the Registrar to the Issue with a copy to the relevant Designated Intermediary to whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder/Applicant, Bid cum Application Form number, Bidders'/Applicants' DP ID, Client ID, PAN, date of the submission of Bid cum Application Form, address of the Bidder, number of the Equity Shares applied for and the name and address of the Designated Intermediary where the Bid cum Application Form was submitted by the Bidder.

Further, the investor shall also enclose a copy of the Acknowledgment Slip duly received from the Designated Intermediaries in addition to the information mentioned hereinabove.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

#### **4.2 INSTRUCTIONS FOR FILING THE REVISION FORM**

- (a) During the Bid/ Issue Period, any Bidder/Applicant (other than QIBs and NIBs, who can only revise their bid upwards) who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the Revision Form, which is a part of the Bid cum Application Form.
- (b) RIB may revise their bids or withdraw their Bids till the Bid/ Issue Closing Date.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/ Issue Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample revision form is reproduced below:

<b>COMMON BID REVISION FORM</b>	<b>XYZ LIMITED - INITIAL PUBLIC ISSUE - R</b> Address : ..... Contact Details: ..... CIN No. ....	<b>FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS</b>																		
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">BOOK BUILT ISSUE ISEN : .....</td> <td style="text-align: center;">Bid cum Application Form No. ....</td> </tr> </table>	BOOK BUILT ISSUE ISEN : .....	Bid cum Application Form No. ....																
BOOK BUILT ISSUE ISEN : .....	Bid cum Application Form No. ....																			
SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER																		
		Mr./Ms. .... Address ..... Email ..... Tel. No. (with STD code) / Mobile .....																		
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	DISCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER																		
		.....																		
BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS																		
		<input type="checkbox"/> NSDL <input type="checkbox"/> CDSL For NSDL, enter 8 digit DP ID followed by 8 digit Client ID / For CDSL, enter 16 digit Client ID																		
<b>PLEASE CHANGE MY BID</b>																				
<b>4. FROM (AS PER LAST BID OR REVISION)</b>																				
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figure)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figure)																		
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)																		
Option 1																				
(OR) Option 2																				
(OR) Option 3																				
<b>5. TO (Revised Bid) (Only Retail Individual Bidders can bid at "Cut-off")</b>																				
Bid Options	No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figure)	Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only) (In Figure)																		
	8 7 6 5 4 3 2 1	Bid Price Retail Discount Net Price "Cut-off" (Please tick)																		
Option 1																				
(OR) Option 2																				
(OR) Option 3																				
<b>6. PAYMENT DETAILS</b>																				
Additional Amount Paid (₹ in figure) .....		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																		
ASBA Bank A/c No. ....																				
Bank Name & Branch .....																				
I/WE ON BEHALF OF JOINT APPLICANT, IF ANY, HEREBY CONFIRM THAT WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THE BID AND BEEN AWARE OF THE APPLICABLE PROVISIONS AND THE GENERAL INFORMATION DOCUMENT FOR INITIAL PUBLIC ISSUES (GIDPI) AND HEREBY AGREE AND CONFIRM THE UNDERTAKING AS GIVEN OVERLEAF/PAGE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM GIVEN OVER LEAF.																				
7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSEB / DP/RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																		
TEAR HERE																				
LOGO	<b>XYZ LIMITED</b> BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<b>Acknowledgement Slip for Broker/SCSB/ DP/RTA</b> Bid cum Application Form No. ....																		
PAN of Sole / First Bidder																				
Additional Amount Paid (₹) .....		Stamp & Signature of SCSB Branch																		
ASBA Bank A/c No. ....																				
Received from Mr./Ms. ....																				
Telephone / Mobile .....																				
Email .....																				
TEAR HERE																				
XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:33%;">Option 1</td> <td style="width:33%;">Option 2</td> <td style="width:33%;">Option 3</td> </tr> <tr> <td>No. of Equity Shares</td> <td></td> <td></td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> </tr> <tr> <td>Additional Amount Paid (₹)</td> <td></td> <td></td> </tr> <tr> <td>ASBA Bank A/c No. ....</td> <td colspan="2"></td> </tr> <tr> <td>Bank &amp; Branch .....</td> <td colspan="2"></td> </tr> </table>	Option 1	Option 2	Option 3	No. of Equity Shares			Bid Price			Additional Amount Paid (₹)			ASBA Bank A/c No. ....			Bank & Branch .....			Name of Sole / First Bidder .....
Option 1	Option 2	Option 3																		
No. of Equity Shares																				
Bid Price																				
Additional Amount Paid (₹)																				
ASBA Bank A/c No. ....																				
Bank & Branch .....																				
Stamp & Signature of Broker / SCSB / DP / RTA		<b>Acknowledgement Slip for Bidder</b>																		
		Bid cum Application Form No. ....																		

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

#### 4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANTS, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

#### 4.2.2 **FIELD 4 & 5: BID OPTIONS REVISION 'FROM' AND 'TO'**

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The Designated Intermediaries may not accept incomplete or inaccurate Revision Forms.
- (b) In case of revision, Bid options should be provided by Bidders/Applicants in the same order as provided in the Bid cum Application Form.
- (c) In case of revision of Bids by RIBs and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹ 200,000. In case of revision of Bids by Employees under Employees Reservation Portion, such Employees should ensure that the Bid Amount, subsequent to revision does not exceed ₹ 500,000. In the event of an under-subscription in the Employees Reservation Portion, the unsubscribed portion may be allotted on a proportionate basis for a value in excess of ₹ 200,000, subject to total allotment to an Employee not exceeding ₹ 500,000. In case the Bid Amount exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIBs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RIB does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid, where possible shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RIB and the RIB is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIBs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked after the allotment is finalised.

#### 4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) All Bidders/Applicants are required to authorise that the full Bid Amount (less Discount (if applicable) is blocked. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (b) Bidder/Applicants may issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds ₹ 200,000, except Bids by Employees under the Employees Reservation Portion, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder/Applicant does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for, where possible, may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIBs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount blocked at the time of Bidding may be unblocked after the finalisation of basis of allotment.

#### 4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

#### **4.3 INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)**

##### **4.3.1 FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

##### **4.3.2 FIELD 4: PRICE, APPLICATION QUANTITY & AMOUNT**

- (a) The Issuer may mention Issue Price or Price Band in the draft Prospectus. However a prospectus registered with RoC contains one price or coupon rate (as applicable).
- (b) **Minimum Application Value and Bid Lot:** The Issuer in consultation with the BRLMs may decide the minimum number of Equity Shares for each Bid to ensure that the minimum application value is within the range of ₹ 10,000 to ₹ 15,000. The minimum Lot size is accordingly determined by an Issuer on basis of such minimum application value.
- (c) Applications by RIBs, Employees and Retail Individual Shareholders, must be for such number of shares so as to ensure that the application amount payable does not exceed ₹ 200,000, except for Bids by Employees Bidding in the Employees Reservation Portion wherein the application amount payable should not exceed ₹ 500,000.
- (d) Applications by other investors must be for such minimum number of shares such that the application amount exceeds ₹ 200,000 and in multiples of such number of Equity Shares thereafter, as may be disclosed in the application form and the Prospectus, or as advertised by the Issuer, as the case may be.
- (e) An application cannot be submitted for more than the Issue size.
- (f) The maximum application by any Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (g) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or other SCSB and duplicate copies of Application Forms bearing the same application number shall be treated as multiple applications and are liable to be rejected.
- (h) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:
  - (i) All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.
  - (ii) For applications from Mutual Funds, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.
- (i) The following applications may not be treated as multiple Bids:
  - (i) Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Issue portion in public category.
  - (ii) Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Bid has been made.
  - (iii) Applications by Mutual Funds submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

##### **4.3.3 FIELD NUMBER 5: CATEGORY OF APPLICANTS**

- (a) The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIBs, individual applicants other than RIB's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

- (b) An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.
- (c) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation applicant may refer to the Prospectus.

#### 4.3.4 **FIELD NUMBER 6: INVESTOR STATUS**

Applicants should refer to instructions contained in paragraphs 4.1.6.

#### 4.3.5 **FIELD 7: PAYMENT DETAILS**

- (a) All Applicants (other than Anchor Investors) are required to make use of ASBA for applying in the Issue
- (b) Application Amount cannot be paid in cash, through money order, cheque, demand draft or through postal order or through stock invest.

##### 4.3.5.1 **Payment instructions for Applicants**

Applicants should refer to instructions contained in paragraph 4.1.7.2.

##### 4.3.5.2 **Unblocking of ASBA Account**

Applicants should refer to instructions contained in paragraph 4.1.7.2.1.

##### 4.3.5.3 **Discount** (if applicable)

Applicants should refer to instructions contained in paragraph 4.1.7.3.

#### 4.3.6 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS & ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

Applicants should refer to instructions contained in paragraphs 4.1.8 & 4.1.9.

### 4.4 **SUBMISSION OF BID CUM APPLICATION FORM/APPLICATION FORM/REVISION FORM**

#### 4.4.1 **Bidders/Applicants may submit completed Bid cum application form/Revision Form in the following manner:**

<b>Mode of Application</b>	<b>Submission of Bid cum Application Form</b>
Anchor Investors Application Form	To the Book Running Lead Managers at the locations mentioned in the Anchor Investors Application Form
ASBA Form	<ul style="list-style-type: none"> <li>(a) To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres or the RTA at the Designated RTA Location or the CDP at the Designated CDP Location</li> <li>(b) To the Designated Branches of the SCSBs where the ASBA Account is maintained</li> </ul>

- (a) Bidders/Applicants should submit the Revision Form to the same Designated Intermediary through which such Bidder/Applicant had placed the original Bid.
- (b) Upon submission of the Bid cum Application Form, the Bidder/Applicant will be deemed to have authorized the Issuer to make the necessary changes in the RHP and the Bid cum Application Form as would be required for filing Prospectus with the RoC and as would be required by the RoC after such filing, without prior or subsequent notice of such changes to the relevant Bidder/Applicant.
- (c) Upon determination of the Issue Price and filing of the Prospectus with the RoC, the Bid cum Application Form will be considered as the application form.

## **SECTION 5: ISSUE PROCEDURE IN BOOK BUILT ISSUE**

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Issue Price is finalised after the Bid/ Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

### **5.1 SUBMISSION OF BIDS**

- (a) During the Bid/ Issue Period, Bidders/Applicants may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the Book Running Lead Manager, to register their Bid.
- (b) In case of Bidders/Applicants (excluding NIBs and QIBs) Bidding at Cut-off Price, the Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable).
- (c) For details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders/Applicants are requested to refer to the RHP.

### **5.2 ELECTRONIC REGISTRATION OF BIDS**

- (a) The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- (b) On the Bid/ Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges and as disclosed in the Red Herring Prospectus.
- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1 p.m. on the next Working Day following the Bid/ Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/ Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

### **5.3 BUILD UP OF THE BOOK**

- (a) Bids received from various Bidders/Applicants through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMs at the end of the Bid/ Issue Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/ Issue Period.

### **5.4 WITHDRAWAL OF BIDS**

- (a) RIBs can withdraw their Bids until Bid/ Issue Closing Date. In case a RIB wishes to withdraw the Bid during the Bid/ Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account upon or after the finalization of basis of allotment. QIBs and NIBs can neither withdraw nor lower the size of their Bids at any stage.

### **5.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS**

- (a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
  - (i) the Bids accepted by the Designated Intermediary,
  - (ii) the Bids uploaded by the Designated Intermediary, and
  - (iii) the Bid cum application forms accepted but not uploaded by the Designated Intermediary.



- (b) The BRLMs and their affiliate Syndicate Member, as the case may be, may reject Bids if all information required is not provided and the Bid cum Application Form is incomplete in any respect.
- (c) The SCSBs shall have no right to reject Bids, except in case of unavailability of adequate funds in the ASBA account or on technical grounds.
- (d) In case of QIB Bidders, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Member (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- (e) All bids by QIBs, NIBs & RIBs can be rejected on technical grounds listed herein.

Any RIB whose Bid has not been considered for Allotment, due to failures on the part of the SCSB may seek redressal from the concerned SCSB within three months of the listing date in accordance with the circular SEBI/HO/CFD/DIL2/CIR/P/2018/22 dated February 15, 2018.

#### 5.5.1 **GROUND FOR TECHNICAL REJECTIONS**

Bid cum Application Forms/Application Forms can be rejected on the below mentioned technical grounds either at the time of their submission to any of the Designated Intermediaries, or at the time of finalisation of the Basis of Allotment. Bidders/Applicants are advised to note that the Bids/Applications are liable to be rejected, which have been detailed at various places in this GID:

- (a) Bid/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs;
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust, etc., relevant documents are not being submitted along with the Bid cum application form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) PAN not mentioned in the Bid cum Application Form/Application Forms except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (h) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (i) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (j) Bids/Applications at a price less than the Floor Price & Bids/Applications at a price more than the Cap Price;
- (k) Bids/Applications at Cut-off Price by NIBs and QIBs;
- (l) The amounts mentioned in the Bid cum Application Form/Application Forms do not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (m) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- (n) Submission of more than five ASBA Forms/Application Forms per ASBA Account;
- (o) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares as specified in the RHP;
- (p) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;

- (q) Bids not uploaded in the Stock Exchanges bidding system.
- (r) Inadequate funds in the bank account to block the Bid/Application Amount specified in the ASBA Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (s) Where no confirmation is received from SCSB for blocking of funds;
- (t) Bids/Applications by Bidders (other than Anchor Investors) not submitted through ASBA process;
- (u) Bids/Applications submitted to Designated Intermediaries at locations other than the Bidding Centres or to the Escrow Collection Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Issuer or the Registrar to the Issue;
- (v) Bids / Applications not uploaded on the terminals of the Stock Exchanges;
- (w) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

## 5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP/Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP/Prospectus.
- (b) Under-subscription in any category (except QIB Portion) is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMs and the Designated Stock Exchange and in accordance with the SEBI ICDR Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.
- (c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**

*Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.*

Bidders can bid at any price within the price band. For instance, assume a price band of ₹ 20 to ₹ 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. The illustrative book given 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%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	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 equity shares is the price at which the book cuts off, *i.e.*, ₹ 22.00 in the above example. The issuer, in consultation with the BRLMs, will finalise the issue price at or below such cut-off price, *i.e.*, at or below ₹ 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.

- (e) **Alternate Method of Book Building**

In case of FPOs, Issuers may opt for an alternate method of Book Building in which only the Floor Price is specified for the purposes of Bidding (“**Alternate Book Building Process**”).

The Issuer may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Issue Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIBs, NIBs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the Allotment may be done on a proportionate basis. Further, the Issuer may place a cap either in terms of number of specified securities or percentage of issued capital of the Issuer that may be Allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

## SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

**Applicants may note that there is no Bid cum Application Form in a Fixed Price Issue.** As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through the Designated Intermediary.

Applicants may submit an Application Form either in physical form to the any of the Designated Intermediaries or in the electronic form to the SCSB or the Designated Branches of the SCSBs authorising blocking of funds that are available in the bank account specified in the Application Form only (“**ASBA Account**”). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Bid/ Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Bidders; and remaining to (i) individual investors other than Retail Individual Bidders; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

For details of instructions in relation to the Application Form, Bidders/Applicants may refer to the relevant section of the GID.

## SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidders and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Net Issue (excluding any Offer for Sale of specified securities). However, in case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable.

### 7.1 ALLOTMENT TO RIBs

Bids received from the RIBs at or above the Issue Price may be grouped together to determine the total demand under this category. If the aggregate demand in this category is less than or equal to the Retail Category at or above the Issue Price, full Allotment may be made to the RIBs to the extent of the valid Bids. If the aggregate demand in this category is greater than the allocation to in the Retail Category at or above the Issue Price, then the maximum number of RIBs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot (“**Maximum RIB Allottees**”). The Allotment to the RIBs will then be made in the following manner:

- (a) In the event the number of RIBs who have submitted valid Bids in the Issue is equal to or less than Maximum RIB Allottees, (i) all such RIBs shall be Allotted the minimum Bid Lot; and (ii) the balance available Equity Shares, if any, remaining in the Retail Category shall be Allotted on a proportionate basis to the RIBs who have received Allotment as per (i) above for the balance demand of the Equity Shares Bid by them (i.e. who have Bid for more than the minimum Bid Lot).
- (b) In the event the number of RIBs who have submitted valid Bids in the Issue is more than Maximum RIB Allottees, the RIBs (in that category) who will then be Allotted minimum Bid Lot shall be determined on the basis of draw of lots.

## 7.2 ALLOTMENT TO NIBS

Bids received from NIBs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIBs may be made at or above the Issue Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Issue Price, full Allotment may be made to NIBs to the extent of their demand. In case the aggregate demand in this category is greater than the Non-Institutional Category at or above the Issue Price, Allotment may be made on a proportionate basis up to a minimum of the Non-Institutional Category.

## 7.3 ALLOTMENT TO QIBs

For the Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to the SEBI ICDR Regulations, 2009 or RHP/Prospectus. Bids received from QIBs Bidding in the QIB Category (net of Anchor Portion) at or above the Issue Price may be grouped together to determine the total demand under this category. The QIB Category may be available for Allotment to QIBs who have Bid at a price that is equal to or greater than the Issue Price. Allotment may be undertaken in the following manner:

- (a) In the first instance allocation to Mutual Funds for up to 5% of the QIB Category may be determined as follows:  
(i) In the event that Bids by Mutual Fund exceeds 5% of the QIB Category, allocation to Mutual Funds may be done on a proportionate basis for up to 5% of the QIB Category; (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Category then all Mutual Funds may get full Allotment to the extent of valid Bids received above the Issue Price; and (iii) Equity Shares remaining unsubscribed, if any and not allocated to Mutual Funds may be available for Allotment to all QIBs as set out at paragraph 7.4(b) below;
- (b) In the second instance, Allotment to all QIBs may be determined as follows: (i) In the event of oversubscription in the QIB Category, all QIBs who have submitted Bids above the Issue Price may be Allotted Equity Shares on a proportionate basis for up to 95% of the QIB Category; (ii) Mutual Funds, who have received allocation as per (a) above, for less than the number of Equity Shares Bid for by them, are eligible to receive Equity Shares on a proportionate basis along with other QIBs; and (iii) Under-subscription below 5% of the QIB Category, if any, from Mutual Funds, may be included for allocation to the remaining QIBs on a proportionate basis.

## 7.4 ALLOTMENT TO ANCHOR INVESTOR (IF APPLICABLE)

- (a) Allocation of Equity Shares to Anchor Investors at the Anchor Investor Issue Price will be at the discretion of the issuer in consultation with the BRLMs, subject to compliance with the following requirements:
  - (i) not more than 60% of the QIB Category will be allocated to Anchor Investors;
  - (ii) one-third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to other Anchor Investors; and
  - (iii) allocation to Anchor Investors shall be on a discretionary basis and subject to:
    - a maximum number of two Anchor Investors for allocation up to ₹ 100 million;
    - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 100 million and up to ₹ 2,500 million subject to minimum Allotment of ₹ 50 million per such Anchor Investor; and
    - a minimum number of five Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 2,500 million, and an additional 10 Anchor Investors for every additional ₹ 2,500 million or part thereof, subject to minimum Allotment of ₹ 50 million per such Anchor Investor.
- (b) An Anchor Investor shall make an application of a value of at least ₹ 100 million in the Issue.
- (c) A physical book is prepared by the Registrar on the basis of the Anchor Investor Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Issuer in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (d) **In the event that the Issue Price is higher than the Anchor Investor Allocation Price:** Anchor Investors will be sent a revised CAN within one day of the Pricing Date indicating the number of Equity Shares allocated to

such Anchor Investor and the pay-in date for payment of the balance amount. Anchor Investors are then required to pay any additional amounts, being the difference between the Issue Price and the Anchor Investor Allocation Price, as indicated in the revised CAN within the pay-in date referred to in the revised CAN. Thereafter, the Allotment Advice will be issued to such Anchor Investors.

- (e) **In the event the Issue Price is lower than the Anchor Investor Allocation Price:** Anchor Investors who have been Allotted Equity Shares will directly receive Allotment Advice.

## 7.5 BASIS OF ALLOTMENT FOR QIBs (OTHER THAN ANCHOR INVESTORS), NIBs AND RESERVED CATEGORY IN CASE OF OVER-SUBSCRIBED ISSUE

In the event of the Issue being over-subscribed, the Issuer may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorized according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate Allotment is less than the minimum Bid Lot decided per Bidder, the Allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Issuer;
- (e) If the proportionate Allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all Bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

## 7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares to Anchor Investors from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker to the Issue. The balance amount after transfer to the Public Issue Account shall be transferred to the Refund Account. Payments of refund to the Bidders applying in the Anchor Investor Portion shall be made from the Refund Account as per the terms of the Escrow Agreement and the RHP. On the Designated Date, the Registrar to the Issue shall instruct the SCSBs to transfer funds represented by allocation of Equity Shares from ASBA Accounts into the Public Issue Account.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Bidders/Applicants are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.

Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders/Applicants who have been Allotted Equity Shares in the Issue.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) credit of shares to the successful Bidders/Applicants Depository Account will be completed within six Working Days of the Bid/ Issue Closing Date.

## **SECTION 8: INTEREST AND REFUNDS**

### **8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING**

The Issuer shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within six Working Days of the Bid/ Issue Closing Date. The Registrar to the Issue may initiate corporate action for credit to Equity Shares the beneficiary account with Depositories, within six Working Days of the Bid/ Issue Closing Date.

### **8.2 GROUNDS FOR REFUND**

#### **8.2.1 NON RECEIPT OF LISTING PERMISSION**

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in RHP/Prospectus. The Designated Stock Exchange may be as disclosed in the RHP/Prospectus with which the Basis of Allotment may be finalised.

If the Issuer fails to make application to the Stock Exchange(s) or obtain permission for listing of the Equity Shares, in accordance with the provisions of Section 40 of the Companies Act, 2013, the Issuer shall be punishable with a fine which shall not be less than ₹ 5 lakhs but which may extend to ₹ 50 lakhs and every officer of the Issuer who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than ₹ 50,000 but which may extend to ₹ 3 lakhs, or with both.

If the permissions to deal in and an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith take steps to refund, without interest, all moneys received from Bidders/Applicants.

If such money is not refunded to the Bidders/Applicants within the prescribed time after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of such period, be liable to repay the money, with interest at such rate, as disclosed in the RHP/Prospectus.

#### **8.2.2 NON RECEIPT OF MINIMUM SUBSCRIPTION**

If the Issuer does not receive a minimum subscription of 90% of the Net Issue (excluding any offer for sale of specified securities), including devolvement to the Underwriters, the Issuer may forthwith, take steps to unblock the entire subscription amount received within six Working Days of the Bid/ Issue Closing Date and repay, without interest, all moneys received from Anchor Investors. In case the Issue is in the nature of Offer for Sale only, then minimum subscription may not be applicable. In case of under-subscription in the Issue involving a Fresh Issue and an Offer for Sale, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

If there is a delay beyond the prescribed time after the Issuer becomes liable to pay the amount received from Bidders, then the Issuer and every director of the Issuer who is an officer in default may on and from expiry of 15 Working Days, be jointly and severally liable to repay the money, with interest at the rate of 15% per annum in accordance with the Companies (Prospectus and Allotment of Securities) Rules, 2014, as amended.

#### **8.2.3 MINIMUM NUMBER OF ALLOTTEES**

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be Allotted may not be less than 1,000 failing which the entire application monies may be refunded forthwith.

#### **8.2.4 IN CASE OF ISSUES MADE UNDER COMPULSORY BOOK BUILDING**

In case an Issuer not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Issue under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to Allot at least 75% of the Net Issue to QIBs, in such case full subscription money is to be refunded.

### **8.3 MODE OF REFUND**

- (a) **In case of ASBA Bids:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Accounts for unsuccessful Bids or for any excess amount blocked on Bidding.

- (b) **In case of Anchor Investors:** Within six Working Days of the Bid/ Issue Closing Date, the Registrar to the Issue may dispatch the refund orders for all amounts payable to unsuccessful Anchor Investors.
- (c) In the event of the Issue failing after the Designated Date, amounts that have been credited to the Public Issue Account from Bidders shall be transferred to the Refund Account.
- (d) In case of Anchor Investors, the Registrar to the Issue may obtain from the depositories the Bidders' bank account details, including the MICR code, on the basis of the DP ID, Client ID and PAN provided by the Anchor Investors in their Anchor Investor Application Forms for refunds. Accordingly, Anchor Investors are advised to immediately update their details as appearing on the records of their depositories. Failure to do so may result in delays in dispatch of refund orders or refunds through electronic transfer of funds, as applicable, and any such delay may be at the Anchor Investors' sole risk and neither the Issuer, the Registrar to the Issue, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Anchor Investors for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

### 8.3.1 Electronic mode of making refunds for Anchor Investors

The payment of refund, if any, may be done through various electronic modes as mentioned below:

- (a) **NACH**—National Automated Clearing House is a consolidated system of ECS. Payment of refunds would be done through NACH for Anchor Investors having an account at one of the centres specified by the RBI, where such facility has been made available. This would be subject to availability of complete bank account details including Magnetic Ink Character Recognition (MICR) Code wherever applicable from the depository. The payment of refunds through NACH is mandatory for Anchor Investors having a bank account at any of the centres where NACH facility has been made available by the RBI (subject to availability of all information for crediting the refund through NACH including the MICR code as appearing on a cheque leaf from the depositors), except where applicant is otherwise disclosed as eligible to get refunds through NEFT or direct credit or RTGS;
- (b) **NEFT**—Payment of refund may be undertaken through NEFT wherever the branch of the Anchor Investors' bank is NEFT enabled and has been assigned the Indian Financial System Code ("IFSC"), which can be linked to the MICR of that particular branch. The IFSC may be obtained from the website of RBI as at a date prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the Anchor Investors have registered their nine-digit MICR number and their bank account number while opening and operating the demat account, the same may be duly mapped with the IFSC of that particular bank branch and the payment of refund may be made to the Anchor Investors through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **RTGS**—Anchor Investors having a bank account at any of the centers notified by SEBI where clearing houses are managed by the RBI, may have the option to receive refunds, if any, through RTGS.
- (d) **Direct Credit**—Anchor Investors having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;

Please note that refunds through the abovementioned modes shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Collection Bank.

For details of levy of charges, if any, for any of the above methods, Anchor Investors may refer to RHP/Prospectus.

### 8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum if Allotment is not made and the refund instructions have not been given to the clearing system in the disclosed manner/instructions for unblocking of funds in the ASBA Account are not dispatched within 15 days of the Bid/ Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Bid/ Issue Closing Date, if Allotment is not made.

## SECTION 9: GLOSSARY AND ABBREVIATIONS

*Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.*

<b>Term</b>	<b>Description</b>
Allotment/Allot/Allotted	The allotment of Equity Shares pursuant to the Issue to successful Bidders/Applicants
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been Allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges
Allottee	An Bidder/Applicant to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009 and the Red Herring Prospectus.
Anchor Investor Application Form	The form used by an Anchor Investor to make a Bid in the Anchor Investor Portion and which will be considered as an application for Allotment in terms of the Red Herring Prospectus and Prospectus
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Issuer in consultation with the BRLMs, to Anchor Investors on a discretionary basis. One-third of the Anchor Investor Portion is reserved for domestic Mutual Funds, subject to valid Bids being received from domestic Mutual Funds at or above the price at which allocation is being done to Anchor Investors
Application Supported by Blocked Amount /ASBA	An application, whether physical or electronic, used by ASBA Bidders/Applicants, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
Application Supported by Blocked Amount Form /ASBA Form	An application form, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Red Herring Prospectus and the Prospectus
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder
ASBA Bidder	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue /Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Issue
Bid	An indication to make an offer during the Bid/ Issue Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/ Issue Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Issuer at a price within the Price Band, including all revisions and modifications thereto. In case of issues undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of issues undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The Anchor Investor Application Form or the ASBA Form, as the context requires
Bid/ Issue Closing Date	Except in the case of Anchor Investors (if applicable), the date after which the Designated Intermediaries may not accept any Bids for the Issue, which may be notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Closing Date
Bid/ Issue Opening Date	The date on which the Designated Intermediaries may start accepting Bids for the Issue, which may be the date notified in an English national daily, a Hindi national daily and a regional language newspaper at the place where the registered office of the Issuer is situated, each with wide circulation. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Opening Date
Bid/ Issue Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/ Issue Opening Date and the Bid/ Issue Closing Date inclusive of both days and during which prospective ASBA Bidders/Applicants can submit their Bids, inclusive of any revisions thereof. The Issuer may consider closing the Bid/ Issue Period for QIBs one working day prior to the Bid/ Issue Closing Date in accordance with the SEBI ICDR Regulations, 2009. Bidders/Applicants may refer to the RHP/Prospectus for the Bid/ Issue Period
Bidder/Applicant	Any prospective investor who makes a Bid/Application pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the ASBA 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 websites of the Stock Exchanges.



<b>Term</b>	<b>Description</b>
BRLM(s)/Book Running Lead Manager(s)/Lead Manager/LM	The Book Running Lead Manager to the Issue as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Issuer. In case of issues undertaken through the fixed price process, all references to the Book Running Lead Manager should be construed to mean the Lead Manager or LM
Business Day	Monday to Saturday (except 2 <sup>nd</sup> and 4 <sup>th</sup> Saturday of a month and public holidays)
CAN/Confirmation of Allocation Note	Notice or intimation of allocation of the Equity Shares sent to Anchor Investors, who have been allocated the Equity Shares, after the Anchor Investor Bid/ Issue Period
Cap Price	The higher end of the Price Band, above which the Issue Price and the Anchor Investor Issue Price may not be finalised and above which no Bids may be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, finalised by the Issuer in consultation with the Book Running Lead Manager(s), which can be any price within the Price Band. Only RIBs, Retail Individual Shareholders and employees are entitled to Bid at the Cut-off Price. No other category of Bidders/Applicants are entitled to Bid at the Cut-off Price
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by Bidders/Applicants (excluding Anchor Investors) and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the ASBA Forms to Collecting Depository Participants.  The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the ASBA Bidders, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders can submit the ASBA Forms to RTAs.  The details of such Designated RTA Locations, along with names and contact details of the RTAs eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges ( <a href="http://www.bseindia.com">www.bseindia.com</a> and <a href="http://www.nseindia.com">www.nseindia.com</a> )
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009
Draft Prospectus	The draft prospectus filed with SEBI in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity Shares of the Issuer
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors may transfer money through NACH/NEFT/RTGS/direct credit in respect of the Bid Amount when submitting a Bid

<b>Term</b>	<b>Description</b>
Escrow Agreement	Agreement to be entered into among the Issuer, the Registrar to the Issue, the Book Running Lead Manager(s), the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts from Anchor Investors and where applicable, remitting refunds of the amounts collected to the Anchor Investors on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Issue
FCNR Account	Foreign Currency Non-Resident Account
First Bidder/Applicant	The Bidder/Applicant whose name appears first in the Bid cum Application Form or Revision Form
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
Floor Price	The lower end of the Price Band, at or above which the Issue Price and the Anchor Investor Issue Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
FPO	Further public offering
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be Allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Mutual Funds Portion	5% of the QIB Category (excluding the Anchor Investor Portion) available for allocation to Mutual Funds only, being such number of equity shares as disclosed in the RHP/Prospectus and Bid cum Application Form
NACH	National Automated Clearing House
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non Institutional Bidders or NIIs	All Bidders/Applicants, including FPIs which are Category III foreign portfolio investors, that are not QIBs or RIIs and who have Bid for Equity Shares for an amount of more than ₹ 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the RHP/Prospectus and the Bid cum Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs and FVCIs registered with SEBI
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Bidders in a Fixed Price Issue. These include individual applicants other than Retail Individual Bidders and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

<b>Term</b>	<b>Description</b>
Price Band	Price Band with a minimum price, being the Floor Price and the maximum price, being the Cap Price and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue may be decided by the Issuer in consultation with the Book Running Lead Manager(s) and advertised, at least five working days in case of an IPO and one working day in case of FPO, prior to the Bid/ Issue Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Issuer is situated, newspaper each with wide circulation
Pricing Date	The date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	The prospectus to be filed with the RoC in accordance with Section 26 of the Companies Act, 2013 after the Pricing Date, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
QIB Category	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis
Qualified Institutional Buyers or QIBs	As defined under SEBI ICDR Regulations, 2009
RTGS	Real Time Gross Settlement
Red Herring Prospectus/RHP	The red herring prospectus issued in accordance with Section 32 of the Companies Act, 2013, which does not have complete particulars of the price at which the Equity Shares are offered and the size of the Issue. The RHP may be filed with the RoC at least three days before the Bid/ Issue Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of issues undertaken through the fixed price process, all references to the RHP should be construed to mean the Prospectus
Refund Account(s)	The account opened with Refund Bank(s), from which refunds to Anchor Investors, if any, of the whole or part of the Bid Amount may be made
Refund Bank(s)	Refund bank(s) as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Bids at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Issue /RTO	The Registrar to the Issue as disclosed in the RHP/Prospectus and Bid cum Application Form
Reserved Category/Categories	Categories of persons eligible for making application/Bidding under reservation portion
Reservation Portion	The portion of the Issue reserved for such category of eligible Bidders/Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Bidders/ RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies or bids for a value of not more than ₹200,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum Bid Lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an issue through Book Building Process to modify the quantity of Equity Shares and/or bid price indicated therein in any of their Bid cum Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on <a href="http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes">http://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognised=yes</a>
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member(s)
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Member(s)

<b>Term</b>	<b>Description</b>
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Manager(s) and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Issuer, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to (a) announcement of Price Band; and (b) Bid/ Issue Period, “Working Day” shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/ Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, “Working Day” shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

## RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is governed by the provisions of FEMA Regulations. The government bodies responsible for granting foreign investment approvals are the various departments of the concerned ministries or departments, in consultation with the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”).

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The DIPP, issued the Consolidated FDI Policy which with effect from August 28, 2017, consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP that were in force and effect as on August 27, 2017.

The Government proposes to update the Consolidated FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

Subject to certain condition, the transfer of shares by way of sale between an Indian resident and a non-resident does not require the prior approval of the RBI or the relevant ministry or department of the Government of India, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by SEBI and RBI.

As per the existing policy of the Government, OCBs cannot participate in this Offer.

**The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders, and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.**

## SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

1. Unless the context otherwise requires, words or expressions contained in these Articles shall Interpretation bear the same meaning as in the Act (hereinafter defined) or any statutory modification thereof in force at the date at which the Articles become binding on the Company.

The marginal notes hereto are inserted for convenience and shall not affect the construction hereof and in these presents, unless there be something in the subject or context inconsistent therewith:

<b>“Act”</b>	“Act” mean the Companies Act, 2013, and includes where the context so admits any re-enactment or statutory modification thereof for the time being in force and any previous company law, so far as may be applicable.
	Words and expressions used in the Articles shall bear the same meaning as used in the Act or the Rules, as the case may.
<b>“Articles”</b>	“Articles” mean these Articles of Association as adopted or as from time to time altered by special resolution.
<b>“Auditors” or “Auditor”</b>	“Auditors” or “Auditor” mean the auditor or auditors of the Company appointed in pursuance of the provisions of Section 139 of the Act.
<b>“Beneficial Owner”</b>	“Beneficial Owner” shall mean the beneficial owner as defined in Clause (a) of Sub-Section (1) of Section 2 of the Depositories Act, 1996.
<b>“Board of Directors” or “Board”</b>	“Board of Directors” or “Board” means the board of directors for the time being of the Company and includes a committee constituted by the board.
<b>“Company”</b>	“Company” means “ANMOL INDUSTRIES LIMITED”.
<b>“Depositories Act, 1996”</b>	“Depositories Act, 1996” shall mean the Depositories Act, 1996 and includes where the context so admits, any statutory modification or re-enactment thereof.
<b>“Depository”</b>	“Depository” shall mean a depository as defined under Clause (e) of sub-section (1) of Section (2) of the Depositories Act, 1996.
<b>“Directors”</b>	“Directors” mean the directors for the time being of the Company.
<b>“Dividend”</b>	“Dividend” includes interim dividend but excludes bonus Shares.
<b>“Listing Agreement”</b>	“Listing Agreement” means the agreement entered into with the Exchange for listing of Securities and includes where the context so admits any amendment or modification thereof for the time being in force.
<b>“Managing Director”</b>	“Managing Director” means the Managing Director or the Deputy Managing Director or the Joint Managing Director for the time being of the Company by whatever name called.
<b>“Exchange”</b>	“Exchange” means the Stock Exchange or Exchanges where the shares of the Company are listed for the time being.
<b>“Independent Director”</b>	“Independent Director” means a person as defined in Section 149 of the Act and/or Clause 49 of the Listing Agreement entered into with the Exchange including any statutory modifications or re-enactments thereto.
<b>“Key Managerial Personnel”</b>	“Key Managerial Personnel” means the persons as defined in section 2(51) of the Companies Act, 2013.
<b>“Office”</b>	“Office” means the registered office for the time being of the Company.
<b>“Register”</b>	“Register” means the Register of Members of the Company required to be kept under Section 88 of the Act.
<b>“Rules”</b>	“Rules” means the rules framed by the Ministry of Corporate Affairs (‘MCA’) under the Act, as amended from time to time.
<b>“Member”</b>	<b>or</b> a. whose name is entered in the Register of Members as holding any Share(s) either solely

<b>“Shareholder” means a Person</b>	<p>or jointly:</p> <p>b. Subscriber to the Memorandum of the Company; and</p> <p>c. Beneficial Owner(s)</p>
<b>“Memorandum”</b>	“Memorandum” means the Memorandum of Association of the Company.
<b>“Month”</b>	“Month” shall mean the English Calendar month.
<b>“Seal”</b>	“Seal” shall mean the Common Seal of the Company.
<b>“Paid up”</b>	“Paid up” shall include credited as paid up.
<b>“Share Capital”</b>	“Share Capital” means the capital for the time being raised or authorised to be raised for the purposes of the Company.
<b>“Shares”</b>	“Shares” shall mean the shares into which the capital is divided and interests corresponding to such Share.
<b>“Person”</b>	“Person” includes any corporation as well as individual.
<b>“Proxy”</b>	“Proxy” includes attorney duly constituted under a power of attorney appointed in accordance with the provisions of the Act and the Rules.
<b>“In Writing” and “Written”</b>	“In Writing” and “Written” includes printing, lithography and other modes of representing or reproducing words in a visible form.

Words importing the singular number also include the plural number and vice-versa

2. The regulations contained in these Articles of Association shall overrule the regulations contained in Table “F” in the Schedule I to the Companies Act, 2013. The Articles of Association referred to in this paragraph shall be subject to any exercise of the statutory power of the Company in reference to the repeal or alteration thereof, or addition to its regulations by special resolution, as prescribed by the Act, and the Articles of Association shall refer to the Articles as existing from time to time.
3. Save as permitted by Section 67 of the Act, the funds of the Company shall not be employed in the purchase of security, Shares in the Company and the Company shall not give, directly or indirectly, any financial assistance, whether by way of loan, guarantee, the provision of security or otherwise, for the purpose of or in connection with any purchase of or subscription for Shares in the Company or any Company of which it may, for the time being, be a subsidiary.  
  
The Articles shall not be deemed to effect the power of the Company to enforce repayment of loans to Members or to exercise a lien conferred by Article 31.
4. Subject to Sections 68 and 70 of the Act, the Company may purchase its own Shares or other specified securities out of (i) its free reserves; or (ii) the securities premium account; or (iii) the proceeds of the issue of any Shares or other specified securities or (iv) otherwise specified by the law for the time being in force.
5. The Office shall be at such place as the Board of Directors shall determine subject to provisions of the Act.
6. (a) The Authorised Share Capital of the Company is as stated in Clause V of the Memorandum with the rights, privileges and conditions attached thereto as are provided by the Articles of Association for the time being. The Company shall have power to increase, reduce, consolidate, sub-divide or otherwise alter the Share Capital and to divide the Shares in the Share Capital for the time being into several classes and to attach thereof respectively such preferential or other rights, privileges and conditions in such manner as may be permitted by the Act.  
  
(b) Subject to the provisions of these Articles and of the Act, the Company shall have power to issue Preference Shares which may, at the option of the Company, be liable to be redeemed out of the profits or out of the proceeds of a fresh issue of Shares made for the purposes of such redemption. The Board may, subject to the provisions of Section 55 of the Act and the Companies (Share Capital and Debenture) Rules, 2014, exercise such power in such manner as it may think fit.  
  
(c) In respect of terms of issue of Shares the provisions of Articles 53, 54, 55, 56 and 57 shall apply.

- (d) The Company shall be entitled to dematerialize all or any of its existing Shares, rematerialize all or any of its Shares held in the Depositories and / or to offer its fresh Shares or buyback its Shares in a dematerialized form pursuant to the Depositories Act, 1996 and the Relevant Rules, if any.
7. Subject to the provisions of these Articles, the Act and the Rules, the Shares shall be under the control of the Board, who may issue, allot or otherwise dispose off the same or any of them, on such terms and conditions, at such times, either at par or at a premium, and for such consideration as the Board thinks fit, provided that the option or right to call of shares shall not be given to any person or persons without the sanction of the Company in the general meeting.
8. The Company may, subject to the Act issue any part or parts of the unissued Shares (either equity or preference carrying a right to redemption out of the profits or liable to be so redeemed at the option of the Company) upon such terms and conditions and with such rights and privileges annexed thereto as the Board at their discretion may think fit and proper. Subject to the provisions of the Act and the Rules, in particular, the Board may issue such Shares with such preferential or qualifying rights to dividends and for the distribution of the assets of the Company as the Board may subject to the aforesaid sections, determine from time to time.
9. The Company may exercise the power of paying commission conferred by Section 40(6) of the Act and in such case shall comply with the requirements of that section and Rules. Such commission may be satisfied by the payment of cash or the allotment of fully or partly paid Shares or partly in one way and partly in the other. The Company may also on any issue of Shares or debentures pay such brokerage as may be lawful.
10. If by the conditions of allotment of any Share, the whole or part of the amount or issue 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, shall be the registered holder of the Share or by his executor or administrator.
11. The joint-holders of a Share shall be severally as well as jointly liable for the payment of all installments and calls due in respect of such Share.
12. Subject to Section 89 of the Act, save as herein otherwise provided, the Company shall be entitled to treat the registered holder of any Share as the absolute owner thereof and accordingly shall not, except as ordered by a court of competent jurisdiction or as by statute required, be bound to recognise any equitable or any other claim to or interest in such Share on the part of any other person.
13. Shares may be registered in the name of any person, company or other body corporate. Not more than three persons shall be registered as joint holders of any Share.
14. Subject to the provisions of the Act and the Companies (Share Capital and Debentures) Rules, 2014 or any statutory modification or re-enactment thereof, Share certificates shall be issued as follows:
- (i) The certificates of title to Share and duplicate thereof when necessary shall be issued under the Seal of the Company which shall be affixed in the presence of:
- (a) two Directors duly authorized by the Board for the purpose or the Committee of the Board if so authorized by the Board, and
- (b) the Secretary or some other person appointed by the Board for the purpose, all of whom shall sign such Share certificate provided that, if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or Whole time Director.
- (c) A director may sign a Share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means such as engraving in metal or lithography, but not by means of a rubber stamp, provided that the director, or any body entrusted with the duty to take care of the same shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.
- (ii) Every Member shall be entitled free of charge to one certificate for all the Shares of each class registered in his name, or, if the Board so approves to several certificates each for one or more of such Shares. Such certificate shall be issued in accordance with the provisions of the Act and Rules. In respect of any Shares held jointly by several Persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate to one of several joint holders shall be sufficient delivery to all such holders.

Provided, however, no Share certificate(s) shall be issued for Shares held by the “Beneficial Owner(s)” with the depository.



- (iii) No fee shall be charged for:
  - (a) Sub-division and consolidation of Share and debenture certificates and for subdivision of letters of allotment and split, consolidation, renewal and pucca transfer receipts into denominations corresponding to the market unit of trading.
  - (b) Sub-division of renounceable Letters of Right.
  - (c) Issue of new certificates in replacement of those which are old, decrepit or worn-out or where the cages on the reverse for recording transfers have been fully utilized.
  - (d) Registration of any Power of Attorney, Probate, Letter of Administration or similar other documents.
- 15. The Board may, from time to time, subject to the sanction of shareholders and subject to the terms on which any Shares may have been issued and subject to the provisions of Section 49 of the Act, make such calls as the Board thinks fit upon the Members in respect of all moneys unpaid on the Shares held by them respectively, and not by the conditions of allotment thereof made payable at fixed times, and each Member shall pay the amount of every call so made on him to the persons and at the times and places appointed by the Board. A call may be made payable by installments and shall be deemed to have been made when the resolution of the Board authorising such call was passed.
- 16. Not less than thirty days notice of any call shall be given specifying the time and place of payment and to whom such call be paid.
- 17. (i) If the sum payable in respect of any call or installment be not paid on or before the day appointed for payment thereof the holder for the time being in respect of the Share for which the call shall have been made or the instalment shall be due, shall pay interest for the same at maximum rate, as prescribed in the Act or Rules or under any other law for the time being in force, from day appointed for the payment thereof to the time of the actual payment or at such lower rate as the Board may determine.
- (ii) The Board shall be at liberty to waive payment of any such interest either wholly or in part.
- 18. If by the terms of any Share or otherwise any amount is made payable upon allotment or at any fixed time or by installments at fixed times, whether on account of the amount of the Share or by way of premium, every such amount or instalment shall be payable as if it were a call duly made by the Board and of which due notice had been given, and all the provisions herein contained in respect of calls shall relate to such amount or installment accordingly.
- 19. On the trial or hearing of any action or suit brought by the Company against any shareholder or his representatives to recover any debt or money claimed to be due to the Company in respect of his/her/its Share, it shall be sufficient to prove that the name of the defendant is or was, when the claim arose, on the Register as a holder, or one of the holders of the number of Shares in respect of which such claim is made, and that the amount claimed is not entered as paid in the books of the Company and it shall not be necessary to prove the appointment of the Board who made any call, nor that a quorum 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.
- 20. The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the money due upon the Share held by him beyond the sums actually called for, and upon the money so paid or satisfied in advance, or so in respect thereof as from time to time exceeds the amount of the calls then made upon the Share in respect of which such advance has been made, the Company may pay interest at such rate as may be fixed by the Board. Money so paid in excess of the amount of calls shall not rank for dividends or confer a right to participate in profits. The Board may at any time repay the amount so advanced upon giving to such a Member not less than three months notice in writing.
- 21. A call may be revoked or postponed at the discretion of the Board.
- 22. If any Member fails to pay any call or installment of a call on or before the day appointed for the payment of the same, the Board may, at any time, thereafter during such time as the call or installment remains unpaid, serve notice on such Member 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.
- 23. The notice shall name a day (not being less than thirty days from the date of notice) and the place or places on and at which such call or installment and such interest and expenses aforesaid are to be paid. The notice shall also state that in the event of non-payment at or before the time, and at the place appointed the Shares in respect of which such call was made or installment is payable will be liable to be forfeited.

24. If the requirements of any such notice as aforesaid not be complied with, any Shares in respect of which such notice has been given may, at any time thereafter, before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by a resolution of the Board to that effect.
25. When any Share shall have been so forfeited, notice of the resolution shall be given to the Member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof, shall forthwith be made in the Register, but no forfeiture shall be in any manner invalidated by an omission or neglect to give such notice or to make such entry as aforesaid.
26. Any Share so forfeited shall be deemed to be the property of the Company and the Board may sell, re- allot or otherwise dispose of the same in such manner as it thinks fit.
27. The Board may, at any time before any Shares so forfeited shall have been sold, re-allotted or otherwise disposed off, cancel the forfeiture thereof upon such conditions as it thinks fit.
28. A Person whose Share has been forfeited shall cease to be a Member in respect of the Share, but shall, notwithstanding the forfeiture, remain liable to pay, and shall forthwith pay to the Company, all calls or all installments, interest and expenses, owing upon or in respect of such Share, at the time of the forfeiture, together with interest thereon, from the due date to the time of actual payment at such rate as may be fixed by the Board and the Board may enforce the payment thereof, or any part thereof without any deduction or allowance for the value of the Shares at the time of forfeiture, but shall not be under an obligation to do so.
29. A duly verified declaration in writing that, the declarant is a Director, Manager or Secretary of the Company and has been authorised by a Board Resolution to act as declarant and that certain Shares in the Company have been duly forfeited on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all Persons claiming to be entitled to the Shares, and such declaration and the receipt of the Company for the consideration, if any, given for the Shares on the sale or disposition thereof shall constitute a good title to such Shares and the Person to whom any such Share is sold shall be registered as the holder of such Share and shall not be bound to see the application of purchase money, nor shall his title to such Share be affected by any irregularity or invalidity in the proceedings in reference to such forfeiture, sale or disposal.
30. The provisions of Articles 22 to 29 hereof shall apply in the case of non-payment of any sum which, by the terms of issue of Share, becomes payable at a fixed time, whether on account of the nominal value of a Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
31. The Company shall have a first and paramount lien upon every Share not being fully paid up, registered in the name of each Member (whether solely or jointly with others) and upon the proceeds of sale thereof for moneys called or payable at a fixed time in respect of such Share whether the time for the payment thereof shall have actually arrived or not and no equitable interest in any Share shall be created except as otherwise provided in the Articles. Such lien shall extend to all dividends from time to time declared in respect of such Share subject to the provisions of Section 124 of the Act and also to bonus declared on the shares. Unless otherwise agreed, the registration of a transfer of a Share shall operate as waiver of the Company's lien if any, on such Share. The fully paid up shares shall be free from all lien and that in case of partly paid shares, the Company's lien shall be restricted to money called or payable at a fixed price in respect of such shares.
32. For the purpose of enforcing such lien, the Board may sell the Share subject thereto in such manner as it thinks fit, but no sale shall be made until such time for payment as aforesaid shall have arrived and until notice in writing of the intention to sell have been served on such a Member, his executor or administrator or his committee, curator bonis or other legal representative as the case may be and default shall have been made by him or them in the payment of the moneys called or payable at a fixed time in respect of such Share for thirty days after the date of such notice.
33. The net proceeds of the sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable, and the residue, if any, shall (subject to a like lien for sums not presently payable as existed upon the Share before the sale) be paid to the Persons entitled to the Share at the date of this sale.
34. Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers herein before given, the Board may appoint some persons to execute an instrument of transfer of the Share sold and cause the purchaser's name to be entered in the Register in respect of the Share sold, and the purchaser shall not be bound to see the regularity of the proceedings, nor to the application of the purchase money and after his name has been entered in the Register in respect of such Share 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.
35. Where any Share under the powers in that behalf herein contained is sold by the Board and the certificate in respect thereof has not been delivered to the Company by the former holder of such Share, the Board may issue a new certificate for such Share distinguishing it in such manner as it may think fit from the certificate not so delivered.

36. **ADRs/GDRs**

The Company shall, subject to the provisions of the Act, compliance with all applicable laws, rules and regulations, have power to issue ADRs or GDRs on such terms and in such manner as the Board deems fit including their conversion and repayment. Such terms may include, at the discretion of the Board, limitations on voting by holders of ADRs or GDRs, including without limitation, exercise of voting rights in accordance with the directions of the Board or otherwise.

37. **Employees Stock Options**

Subject to the provisions of the Act and the other applicable law, if any, the Company may issue options to the whole-time directors, officers, or employees of the Company, its subsidiaries or its parent, which would give such directors, officers or employees, the benefit or right to purchase or subscribe at a future date, the securities offered by the Company at a predetermined price, in terms of schemes of employee stock options or employees share purchase or both.

38. **Variation of Share Holder's Rights**

If at any time the share capital is divided into different classes of shares, all or any of the rights and privileges attached to any class (unless otherwise prohibited by the terms of issue of the shares of that class) may, subject to the provisions of section 48 of the Act, whether or not the Company is being wound up, be modified, commuted, affected, abrogated, varied or dealt with by the consent in writing of the holders of not less than three fourths of the issued shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of three fourths of the issued shares of that class. To every such separate meeting the provisions of these regulations relating to general meeting shall mutatis mutandis apply but so that necessary quorum shall be five members or all the members holding or represented by proxy of the entire issued share of the class in the question.

39. The Company shall have the power to issue Shares with such differential rights as to dividend, voting or otherwise, subject to the compliance with requirements as provided for in the Companies (Issue of Share Capital with Differential Voting Rights) Rules, 2001, or any other law as may be applicable.

40. The Company may issue share warrants subject to and in accordance with the provisions of the Act, and accordingly, the Board may in its discretion, with respect to any share which is fully paid up on an application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) as the Board may from time to time require as to the identity of the persons signing the application, and on receiving the certificate (if any) of the share and the amount of the stamp duty on the warrant and such fee as the Board may from time to time require, issue a share warrant.

41. The instrument of transfer shall be in writing and all the provisions of Section 56 of the Act and the Companies (Share Capital and Debentures) Rules 2014, shall be duly complied with in respect of all transfers of Shares and the registration thereof.

42. Nothing contained in the foregoing Article shall apply to transfer of securities affected by the transferor and transferee both of whom are beneficial owners with the depository.

43. Application for the registration of the transfer of a Share may be made either by the transferor or the transferee, provided that where such application is made by the transferor no registration shall, in the case of a partly paid Share, be effected unless the Company gives notice of the application to the transferee in the manner prescribed by Section 56 of the Act and the Companies (Share Capital and Debentures) Rules 2014, and subject to provisions of these Articles the Company shall, unless objection is made by the transferee within two weeks from the date of receipt of the notice, enter in the Register the name of the transferee in the same manner and subject to the same conditions as if the application for registration of the transfer was made by the transferee.

44. The instrument of transfer shall be in the form prescribed by the Act and the Companies (Share Capital and Debentures) Rules 2014, made thereunder.

45. Nothing contained in the foregoing article shall apply to transfer of securities affected by the transferor and transferee both of who are beneficial owners with the depository.

46. Subject to the provisions of these Articles, and of Section 58 of the Act and Listing Agreement or any statutory modification(s), the Board, may on sufficient cause, refuse to register any transfer of shares or the transmission of shares by operation of law of the right to a Share.

47. No transfer shall be made to a person of unsound mind and no transfer of partly paid Shares shall be made to a minor.

48. Every instrument of transfer shall be left at the Office for registration, accompanied by the certificate of the Share to be transferred or, if no such certificate is in existence, by the Letter of Allotment of the Share and such other evidences as the Board may require to prove the title of the transferor or his right to transfer the Share. Every instrument of transfer which

shall be registered shall be retained by the Company, but any instrument of transfer which the Board may refuse to register, shall be returned to the person depositing the same.

49. If the Board refuses whether in pursuance of Article 41 or otherwise to register the transfer of, or the transmission by operation of law of the right to any Share, the Company shall, within the time prescribed by the Act, Rules or Listing Agreement send the transferee and transferor or to the person giving intimation of such transmission, as the case may be, notice of the refusal.

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.

50. No fee shall be payable to the Company in respect of transfer or transmission of any Shares in the Company.
51. The executor or administrator of a deceased Member (not being one of several joint-holders) shall be the only person recognised by the Company as having any title to the Shares registered in the name of such Member, and in case of the death of any or more of the joint holders of any registered Share, the survivor shall be the only person recognised by the Company as having any title to or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint- holder from any liability on the Share held by him jointly with any other person. Before recognising any executor or administrator, the Board may require him to obtain a Grant or Probate or Letters of Administration or other legal representation, as the case may be from a competent Court in India, provided nevertheless that in any case where the Board in its absolute discretion thinks fit it shall be lawful for the Board to dispense, Letters of Administration or such other legal representation upon such terms as to indemnity, as it considers proper.
52. Any committee or guardian of a lunatic or minor Member or any person becoming entitled to transfer a Share in consequence of the death or bankruptcy or insolvency of any Member upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of his title as the Board thinks sufficient, may, with the consent of the Board (which the Board shall not be bound to give), be registered as a Member in respect of such Share, or may, subject to the regulations as to transfer hereinbefore contained transfer such Share.
53. (i) If the person so becoming entitled under transmission shall elect to be registered as a holder of the Share himself, he shall deliver or send to the Company a notice in writing signed by him stating that he so elects.
- (ii) If the person aforesaid shall elect to transfer the Share, he shall testify his election by executing an instrument of transfer of the Share.
- (iii) All the limitations, restrictions, and provisions, of these Articles relating to the right to transfer and the registration of instruments of transfer of a Share shall be applicable to any such notice or transfer as aforesaid, as if the death, lunacy, bankruptcy or insolvency of the Member had not occurred.
54. A person so becoming entitled under transmission to a Share by reason of death, lunacy, bankruptcy of the holder shall, subject to the provisions of Article 82 and of Section 123 of the Act, be entitled to the same dividends and other advantages as he would be entitled to if he were the registered holder of the Share, except that he shall not before being registered as a Member in respect of the Share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.

Provided that the Board may at any time give a notice requiring any such person to elect either to be registered himself or to transfer the Share and if the notice is not complied with within the time fixed by the Board, the Board may thereafter withhold payment of all dividends, bonuses, or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

55. (i) Every holder of Shares in, or holder of debentures of the Company may, at any time, nominate, in the prescribed manner, a person to whom his Shares in, or debentures of, the Company shall vest in event of his death.
- (ii) Where the Shares in, or debentures of the Company are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner a person to whom all the rights in the Shares or debentures of the Company shall vest in the event of death of all joint holders.
- (iii) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, in respect of such Shares in or debentures of the Company, where a nomination made in the prescribed manner purports to confer on any person the right to vest the Shares in or debentures of the Company, the nominee shall, on the death of the shareholder or holder of debentures of the Company or, as the case may be, on the death of the joint holder becomes entitled to all the rights in the Shares or debentures of the Company or, as the case may be, all the joint holders, in relation to such Shares in or debentures of the Company to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.

- (iv) Where the nominee is a minor, it shall be lawful for the holder of the Shares or holder of the debentures, to make the nomination to appoint, in the prescribed manner, any person to become entitled to Shares in, or debentures of the Company, in the event of his death, during minority.
  - (v) Any person who becomes a nominee may upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either to be registered himself as holder of the Share(s) or debenture(s) as the case may be; or to make such transfer of the Share(s) or debenture(s) as the deceased shareholder or debenture holder, as the case may be, could have made.
56. The provisions of these Articles relating to transmission by operation of law shall mutatis mutandis apply to any other securities including debentures of the Company.
  57. The Company may by an ordinary resolution passed by the members, increase its capital, from time to time, by creation of new Shares of such amounts as may be deemed expedient.
  58. Subject to any special rights or privileges for the time being attached to any Shares in the capital of the Company then issued, the new Shares or the existing un-issued Shares of any class may be issued. In the case of new Shares, upon such terms and conditions, and with such rights and privileges attached thereto as the shareholders resolving upon the creation thereof, shall direct, and if no directions be given, and in the case of existing unissued Shares as the Board subject to the Act shall determine, and in particular in the case of preference Shares such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with rights of redemption.
  59. Subject to the provisions of Section 54 of the Act and subject to any special rights or privileges for the time being attached to any Shares of the Company then issued, the Company may issue equity Shares to employees or directors at a discount or for consideration other than cash for providing know-how or making available rights in the nature of intellectual property rights or value additions, by whatever name called or for the performance of past or future services.
  60. Before the issue of any new Shares, the Company in General Meeting or through postal ballot, wherever applicable, may make provisions as to the allotment and issue of the new Shares, and in particular may determine to whom the same shall be offered in the first instance and whether at par or at a premium and upon default of any such provision, or so far as the same shall not extend, the new Shares may be issued in conformity with the provisions of Article 7.
  61. 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 part of the then existing Share Capital of the Company and shall be subject to the provisions herein contained with reference to the payment of dividends, calls and installments, transfer and transmission, forfeiture, lien, surrender and otherwise.
  62. If owing to any inequality in the number of new Shares to and the number of Shares held by the Members entitled to have the offer of such new Shares, any difficulty that may arise in the apportionment of such new Shares or any of them amongst the Members, such difficulty shall, in the absence of any direction in the members' resolution creating the Shares or by the Company in general meeting, be determined by the Board.
  63. The Company may, subject to the applicable provisions of the Act and Rules, from time to time, by special resolution reduce its capital and capital redemption reserve account or securities premium account or in any other manner and with and subject to any incident authorised and consent required by law.
  64. The Company in General Meeting or through Postal Ballot may subject to the provisions of the Act from time to time:-
    - (a) consolidate and divide all or any of its Share Capital into Shares of larger amount than its existing Shares;
    - (b) sub-divide its existing Shares or any of them into Shares of smaller amount than is fixed by the memorandum so, however, that in the sub-division the proportion between the amount paid and the amount, if any, unpaid on each reduced Share shall be the same as it was in the case of the Share from which the reduced Share is derived;
    - (c) convert all or any of its fully paid up Shares into stock, and reconvert that stock into fully paid up Shares of any denomination;
    - (d) cancel any Shares which at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its Share capital by the amount of the Shares so cancelled.
  65. Subject to the provisions of the Act, the Board may accept from any Member the surrender on such terms and conditions as shall be agreed, of all or any of his Shares.
  66. 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 the Act, be modified, commuted, affected, abrogated, varied or dealt with by agreement between the Company and any persons purporting to

contract on behalf of that class provided such agreement is (a) consented to in writing by the holders of at least three-fourths of the issued Shares of that class, or (b) sanctioned by a special resolution passed at a separate Meeting of the holders of the issued Shares of that class and all the provisions herein after contained as to general meetings shall mutatis-mutandis, apply to every such meeting. This Article is not by implication to curtail the power of modification which the Company would have if this Article were omitted. The Company shall comply with the provisions of Section 117 of the Act as to forwarding a copy of any such agreement or resolution to the Registrar of Companies.

67. Subject to the provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014, the directors from time to time at their discretion, by resolution passed at the meeting of the Board, accept deposit from Members or public or others either in advance or calls, or otherwise, and generally raise or borrow or secure the payment of any sum or sums of money for the purpose of the Company not exceeding the aggregate of the Paid-up capital of the Company and its reserves (not being reserves set apart for any specific purpose). Provided, however, where the monies to be borrowed, together with the monies already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aforesaid aggregate, the Directors shall not borrow such monies without the consent of the Company in general meeting by means of special resolution.
68. The Board may raise or secure the repayment of such sum or sums in such manner and upon such terms and conditions in all respects as it thinks fit, and in particular, by the issue of bonds, redeemable debentures or debenture-stock, or any mortgage, or other tangible security on the undertaking or the whole or any part of the property of the Company (both present and future).
69. Any debentures, debenture-stocks, bonds or other securities may be issued at a premium or otherwise and with any special privileges, as to redemption, surrender, drawings, allotment of Shares, appointment of Directors and otherwise, debentures, debenture-stocks, bonds or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued. Provided that the debentures, debenture-stock, bonds or other securities with the right to allotment of the or conversion into Shares shall not be issued except with the consent of the Company in a general meeting or through postal ballot subject to provisions of Section 71 of the Act.
70. Save as provided in Section 56 of the Act, no transfer of debentures shall be registered unless a common form of transfer is used and the instrument of transfer executed by the transferor and transferee has been delivered to the Company together with the certificate or certificates of the debentures.
71. If the Board refuses to register the transfer of any debentures within time limit as may be prescribed, the Company shall send to the transferee and to the transferor, notice of the refusal.
72. In addition to any other meetings, the "Annual General Meeting" of the Company shall be held within such intervals as are specified in the Act and subject to the provisions of the Act, during such business hours and places as may be determined by the Board under the provisions of the Act or the Rules made there under. Any other meeting of the Company shall be called as "Extra-ordinary General Meeting".
73. The Board may also call a General Meeting by passing a resolution by circulation and the resolution so passed would be as effective as a resolution passed at the Board meeting.
74. The Company shall comply with provisions of Section 111 of the Act, as to giving notice of resolutions and circulating statement on the requisition of Members.
75. Save as permitted under Section 101 of the Act, a General Meeting of the Company may be called by giving not less than clear twenty one days' notice either in writing or through electronic mode. Notice of every meeting shall be given to the Members and such other person or persons as required under and in accordance with Section 101 of the Act and it shall be served in the manner authorized by Sections 20 and 101 of the Act and the Rules made under the Act.
76. The ordinary business of an Annual General Meeting shall be to receive and consider the financial statements, including consolidated financial statements and the reports of the Directors and the Auditors thereon, to elect Directors in the place of those retiring, to appoint Auditors and fix their remuneration and to declare dividends. All other business transacted at an Annual General Meeting and all business transacted at any other General Meeting shall be deemed to be special business.
77. No business shall be transacted at any General Meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Quorum for the meeting shall be determined in accordance with Section 103 of the Act.
78. If within half-an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened by requisition of Members shall be cancelled, but in any other case it shall stand adjourned to the same day in the next week, at the same time and place, or to such other day and at such time and place as the Board may by notice appoint and if at such adjourned meeting a quorum is not present within half-an hour from the time appointed for holding the meeting those Members, who are present and not being less than two shall be quorum and may transact the business for which the meeting was called.

79. 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 or through postal ballot shall be sufficiently so done or passed if effected by an ordinary resolution as defined in Section 114 (1) of the Act unless either the Act or these Articles specifically require such act to be done or resolution passed by a Special Resolution as defined in Section 114 (2) of the Act.
80. The Chairman of the Board shall be entitled to take the chair at every general meeting ("Chairman"). If there is no such Chairman, or if at any meeting he is not present within fifteen minutes after the time appointed for holding such meeting, or is unwilling to act, the Directors present shall choose another Director as Chairman, and if no Directors is present, or if all the Directors present decline to take the Chair, then the Members present shall, on a show of hands or on a poll if properly demanded, elect one of their numbers being a Member entitled to vote, to be the Chairman.
81. At any general meeting a resolution put to the vote of the meeting shall unless a poll is demanded under Section 109 of the Act or voting is carried out electronically, be decided on a show of hands in accordance with Section 107 of the Act and the Companies (Management and Administration) Rules, 2014. In the case of an equality of votes, the Chairman shall both on a show of hands and at the poll have a casting vote in addition to the vote or votes to which he may be entitled as a member.
82. A declaration by the Chairman that on an evidence of the 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 proceedings of the Company shall be conclusive evidence of the fact, without proof of the number or proportion the votes cast in favour of or against such resolution.
83. (i) Before or on the declaration of the result of voting on any resolution on a show of hands, a poll may be ordered to be taken by the Chairman of his own motion and shall be ordered to be taken by him on a demand made in that behalf by a Member or Members present in person or by Proxy and holding Shares in the Company conferring their powers to vote on such resolution, being Shares which is not less than one tenth of the total voting power in respect of the resolution or on which the aggregate sum of not less than Rupees Five lacs has been paid up.
- (ii) If a poll be demanded as aforesaid it shall be taken forthwith on a question of adjournment or election of a Chairman and in any other case in such manner and at such time, not being later than forty-eight hours from the time, when the demand was made, and at such place as the Chairman directs, and subject as aforesaid, either at once or after an interval or adjournment or otherwise, and the results of the poll shall be deemed to be the decision of the meeting on the resolution on which the poll was demanded.
- (iii) The demand of a poll may be withdrawn at any time by the person or persons who made the demand.
- (iv) Where a poll is to be taken the Chairman shall appoint scrutinizer (s) as prescribed by the Rules to scrutinize the votes given on the poll and report to him thereon.
- (v) On a poll a Member entitled to more than one vote, or his Proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.
- (vi) The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded.
84. (i) The Chairman of a General Meeting may adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- (ii) Save as otherwise provided in Section 103 of the Act, when the meeting is adjourned it shall comply with the provisions of that section in respect of the giving notice and advertisements of an adjournment or of the business to be transacted at any adjourned meeting .
85. (i) Save as hereinafter provided, on a show of hands every Member present in person and being a holder of equity Shares shall have one vote, and every person present either as a Proxy on behalf of a holder of equity Shares, if he is not entitled to vote in his own right, or as a duly authorised representative of a body corporate, being a holder of equity Shares, shall have one vote.
- (ii) Save as hereinafter provided, on a poll the voting rights of a holder of equity Shares shall be as specified in Section 47 of the Act.
- (iii) The voting rights of every Member holding preference Shares, if any, shall upon a show of hands or upon a poll be subjected to the provisions, limitations and restrictions laid down in Section 47 of the Act. Provided that no Body corporate shall vote by Proxy so long as resolution of its Board of Directors under the provisions of Section

113 of the Act is in force and the person named in such resolution is present at the General Meeting at which the vote by Proxy is tendered.

- (iv) A Member may exercise his vote if permitted by the Act and the Rules at a meeting or by postal ballot by electronic means in accordance with the Section 108 of the Act read with the Companies (Management and Administration) Rules, 2014 and shall vote only once.
86. (i) Where a body corporate (hereinafter called “Member Company”) is a Member of the Company, a person duly appointed by resolution in accordance with the provisions of Section 113 of the Act to represent such Member Company at a meeting of the Company, shall not by reason of such appointment be deemed to be a Proxy, and the lodging with the Company at the Office or production at the meeting of a copy of such resolution duly signed by one Director of such Member Company and certified by him as being a true copy of the resolution shall, on production at the meeting, be accepted by the Company as sufficient evidence of the validity of his appointment. Such a person shall be entitled to exercise the same rights and powers, including the right to vote by Proxy on behalf of the Member Company which he represents, as that Member Company could exercise if it were an individual Member.
- (ii) Where the President of India or the Governor of a State is a Member of the Company then his/their representation at the meeting shall be in accordance with Section 112, of the Act.
87. Any person entitled under these Articles for transfer of Shares may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such Shares, provided that at least forty eight hours before the time of holding the meeting or adjourned meeting, as the case may be, at which he purports to vote he shall satisfy the Board of his right to transfer such Shares, unless the Board shall have previously admitted his right to vote at such meeting in respect thereof.
- If any Member is of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, he may vote whether on a show of hands or at a poll, by his committee, or other legal guardian, and any such committee or legal guardian may, on a poll, give their votes by Proxy.
88. Where there are joint registered holders of any Share, any one of such persons may vote at any meeting either personally or by Proxy in respect of such Share as if he were solely entitled thereto and if more than one of such joint-holders be present at any meeting either personally or by Proxy, then one of the said persons so present whose name stands first on the Register in respect of such Share alone shall be entitled to vote in respect thereof. Several executors or administrators of a deceased Member in whose name any Share is registered shall for the purpose of this Article be deemed joint holders thereof.
89. Votes may be given either personally, or in the case of a body corporate, by a representative duly authorised as aforesaid, or by Proxy in accordance with the provisions of Section 105 of the Act read with the Companies (Management and Administration) Rules, 2014.
90. The instrument appointing a Proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing, or if such appointer is a body corporate, be under its seal or be signed by an officer or attorney duly authorized by it.
91. The Company agrees that it will send out Proxy forms to all shareholders and debenture holders in all cases where proposals other than of a purely routine nature are to considered, such Proxy forms being so worded that a shareholder or debenture holder may vote either for or against each resolution.
92. The instrument appointing a Proxy and the power of attorney or other authority (if any) under which it is signed, or a notarized copy of that power or authority, shall be deposited at the Office not less than forty-eight hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument purports to vote in respect thereof and in default the instrument of Proxy shall not be treated as valid.
93. A vote given in accordance with the terms of an instrument appointing a Proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the instrument, or transfer of the Share in respect of which the vote is given, provided no intimation in writing of the death, insanity, revocation or transfer of the Share shall have been received by the Company at the office before the vote is given. Provided nevertheless that the Chairman 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 that the same has not been revoked.
94. Every instrument appointing a Proxy shall be retained by the Company and shall, be in the form as prescribed in the Companies (Management and Administration) Rules, 2014.



95. No Member shall be entitled to exercise any voting rights either personally or by Proxy at any meeting of the Company in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, exercised, any right of lien but the Board of Directors may by a resolution passed at the meeting of the Board waive the operation of this Article.
96. (i) Any objection as to the admission or rejection of a vote either, on a show of hands, or on a poll made in due time, shall be referred to the Chairman, who shall forthwith determine the same, and such determination made in good faith shall be final and conclusive.
- (ii) No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.
97. The number of Directors of the Company shall not be less than three (3) and not more than fifteen (15). Provided that the Company may appoint more than fifteen directors after passing a special resolution of members. The composition of the Board of Directors will be in consonance with the Act and the Listing Agreement.
98. Subject to the provisions of the Act and these Articles, the Company may from time to time increase or reduce the number of Directors within the limits fixed by [Article 97]
99. (a) Subject to the Act and these Articles, the Directors not exceeding one-third of the total number of Directors for the time being of the Company shall be liable to retirement by rotation. The Independent Directors shall not be counted in the total number of Directors for this purpose.
- (b) Subject to the provisions of Articles 96 and 97 and Section 152 of the Act, all Directors other than the Directors who are not retiring by rotation, additional/alternate/Independent Directors shall be persons whose period of office is liable to determination by retirement by rotation. All the Directors who are not retiring except Independent Directors shall however, be counted in determining the number of retiring Directors.
100. The subscribers to the Memorandum and Articles of Association of the Company shall be the first Directors of the Company.
101. The Board may authorise by resolution or by agreement the State Financial Corporation (SFC), State Industrial Development Corporation (SIDC), Life Insurance Corporation of India (LIC), Industrial Finance Corporation of India (IFCI), Industrial Development Bank of India (IDBI), Unit Trust of India (UTI), and/or any other Financial Institution, corporation or any Bank which continue(s) to be Member of the Company by virtue of being holder of any Share or Shares in the Company or to any of the aforesaid Financial Institutions, Corporation or Banks to whom any money remains due by the Company and SFC, LIC, IFCI, SIDC, IDBI, UTI to nominate a Director or Directors to the Board from time to time and to remove from such Office any person or persons so appointed and upon removal of any such person to appoint any other person(s) in his / their place. A Director so appointed shall not be required to hold any qualification Shares nor shall (subject to the provisions of Section 152 read with Section 161(3) of the Act) be liable to retire by rotation or be subject to removal under Article 108 hereof. But he shall be counted in determining the number of retiring directors. A Director appointed under this Article shall be ex-Officio Director within the meaning of these Articles.
102. Any trust deed for securing debenture or debenture stock may, if so arranged, provide for the appointment, from time to time, by the trustees thereof or by the holders of debentures or debenture stock, of some person or persons to be Director(s) of the Company and may empower such trustees or holders of debentures or debenture stock, from time to time, to remove and re-appoint any Director(s) so appointed. The Directors appointed under this Article are herein referred to as "Debenture Directors" and the term "Debenture Directors" means the Directors 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 arranged between the Company and the trustees and all such provisions shall have effect not withstanding any of the other provisions herein contained. But he shall be counted in determining the number of retiring directors.
103. The Board shall have power at any time and from time to time to appoint any person as an additional Director as an addition to the Board but so that the total numbers of Directors should not exceed the limit fixed by these Articles. Any Director so appointed shall hold office only until the next Annual General Meeting of the Company and shall then be eligible for reelection.
104. A Director shall not be required to acquire qualification Shares.
105. Subject to the approval of the Board each Director shall be entitled to receive out of the funds of the Company a fee for attending a meeting of the Board or a Committee of the Board, within the limit permitted, from time to time, by the Act or the Rules made thereunder. All other remuneration, if any payable by the Company to each Director, whether in respect of his services as a Managing Director or a Director in the whole or part time employment of the Company or otherwise shall

be determined in accordance with and subject to the provisions of these Articles and of the Act. The Directors shall be entitled to be paid their reasonable travelling, hotel and other expenses incurred in consequence of their attending the Board and Committee meetings or otherwise incurred in the execution of their duties as Directors or in performing any of the tasks on behalf of the Company.

106. If any Director, being willing, shall be called upon to perform extra services or to make any special exertions for any of the purposes of the Company or as a Members of a Committee of the Board then, subject to Section 197 of the Act, the Board may remunerate the Directors so doing either by a fixed sum or by a percentage of profits or otherwise and such remuneration may be either in addition to or in substitution for any other remuneration to which he may be entitled.
107. The continuing Directors may act notwithstanding any vacancy in their body but so that if the number falls below the minimum as fixed by the articles, the Directors shall not except for the purpose of filling vacancies or for summoning a general meeting act so long as the number is below the minimum.
108. The office of Director shall *ipso facto* become vacant if at any time he commits any of the acts set out in Section 167 of the Act.
109. No director or other person referred to in Section 188 of the Act shall hold an office or place of profit, save as permitted by that Section and the Companies (Meetings of Board and its Powers) Rules, 2014 .
110. Subject to the provisions of Section 184, 188 and 192 of the Act and the Rules made thereunder neither shall a Director be disqualified from contracting with the Company whether as vendor, purchaser or otherwise for goods, materials or services or for underwriting the subscription of any Shares in or debentures of the Company nor shall any such contract or agreement entered into by or on behalf of the Company with the relative of such Director, or a firm in which such Director or relative is a partner or with any other partner in such firm or with a private company of which such Director is a Member or Director, be void nor shall any director so contracting or being such Member or so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason of such Director holding office or of the fiduciary.
111. [At each Annual General Meeting of the Company one third of such of the Directors for the time being as are liable to retire by rotation, or if their number is not three or multiple of three, then the number nearest to one-third shall retire from office. Neither a nominated Director nor an additional Director appointed by the Board under Article 98 hereof or an Independent Director shall be liable to retire by rotation within the meaning of this Article. But they except Independent Directors shall be counted in determining the number of retiring directors.]
112. (a) The Directors to retire by rotation at every Annual General Meeting shall be those who have been longest in office since their last appointment, but as between persons who became Directors on the same day those to retire shall, in default of and subject to any agreement among themselves, be determined by lot drawn at a meeting of the Board of Directors.  
(b) Save as permitted by Section 162 of the Act, every resolution of a General Meeting for the appointment of a Director shall relate to one named individual only.
113. The Company may remove any Director other than directors nominated pursuant to Articles 96 and 97 before the expiration of his period of office in accordance with the provisions of Section 169 of the Act and may subject to the provisions of Section 161 of the Act appoint another person in his stead if the Director so removed was appointed by the Company in general meeting or by the Board under Article 109.
114. If any Director appointed by the Company in General Meeting vacates office as a Director before his term of office expires in the normal course, the resulting casual vacancy may be filled up by the Board at a meeting of the Board, but any person so appointed shall retain his office so long only as the vacating Director would have retained the same of no vacancy has occurred. Provided that the Board may not fill such a vacancy by appointing thereto any person who has been removed from the office of Director under Article 108.
115. The eligibility and appointment of a person other than a retiring Director to the office of Director shall be governed by the provisions of Section 160 of the Act.
116. The Board may in accordance with and subject to the provisions of Section 161 of the Act, appoint any person to act as alternate Director for a Director during the latter's absence for a period of not less than three months from India. No Person shall be appointed as alternate director to an Independent Director unless he is qualified to be appointed as Independent Director under the provisions of the Act.
117. The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit; provided that a meeting of the Board of Directors shall be held as per the provision of the Act, Rules and Listing Agreement.

118. A Director may, at any time, and the manager or secretary shall, upon the request of a Director made at any time, convene a meeting of the Board and the provisions of Section 173 of the Act and the Companies (Meetings of Board and its Powers) Rules, 2014 shall apply in this regard.
119. The Board may appoint a Chairman of its meetings. The Board may also appoint a Vice Chairman to preside over the meeting of the Board in absence of Chairman. If no such Chairman/Vice Chairman is appointed or if at any meeting of the Board, the Chairman/Vice Chairman is not present within five minutes after the time appointed for holding the same, the Directors present shall choose someone of their member to be the Chairman of such meeting.
120. The quorum for a meeting of the Board shall be determined from time to time in accordance with the provisions of Section 174 of the Act. If a quorum shall not be present within 15 minutes of the time appointed for holding a meeting of the Board, it shall be adjourned until such date and time as the Chairman of the Board shall appoint. The participation of the Directors can be in person or through video conferencing or other audio visual means as may be prescribed by the Companies (Meetings of Board and its Powers) Rules, 2014 or permitted by law.
121. A meeting of the Board at which a quorum is present shall be competent to exercise all or any of the authorities, powers, and discretion by or under these Articles or the Act for the time being vested in or exercisable by the Board.
122. Subject to the provisions of sections of 186(5), 203(3) of the Act and save as otherwise expressly provided in this Articles, questions arising at any meetings shall be decided by a majority of votes.
123. The Board may, subject to the provisions of the Act, from time to time and at any time, delegate any of its powers to a committee consisting of such Director or Directors as it thinks fit and may, from time to time revoke such delegation. Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may from time to time be imposed upon it by the Board.
124. The meeting and proceedings of such committee consisting of two or more members shall be governed by the regulations made by the Board in that regard in accordance with the provisions, if any, of the Act and Listing Agreement.
125. Acts done by a person as a Director shall be valid, notwithstanding that it may afterwards be discovered that his appointment was invalid by reason of any defect or disqualification or had been terminated by virtue of any provisions contained in the Act or in these Articles. Provided that nothing in these Articles 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 been terminated.
126. Save in those cases where a resolution is required by Sections 161(4), 179, 182, 184, 186, 188, 203 of the Act, to be passed at a meeting of the Board, a resolution shall be as valid and effectual as if it had been passed at a meeting of the Board or Committee of the Board, as the case may be duly called and constituted if a draft thereof in writing is circulated, together with the necessary papers, if any, to all the Directors or to all the members of the Committee of the Board as the case may be then in India, not being less in number than the quorum fixed for meeting of the Board or Committee, as the case may be and to all other Directors or member of the Committee, at their usual address whether in India and has been approved by such of them as are then in India or by a majority of such of them as are entitled to vote on the resolution. Provided that where not less than one third of the Directors of the Company for the time being require that resolution under circulation be decided by the Board at a meeting, the Chairman shall put the resolution to be decided at a meeting of the Board.
127. (a) The Board shall in accordance with the provision of Section 118 of the Act and the Companies (Management and Administration) Rules, 2014, cause minutes to be kept of every general meeting of the Company and of every meeting of the Board or of every committee of the Board.
- (b) Any such minutes of any meeting of the Board or of any Committee of the Board or of the Company in General Meeting, if kept in accordance with the provisions of Section 118 of the Act and the Companies (Management and Administration) Rules, 2014, shall be evidence of the matters stated in such minutes. The Minute Books of General Meetings of the Company shall be kept at the Office and shall be open to inspection by Members as per the provisions of the Act or the Rules made thereunder. The minute books of general meeting may also be kept for inspection in electronic mode as prescribed under the Companies (Management and Administration) Rules, 2014.
128. Subject to the provisions of the Act, the control of the Company shall be vested in the Board who shall be entitled to exercise all such powers, and to do all such acts and things as the Company is authorised to exercise and do. Provided that the Board shall not exercise any power or do any act or thing which is directed or required, whether by the Act or any other statute or by the Memorandum of the Company or by these Articles or otherwise, to be exercised or done by the Company in a general meeting. Provided further that wherever the Act or any other statute or the Memorandum of the Company or these Articles, provide for exercise of powers by the Board subject to the members approval in a general meeting, the Board shall exercise such powers only with such approval. In exercising any such power or doing any such act or thing, the Board shall be subject to the provisions in that behalf contained in the Act or any other statute or in the Memorandum of the Company or in these Articles, or in any regulations not inconsistent therewith and duly made there under, including

regulations not inconsistent therewith and duly made there under, including regulations made by the Company in a general meeting, but no regulation made by the Company in a general meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

129. Without prejudice to the general powers conferred by the last preceding Article and to any other powers or authority conferred by these presents on the Directors or on the Managing Director, it is hereby expressly declared that the Directors shall subject to the regulations of these presents and to the provisions of the Act and in addition to the powers of the Board provided under Section 179 of the Act read with the Companies (Meetings of Board and its Powers) Rules, 2014, have the following powers, that is to say, power:

- (i) To take such steps as they think fit to implement and to carry into effect all agreements.
- (ii) To pay costs, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.
- (iii) To purchase or otherwise acquire for the Company any property, rights or privileges which the Company is authorised to acquire at such price and generally on such terms and conditions as they think fit, and subject to the provisions of Section 180 (1) of the Act, to sell, let, lease, exchange, or otherwise dispose of absolutely or conditionally any part of the property, privileges and undertaking of the Company upon such terms and conditions and for such consideration as they may think fit.
- (iv) At their discretion to pay for in debentures etc. property rights, privileges acquired by or services rendered to the Company either wholly or partially in cash or in Shares (subject to Section 62 of the Act), bonds, debentures or other securities of the Company and any such Shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and such bonds, debentures, or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.
- (v) To secure, the fulfillment of any contracts, agreements or engagement entered into by Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being or in such manner as they may think fit, subject to Section 180 of the Act.
- (vi) To appoint and at their discretion remove or suspend such agents, employees, officers, clerks and servants for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments whether by way of commission or participation in profits or partly in one way and partly in another and to require security in such instances and to such amount as they think fit.
- (vii) To appoint any Person or Persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for any other purposes, and to execute and do all such deeds, documents and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.
- (viii) Subject to the provisions of Act, 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 claims or demands by or against the Company.
- (ix) To refer any claims as demands by or against the Company to arbitration and observe and perform the awards.
- (x) To make and give receipts, releases, and other discharges for money payable to the Company and for the claims and demands of the Company.
- (xi) To act on behalf of the Company in all matters relating to bankrupts and insolvents.
- (xii) To determine who shall be entitled to sign on the Company's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts, negotiable instruments and documents.
- (xiii) From time to time to provide for the management of the affairs of the Company either in different parts of India or elsewhere in such manner as they think fit, and in particular to establish branch officers and to appoint any persons to be the attorneys or agents of the Company with such powers (including powers to sub-delegate) and upon such terms as may be thought fit.
- (xiv) Subject to the provisions of Sections 67, 179, 180(1), 186 of the Act, to invest and deal with any of the moneys of the Company not immediately required for the purposes thereof upon such securities (not being Shares in this Company) and in such manner as they think fit, and from time to time to vary or realize such investments.
- (xv) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability for the benefit of the Company such mortgages of the Company's

property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, covenants and provisions as shall be agreed upon.

- (xvi) Subject to the provisions of Section 188 of the Act, to give to any person employed by the Company, as remuneration for their services as such, a commission on the profits of any particular business or transaction or a Share in the profits of the Company such commission or Share or profits shall be treated as part of the working expenses of the Company.
  - (xvii) From time to time make, vary and repeal bye-laws for the regulation of the business of the Company, its officers and servants.
  - (xviii) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds, things in the name and on behalf of the Company as they may consider expedient or in relation to any of the matters aforesaid or otherwise for the purposes of the Company.
  - (xix) Subject to the provisions of Sections 181 and 182 of the Act to establish, maintain, support and subscribe to any national, political and charitable institutions or funds of public object, and any institution, society, or club which may be for the benefit of the Company or its employees, or may be connected with any town or place where the Company carries on business; to give pensions, gratuities, or charitable aid to any person or persons who have served the Company or to the wives, children or dependents of such person or persons, that may appear to the Directors just or proper, whether any such person, his widow, children or dependents have or have not a legal claim upon the Company.
  - (xx) Subject to the provisions of the Act, before recommending any dividends, to set aside portions of the profits of the Company to form a fund to provide for such pensions, gratuities or compensation, or other benefits or to create any provident or benefit or other funds in such or any other manner as the Director may deem fit.
  - (xxi) To make and alter rules and regulations concerning the time and manner of payment of the contributions of the employees and the Company respectively to any such funds and the accrual, employment, suspension and forfeiture of the benefits of the said funds and the application and disposal thereof, and otherwise in relation to the working and management of the said fund as the Directors shall from time to time think fit.
  - (xxii) Subject to the provisions of the Act, to delegate all or any of the powers hereby conferred upon them to the Managing Director or to any other Director or employees of the Company as they may from time to time think fit, other than a power to issue debentures and to make calls on shareholders in respect of moneys unpaid on their Shares.
130. Subject to the provisions of the Act, and of these Articles, the Company in general meeting or the Board may from time to time appoint one or more of their body to be Managing Director or Managing Directors (in which expression shall be included Joint or Deputy Managing Director) or Whole-time Director or Whole-time Directors of the Company, for such term not exceeding five years at a time and upon such terms and conditions as they may think fit, 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. Further the Managing Director as stated in Article 126 can hold the position of the Chairman of the Board for the better governance of the Company.
131. Subject to the approval of the Board of Directors of the Company, the Chairman of the Board of Directors of the Company can hold the position of the Managing Director and / or the Chief Executive Officer of the Company at the same time.
132. Subject to the provisions of the Act, and of these Articles, a Managing Director or a Whole time Director, may subject to the shareholders' approval at the time of appointment or reappointment or otherwise continue to hold office not subject to retirement by rotation under [Article 111]. However, they shall be counted in determining the number of retiring directors. He shall, subject to the provisions of any contract between him and the Company, be subject to the same provisions as to the resignation and removal of the other Directors of the Company, and he shall ipso facto and immediately cease to be a Managing Director or a Whole-time Director if he ceases to hold the office of Director for any cause, provided that if at any time the number of Directors (including Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third of the total number of Directors for the time being, then such Managing Director or Managing Directors, as the Directors shall from time to time select shall be liable to retirement by rotation in accordance with [Article 111] and the Directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being.
133. Subject to the provisions of the Act and of these Articles and of any contract between him and the Company, the remuneration of the Managing Director or Whole-time Director shall from time to time be fixed by the Directors, subject to the approvals of the Members of Company and may be by way of fixed monthly payment or commission on profits of the Company or by participation in such profits or by any or all of these modes or any other mode not expressly prohibited

by the Act. A Managing Director or Whole-time Director shall in addition to the above remuneration be entitled to the fee for attending meetings of Board or Committee of Directors.

134. Subject to the provisions of the Act and of these Articles, the Company or the Board may from time to time entrust to and confer upon a Managing Director or Managing Directors or Whole-Time Director or Whole-time Directors for the time being, such of the power exercisable under these Articles or otherwise 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 they may subject to the provisions of the Act and of these Articles confer such powers either collaterally with, or to the exclusion of or in substitution for all, or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any of such powers.
135. The Board of Directors may in accordance with the provisions of the Act appoint a Chairman/ Chairperson, or Managing Director or Whole-time Director or Manager to manage its affairs. A Director may be appointed as a Secretary, or Manager but Secretary or Manager need not be a Director of the Company. The terms and conditions and the appointment of Whole-time/Managing Directors shall be subject to the provisions of the Act and to the consent of the Members of the Company, wherever required.
136. Subject to the provisions of the Act, the following regulations shall have effect: -
- (a) The Board may, from time to time, provide for the management of the affairs of the Company outside India (or in any specified locality in India) in such manner as it shall think fit and the provisions contained in the four next following paragraphs shall be without prejudice to the general powers conferred by this paragraph.
  - (b) The Board, from time to time and at any time, may establish any local directorates or agencies for managing any of the affairs of the Company outside India, or in any specified locality in India, and may appoint any persons to be Members of any such local directorate or any managers or agents and may fix their remuneration and, save as provided in Section 179 of the Act, the Board from time to time and at any time may delegate to any person so appointed any of the powers, authorities and discretions for the time being of any such local directorate or any of them to fill up any vacancies therein and to act notwithstanding vacancies; and may fix any such appointment conditions as the Board may think fit and the Board may at any time remove any person so appointed and may annul or vary any such delegation.
  - (c) The Board may, at any time and from time to time, by power of attorney under the Seal appoint any persons to be the attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which may be delegated by the Board under the Act) and for such period and subject to such conditions as the Board may, from time to time think fit; any such appointments may, if the Board thinks fit be made in favour of the members or any of the members of any local directorate established as aforesaid, or in favour of the Company or of the members, directors, nominees, or officers of any company or firm, or in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board; and any such power of attorney may contain such provisions for the protection or convenience of persons dealing with such attorneys as the Board thinks fit.
  - (d) Any such delegate or attorneys as aforesaid may be authorised by the Board to sub delegate all or any of the powers, authorities and discretions for the time being vested in them.
  - (e) The Company may cause to be kept in any State or country outside India, as may be permitted by the Act, a foreign Register of Members or debenture holders resident in any such State or country and the Board may from time to time, make such provisions as it may think fit relating thereto and may comply with the requirement of any local law and shall in any case comply with the provisions of Sections 88 of the Act and the Companies (Management and Administration) Rules, 2014.
137. Subject to Section 203 of the Act, the Board shall appoint a Managing Director, Whole-time Director, Chief Executive Officer, Company Secretary, Chief Financial Officer and other Officers as may be prescribed on such terms and conditions and on such remuneration as may be approved by the Board and may remove a Managing Director, Whole-time Director, Chief Executive Officer, Company Secretary, Chief Financial Officer and other Officers as may be prescribed by means of resolution of the Board.
138. Any Director or the Key Managerial Personnel or any officer appointed by the Board for the purpose shall have power to authenticate any documents and accounts relating to the business of the Company, and to certify copies thereof, extracts thereof or extracts therefrom as true copies or extracts; where any books records, documents or accounts are elsewhere than at the Office, the local manager or other officer of the Company having the custody thereof, shall be deemed to be a person appointed by the Board as aforesaid.
139. A document purporting to be a copy of resolution of the Board or an extract from the minutes of a meeting of the Board which is certified as such in accordance with the provisions of the last preceding Article shall be exclusive evidence in

favour of all persons dealing with the Company upon the faith thereof that such resolution has been duly passed or, as the case may be, that such extract is a true and accurate record of a duly constituted meeting of the Directors.

140. The Board shall provide for the safe custody of the Seal and the Seal shall never be used except by the authority previously given by the Board or a committee of the Board authorized by the Board in that behalf and, save as provided in Article 14 (i) thereof, any one Director and the secretary or such other person as the Board may appoint shall sign every instrument on which the Seal is affixed. Provided nevertheless, that any instrument bearing the Seal of the Company and issued for valuable consideration shall be binding on the Company notwithstanding any irregularity touching the authority of the Board to issue the same.
141. The Company shall comply with the provisions of Section 92 of the Act as to the making of Annual Returns.
142. The Board may, from time to time before recommending any dividend, set apart any and such portion of the profits of the Company as it thinks fit as reserves to meet contingencies or for the liquidation of any debentures, debts or other liabilities of the Company, for equalization of dividends, for repairing, improvising or maintaining any of the property of the Company and for such other purposes of the Company as the Board in its absolute discretion thinks conducive to the interest of the Company; and may, subject to the provisions of the Act invest the several sums so set aside upon investments (other than Shares of the Company) as it may think fit, and from time to time deal with and vary such investment and dispose of all or any part thereof for the benefit of the Company and may divide the reserve into such special funds as the Board thinks fit, with power to employ the reserve or any parts thereof in the business of the Company, and that without being bound to keep the same separate from other aspects.
143. All money carried to the reserves shall nevertheless remain and be profits of the Company subject to due provisions being made for actual loss or depreciation for the payment of dividends and such moneys and all the other moneys of the Company not immediately required for the purposes of the Company may, subject to the provisions of the Act, be invested by the Board in or upon such investments or securities as it may select or may be used as working capital or may be kept at any Bank on deposit or otherwise as the Board may, from time to time think proper.
144. The Board may also carry forward any profits which it may consider necessary not to divide without setting them aside as a reserve.
145. Any general meeting may resolve that any moneys, investments, or other assets forming part of the undivided profits of the Company standing to the credit of the reserves, or any capital redemption reserve accounts, or in the hands of the Company and available for dividend or representing premiums received on the issue of Shares and standing to the credit of the securities premium account be entitled and distributed amongst such of the shareholders as would be entitled to receive the same if distributed by way of dividend and in the proportions on the footing that they become entitled thereto as capital and that all or any part of such capitalized fund be applied on behalf of such shareholders in paying up in full of any unissued Shares, of the Company which shall be distributed accordingly or in or towards payment of the uncalled liability on any issued Shares, or towards both and that such distribution or payment shall be accepted by such shareholders in full satisfaction of their interest in the said capitalised sum. Provided that any sum standing to the credit of a securities premium account or a 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.
146. A general meeting may resolve that any surplus moneys arising from the realisation of any capital assets of the Company or any investments representing the same, or any other undistributed profits of the Company not subject to charge for income tax, be distributed among the Members.
147. For the purpose of giving effect to any resolution under the two last preceding Articles hereof the Board may settle any difficulty which may arise in regard to the distribution as it thinks expedient and in particular may issue fractional certificates, and may determine that cash payments shall be made to any Members upon the footing of the value so fixed for such fractional certificate in order to adjust the rights of all parties and may vest such cash or for such fractional certificates in trustees upon such trusts for the persons entitled to the dividends or capitalised funds as may seem expedient to the Board. Where requisite, a proper contract shall be filled in accordance with Section 39 of the Act, and the Board may appoint any person to sign such contract on behalf of the person entitled to the dividends or capitalised fund, and such appointment shall be effective.
148. The Company in a general meeting may declare dividends to be paid to the Members according to their rights and interest in the profits and may, subject to the provisions of Section 123 of the Act, fix the time for payment. No larger dividend shall be declared than is recommended by the Board, but, the Company in general meeting may declare a smaller dividend.
149. No dividend shall be paid otherwise than out of the profits of the year or any other undistributed profits except as provided by Section 123 of the Act. No dividend shall carry interest against the Company.
150. Subject to the special rights of the holders of preference Shares, if any, for the time being, the profits of the Company distributed as dividends or bonus shall be distributed among the Members in proportion to the amounts paid or credited as

paid on the Shares held by them respectively, but no amount paid on a Share in advance of calls shall while carrying interest be treated for the purpose of this Article as paid on the Share. All dividends shall be apportioned and paid pro-rata according to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividends is paid, but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Shares shall rank for dividend accordingly.

151. The declaration of the Board subject to members adoption in Annual General Meeting as to the amount of the net profits of the Company shall be conclusive.
152. The Board may subject to Section 123 from time to time, pay to the Members such interim dividends as in its judgment the position of the Company justifies.
153. The Board may retain any dividends on which the Company has lien and may apply the same in or towards satisfaction of the debts, liabilities or engagements in respect of which the lien exists.
154. Subject to the provisions of Article 15, any general meeting declaring a dividend may make a call on the Members of such amount as the meeting fixes, but so that the call on each Members shall not exceed the dividend payable to him, so that the call be made payable at the same time as the dividend and the dividend may, if so arranged between the Company and the Member may be set off against the call.
155. No dividend shall be payable except in cash, provided that nothing in the foregoing shall be deemed to prohibit the capitalisation of 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 the Shares held by the Members of the Company.
156. A transfer of Shares shall not pass the rights to any dividend declared thereon before the registration of the transfer.
157. The Directors may retain the dividends payable upon Shares in respect of which any person is under transmission entitled to transfer, until such person shall become a Member in respect of such Shares or shall duly transfer the same.
158. No dividend shall be paid in respect of any Share except to the registered holder of such Share or to his order or to his bankers, but nothing contained in the Article shall be deemed to require the bankers of a registered shareholder to make a separate application to the Company for the payment of the dividend.
159. Any one of several persons who are registered as the joint holders of any Share may give effectual receipt for all dividends, bonuses and other payments in respect of such Share.
160. Notice of any dividend, whether interim or otherwise, shall be given to the persons entitled to Share therein in the manner hereinafter provided.
161. All dividends and other dues to Members shall be deemed to be payable at the Office of the Company. Unless otherwise directed any dividend, interest or other moneys payable in cash in respect of a Share may be paid by any Banking channels or cheque or warrant sent through the post to the registered address of the holder, or in the case of joint-holders, to the registered address of that one of the joint-holders who is the first named in the Register in respect of the joint-holding or to such person and at such address as the holder, or joint- holders, as the case may be, may direct and every cheque or warrant so sent shall be made payable to the order of the person to whom it is sent.
162. All unclaimed dividend along with interest accrued shall not be forfeited but shall be credited to a special bank account as per Section 124 of the Act, and after a period of seven (7) years transferred to Investor Education and Protection Fund established by the Central Government in terms of Section 125 of the Act.
163. The Company agrees that it will not forfeit unclaimed dividend before the claim becomes barred by law and that such forfeiture, when effected will be annulled in appropriate cases.
164. The Board shall cause proper books of account to be kept in accordance with Section 128 of the Act.
165. Subject to the provisions of the Act, the books of account shall be kept at the Registered Office or at such other place in India as the Board may decide and when the Board so decides, the Company shall, within seven days of the decision, file with the Registrar of Companies a notice in writing giving the full address of that other place. The books can also be kept in electronic mode as prescribed by the Act and Rules subject to compliance of prescribed guidelines.
166. (a) The books of account shall be open to inspection by any Director during business hours in accordance with the applicable provisions of the Act and the Rules.  
(b) The Board shall, from time to time, determine whether and to what extent, and at what times and places, and under what conditions or regulations, the books of account and books and documents of the Company, other than those referred to in Articles 122 and 172 or any of them shall be open to the inspection of the Members not being



Directors and no Member (not being a Director) shall have any right of inspecting any books of account or books or documents of the Company except as conferred by law or authorised by the Board or by Company in a general meeting.

167. At every Annual General Meeting, the Board shall lay before the Company the financial statements including Consolidated financial statements in accordance with the provisions of Section 129 of the Act read with the Companies (Accounts) Rules, 2014, and such financial statements including consolidated financial statements shall comply with the requirements of Sections 129, 133 and 134 and of Schedule III to the Act so far as they are applicable to the Company but, save as aforesaid the Board shall not be bound to disclose greater details of the result or extent of the trading and transactions of the Company than it may deem expedient.
168. There shall be attached to every Balance Sheet laid before the Company in the Annual General Meeting a report by the Board complying with Section 134 of the Act.
169. A copy of every financial statements including consolidated financial statements, Auditors report and every document required by law to be annexed or attached to the balance sheet shall, as provided by Section 136 of the Act, not less than twenty-one days before the annual general meeting be sent to every such Member, debenture-holder, trustee and other person to whom the same is required to be sent by the said Section either electronically or through such other mode as may be prescribed by the Rules.
170. The Company shall comply with Section 137 of the Act as to filing copies of the financial statement including consolidated financial statement and documents required to be annexed or attached thereto with the Registrar of Companies.
171. Subject to the provisions of the Act, once at least in every year the books of account of the Company shall be audited by one or more auditor or auditors.
172. The appointment, powers, rights, remuneration and duties of the auditors shall be regulated by Sections 139 to 146 and Section 148 of the Act.
173. A notice or other documents may be given by the Company to its Members in accordance with Sections 20, 101 and 136 of the Act and Rules made there-under.
174. Subject to the provisions of Article 170 any notice or document delivered or sent by post to or left at the Registered Address of any Members in pursuance of these Articles shall, notwithstanding such Members be deceased and whether or not the Company have notice of his death, be deemed to have been duly served in respect of any registered Share, whether held solely or jointly with other persons by such Member until some other persons be registered in his stead as the holder or joint-holders thereof and such service shall for all purposes of those presents be deemed to be a sufficient service of such notice or document on his heirs, executors or administrators and all persons, if any, jointly interested with him in any such Share.
175. Subject to the provisions of the Act, in the event of a winding-up of the Company, every Member of the Company who is not for the time being in the place where the Office of the Company is situated shall be bound, within eight weeks after the passing of an effective resolution to wind up the Company voluntarily or the making of an order for the winding up of the Company, to serve notice in writing on the Company appointing some person residing in the neighbourhood of the Office upon whom all summons, notices, process, orders and judgments in relation to or under the winding-up of the Company may be served, and in default of such nomination, the liquidator of the Company shall be at liberty, on behalf of such Member, to appoint some such person and serve upon any appointee whether appointed by the Member or the liquidator shall be deemed to be good personal service on such Member for all purposes, and where the liquidator makes any such appointment, he shall, with all convenient speed, give notice thereof to such Member by advertisement in some daily newspaper circulating in the neighbourhood of the office or by a registered letter sent by post and addressed to such Member at his address as registered in the Register and such notice shall be deemed to be served on the day on which the advertisement appears or the letter would be delivered in the ordinary course of the post. The provisions of this Article do not prejudice the right of the Liquidator of the Company to serve any notice or other document in any other manner prescribed by these Articles.
176. The Company shall duly keep and maintain at the office, Registers, in accordance with Sections 85, 88, 170, 187 and 189 of the Act and Rules made thereunder in electronic form or in such form and in such manner as may be prescribed under the Act or the Rules.
177. The Company shall comply with the provisions of Sections 85, 94, 117, 171, 186 and 189 of the Act and the Rules as to the supplying of copies of the registers, deeds, documents, instruments, returns, certificates, and books herein mentioned to the persons herein specified when so required by such persons on payment, where required, of such fees as may be fixed by the Board but not exceeding charges as prescribed by the said Sections of the Act and Rules framed thereunder.

178. Where under any provision of the Act or Rules any person whether a Member of the Company or not, is entitled to inspect any register, return, certificate, deed, instrument or document (including electronic records) required to be kept or maintained by the Company, the person so entitled to inspection shall be permitted to inspect the same during such business hours and place as may be determined by the Board under the provisions of the Act and the Rules there-under.
179. The Company, after giving not less than seven days previous notice, subject to the provisions of Section 91 of the Act and Rules made thereunder, by advertisement in one vernacular newspapers circulating in the district in which the office is situated close the Register of Members or the register of debenture holders or the register of security holders, as the case may be, for any period or period not exceeding in the aggregate forty-five days in each year but not exceeding thirty days at any one time.
180. On any sale of the undertaking of the Company the Board or the liquidator on a winding-up may, if authorized by a special resolution, accept fully paid or partly paid up Shares, debentures, or securities of any other company whether incorporated in India or not other than existing or to be formed for the purchase in whole or in part of the Company's property and the Board (if the profits of the Company permit) or the liquidators (in a winding-up) may distribute such Shares or securities, or any other property of the Company amongst the Members without realization or vet the same in trustees for them, and the special resolution may provide for the distribution or appropriation of the cash, Shares or other securities benefit or property, otherwise than in accordance with the strict legal rights of the members of contributories of the Company, and for the valuation of any such securities or property at such price and in such manner as the meeting may approve and all holders of Shares shall be bound by any valuation or distribution so authorised, and waive all rights in relation thereto, save only in case the Company is proposed to be or is in course of being wound up, such statutory right (if any) under the Act as are incapable of being varied or excluded by these Articles.
181. Every Director, manager, secretary, Trustee for the Company, its Member or debenture holder, members of a Committee, officer, servant, agent, accountant, other person employed in or about the business of the Company shall, if so required by the Board or by a Managing Director before entering upon his duties, sign a declaration pledging himself to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters relating thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in the discharge of his duties except when required so to do by the Board or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these Articles contained.
182. No shareholder, or other person (not being a Director) shall be entitled to enter upon the property of the Company or to inspect or examine the premises or properties of the Company without the permission of the Board or subject to Article 161 to require discovery of or any information respecting any details of the trading of the Company or any matter which is or may be in the nature of a trade secret, mystery of trade, or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to communicate.
183. Subject to the provisions of the Act, if the Company shall be wound up and the assets available for distribution among Members as such shall not be sufficient to repay the whole of the Paid-up capital such assets shall be distributed so that as nearly as may be and the losses shall be borne by the Members in proportion to the capital paid up at the commencement of the winding up, on the Shares held by them respectively. And if in a winding-up assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding-up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding-up 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 the holders of Shares issued upon special terms and conditions. Preference shareholders shall have prior rights to repayment of capital and dividends due.
184. Subject to the provisions of the Act, if the Company shall be wound up, whether voluntarily or otherwise, the liquidators may, with the sanction of a special resolution divide among the contributories, in specie or kind, 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 benefits of the contributories, or any of them, as the liquidators with the like sanction, shall think fit.
185. Subject to the provisions of the, Act every Director, Managing Director, whole-time Director, manager, secretary or officer of the Company or any person (whether an officer of the Company or not) employed by the Company and any person appointed as auditors shall be indemnified out of the funds of the Company against all *bonafide* liabilities incurred by him as such Director, Managing Director, whole-time Director manager, secretary officer, employee or Auditor 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 the Section 463 of the Act in which relief is granted to him by the Court.
186. Subject to the provisions of the Act and the Rules, the Company may take and maintain any insurance as the Board may think fit on behalf of its present and/or former Directors, Key Managerial Personnel and Officers for indemnifying all or any of them against any liability for any acts in relation to the Company for which they may be liable but they have acted honestly and reasonably.

187. Where any provisions of the said Act, provides that the Company shall do such act, deed, or thing, or shall have a right, privilege or authority to carry out a particular transaction, only if it is so authorised in its Articles, in respect of all such acts, deeds, things, rights, privileges and authority, this Article hereby authorises the Company to carry out the same, without the need for any specific or explicit Article in that behalf.

## SECTION IX: OTHER INFORMATION

### MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The copies of the following contracts which have been entered or are to be entered into by our Company (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material shall be attached to the copy of the Red Herring Prospectus delivered to the RoC for registration. Copies of the abovementioned contracts and also the documents for inspection referred to hereunder, may be inspected at the Registered Office between 10.00 A.M. and 5.00 P.M. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

#### 1. Material Contracts for the Offer

- (a) Offer Agreement dated June 19, 2018 among our Company, the Trustees in the capacity of the trustees of the Promoter Selling Shareholder and the Non-Promoter Selling Shareholders and the BRLMs.
- (b) Registrar Agreement dated June 19, 2018 among our Company, the Trustees in the capacity of the trustees of the Promoter Selling Shareholder and the Non-Promoter Selling Shareholders and the Registrar to the Offer.
- (c) Cash Escrow Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs, the Syndicate Member(s), the Escrow Collection Bank(s), the Public Offer Account Bank(s), the Refund Bank(s) and the Registrar to the Offer.
- (d) Share Escrow Agreement dated [●] among the Selling Shareholders, our Company and the Share Escrow Agent.
- (e) Syndicate Agreement dated [●] among our Company, the Selling Shareholders, the BRLMs and the Syndicate Member(s).
- (f) Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

#### 2. Material Documents

- (a) Certified copies of the Memorandum of Association and Articles of Association of our Company, as amended from time to time.
- (b) Certificate of incorporation dated November 19, 2009.
- (c) Fresh certificate of incorporation consequent upon change of name from Bansal Biscuits Private Limited to Anmol Industries Private Limited on May 23, 2016.
- (d) Certificate of change of name consequent upon conversion into a public limited company from Anmol Industries Private Limited to Anmol Industries Limited on March 30, 2017.
- (e) Resolutions passed by our Board at its meetings held on September 12, 2017 and April 23, 2018 in relation to this Offer and other related matters.
- (f) Audited Financials of our Company for the nine month period ended December 31, 2017.
- (g) Proforma Financial Statements of our Company for the Financial Years ended March 31, 2015 and 2016 dated April 23, 2018.
- (h) Consent letters by SKG Land Developers LLP, Delta Nirman LLP, Anmol Hi- Cool LLP and Puneet Mercantiles LLP dated April 3, 2018, April 3, 2018, April 3, 2018 and April 3, 2018, respectively approving their participation in the Offer and the resolutions passed at their meeting dated April 2, 2018, April 2, 2018, April 2, 2018 and April 2, 2018, respectively.
- (i) Consent letter dated April 3, 2018 from the Trustees approving the participation of the Promoter Selling Shareholder in the Offer and the resolution passed by the board of Trustees at their meeting dated April 2, 2018.
- (j) FS Report dated April 15, 2018 and consent letter dated April 25, 2018 from Frost & Sullivan (India) Private Limited.
- (k) Copy of the order approving scheme of arrangement dated March 3, 2017 passed by NCLT, Kolkata Bench, through which Anmol Biscuits Limited and Anmol Bakers Private Limited were merged with our Company and

the Corporate Management and Treasury Division of our Company was transferred to Anant Udyog Private Limited.

- (l) Copies of the annual reports of our Company for the Financial Years 2017, 2016, 2015, 2014 and 2013.
- (m) The examination report of the Statutory Auditor dated April 23, 2018 in relation to our Restated Financial Statements, included in this Draft Red Herring Prospectus.
- (n) Consent from the Statutory Auditors for inclusion of their names as the statutory auditors and being named as “expert” under the Companies Act, 2013.
- (o) Consents from Deb Kumar Bandyopadhyay, Consultant Chartered Engineer, M.I.E. for being named as an “expert” under Companies Act, 2013.
- (p) The Statement of Tax Benefits dated June 19, 2018 from the Statutory Auditor.
- (q) Consents of our Directors, our Chief Financial Officer, the BRLMs, the Syndicate Member(s), Legal Counsel to our Company as to Indian law, Legal Counsel to the BRLMs as to Indian law, Special International Legal Counsel to the BRLMs, Registrar to the Offer, Escrow Collection Banks, the Public Offer Account Bank(s), the Refund Bank(s), bankers/lenders to our Company, our Company Secretary and Compliance Officer as referred to in their specific capacities.
- (r) Due Diligence Certificate dated June 19, 2018 addressed to SEBI from the BRLMs.
- (s) In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
- (t) Tripartite Agreement dated September 25, 2017 between our Company, NSDL and the Registrar to the Offer.
- (u) Tripartite Agreement dated April 18, 2018 between our Company, CDSL and Registrar to the Offer.
- (v) SEBI observation letter bearing reference number [●] dated [●].
- (w) Employment Agreement dated May 19, 2017 in respect of appointment of Bimal Kumar Choudhary as Managing Director of our Company.
- (x) Employment Agreement dated May 19, 2017 in respect of appointment of Gobind Ram Choudhary as Managing Director of our Company.
- (y) Employment Agreement dated May 19, 2017 in respect of appointment of Biswanath Choudhary as Whole-Time Director of our Company.
- (z) Employment Agreement dated May 19, 2017 in respect of appointment of Dilip Kumar Choudhary as Whole-Time Director of our Company.

Any of the contracts or documents mentioned in this Draft Red Herring Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by the other parties, subject to compliance of the provisions contained in the Companies Act and other relevant statutes and regulations.

## DECLARATION

We hereby certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government or the regulations, rules, circulars or guidelines issued by the SEBI, established under section 3 of the SEBI Act, as the case may be, have been complied with and no statement made in this Draft Red Herring Prospectus is contrary to the provisions of the Companies Act, the SCRA, the SCRR, the SEBI Act or rules or regulations made or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

### SIGNED BY ALL DIRECTORS OF OUR COMPANY

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**Biswanath Choudhary**  
(Chairman and Whole-Time Director)

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**Dilip Kumar Choudhary**  
(Vice-Chairman and Whole-Time Director)

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**Bimal Kumar Choudhary**  
(Managing Director)

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**Gobind Ram Choudhary**  
(Managing Director)

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**Mamta Binani**  
(Non-Executive, Independent Director)

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**Sumit Malhotra**  
(Non-Executive, Independent Director)

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**Sunil Kumar Agarwal**  
(Non-Executive, Independent Director)

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**Debanjan Mandal**  
(Additional Non-Executive, Independent Director)

### SIGNED BY CHIEF FINANCIAL OFFICER OF OUR COMPANY

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**Poonam Chandra Tibrewal**  
(Chief Financial Officer)

**Date:** June 19, 2018

**Place:** Kolkata

## DECLARATION

Baijnath Choudhary & Family Trust, represented through its Trustees, hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered by it in the offer for sale pursuant to the Offer are true and correct.

### SIGNED BY ALL TRUSTEES OF THE BAIJNATH CHOUDHARY & FAMILY TRUST

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**Baijnath Choudhary**  
(*Founder Trustee*)

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**Biswanath Choudhary**  
(*Founder Trustee*)

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**Dilip Kumar Choudhary**  
(*Founder Trustee*)

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**Gobind Ram Choudhary**  
(*Founder Trustee*)

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**Bimal Kumar Choudhary**  
(*Founder Trustee*)

**Date:** June 19, 2018

**Place:** Kolkata

## **DECLARATION**

SKG Land Developers LLP hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered by it in the offer for sale pursuant to the Offer are true and correct, provided however, SKG Land Developers LLP assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

**Signed by** \_\_\_\_\_

**For SKG Land Developers LLP**

**Date:** June 19, 2018

**Place:** Kolkata



## **DECLARATION**

Delta Nirman LLP hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered by it in the offer for sale pursuant to the Offer are true and correct, provided however, Delta Nirman LLP assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

**Signed by** \_\_\_\_\_

**For Delta Nirman LLP**

**Date:** June 19, 2018

**Place:** Kolkata

## **DECLARATION**

Anmol Hi-Cool LLP hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered by it in the offer for sale pursuant to the Offer are true and correct, provided however, Anmol Hi-Cool LLP assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

**Signed by** \_\_\_\_\_

**For Anmol Hi-Cool LLP**

**Date:** June 19, 2018

**Place:** Kolkata

## **DECLARATION**

Puneet Mercantiles LLP hereby certifies that all statements, disclosures and undertakings made or confirmed by it in this Draft Red Herring Prospectus about or in relation to itself and the Equity Shares being offered by it in the offer for sale pursuant to the Offer are true and correct, provided however, Puneet Mercantiles LLP assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

**Signed by** \_\_\_\_\_

**For Puneet Mercantiles LLP**

**Date:** June 19, 2018

**Place:** Kolkata