



CONTINENTAL WAREHOUSING CORPORATION (NHAVA SEVA) LIMITED

Our Company was incorporated on May 23, 1997 at Mumbai as a public limited company under the Companies Act, 1956. Our Company obtained a certificate of commencement of business from the Registrar of Companies, Mumbai, Maharashtra ("RoC") on August 5, 1997. For details in relation to change of Registered Office, see "History and Certain Corporate Matters" on page 146.

Registered Office: 405, Windfall, Sahar Plaza Complex, Andheri Kurla Road, J.B. Nagar, Andheri (East), Mumbai 400 059; **Tel:** (91 22) 6111 6999; **Fax:** (91 22) 6111 6910

Corporate Office: D No. 1088, Khopta village, Uran taluka, Raigad district, Navi Mumbai 400 702; **Tel:** (91 22) 6793 7777; **Fax:** (91 22) 6793 7788

Contact Person: A.T. Shah, Company Secretary and Compliance Officer; **Tel:** (91 22) 6111 6928; **Fax:** (91 22) 6111 6910

E-mail: investor@cwcnsl.com; **Website:** http://www.cwcnsl.com/index.html; **Corporate Identity Number:** U63090MH1997PLC108197

OUR PROMOTERS: N. ADIKESAVULU REDDY, N. AMRUTESH REDDY AND N.D.R. WAREHOUSING PRIVATE LIMITED

PUBLIC ISSUE OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (THE "EQUITY SHARES") OF CONTINENTAL WAREHOUSING CORPORATION (NHAVA SEVA) LIMITED (OUR "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER") CONSISTING OF A FRESH ISSUE OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ 4,188.00 MILLION (THE "FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 798,603 EQUITY SHARES BY AUREOS OFFSHORE INDIA OPPORTUNITIES FUND LLC, UP TO 2,505,018 EQUITY SHARES BY AUREOS SOUTH ASIA FUND LLC, UP TO 10,000,000 EQUITY SHARES BY BRIDGEVIEW INVESTMENT LTD ("BRIDGEVIEW") AND UP TO 373,199 EQUITY SHARES BY INDIA OPPORTUNITIES FUND (THE "SELLING SHAREHOLDERS") AGGREGATING UP TO ₹ [●] MILLION (THE "OFFER FOR SALE"). THE OFFER COMPRISES A NET OFFER TO THE PUBLIC OF [●] EQUITY SHARES (THE "NET OFFER") AND A RESERVATION OF UP TO [●] EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION FOR SUBSCRIPTION BY ELIGIBLE EMPLOYEES (AS DEFINED HEREIN), NOT EXCEEDING 5% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL (THE "EMPLOYEE RESERVATION PORTION"). THE OFFER WOULD CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL AND THE NET OFFER TO THE PUBLIC WOULD CONSTITUTE [●]% OF OUR POST-OFFER PAID-UP EQUITY SHARE CAPITAL.

THE FACE VALUE OF EQUITY SHARES IS ₹ 10 EACH. THE PRICE BAND WILL BE DECIDED BY OUR COMPANY AND BRIDGEVIEW IN CONSULTATION WITH THE BRLMS. THE MINIMUM BID LOT AND THE RUPEE AMOUNT OF DISCOUNT, IF ANY, TO THE RETAIL INDIVIDUAL BIDDERS AND ELIGIBLE EMPLOYEES BIDDING IN THE EMPLOYEE RESERVATION PORTION WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BRLMS. THE PRICE BAND, MINIMUM BID LOT AND DISCOUNT, IF ANY, BE ADVERTISED IN [●] EDITION OF THE ENGLISH NATIONAL NEWSPAPER [●], [●] EDITION OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITION OF THE MARATHI NEWSPAPER [●] (MARATHI BEING THE REGIONAL LANGUAGE OF MAHARASHTRA, 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 BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITES.*

**Discount of ₹ [●] to the Offer Price may be offered to the Retail Individual Bidders and the Eligible Employees bidding in the Employee Reservation Portion.*

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 of 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 the BSE and the 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.

In terms of Rule 19(2)(b) of the Securities Contracts (Regulation) Rules, 1957, as amended ("SCRR") and in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended ("SEBI Regulations"), the Offer is being made in accordance with Regulation 26(1) of the SEBI Regulations, through the Book Building Process, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"), provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 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 Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category 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 Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Further, [●] Equity Shares will be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received from them at or above the Offer Price after the Employee Discount, if any. All potential Bidders, other than Anchor Investors are mandatorily required to participate in the Offer through an Application Supported by Blocked Amount ("ASBA") process providing details of their respective bank account which will be blocked by the SCSBs. Anchor Investors are not permitted to participate in the Anchor Investor Portion through the ASBA process. For details, see "Offer Procedure" on page 414.

RISKS IN RELATION TO THE FIRST OFFER

This being the first public offer 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 by our Company in consultation with the BRLMs as stated under "Basis for Offer Price" on page 97) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investment in equity and equity-related securities involve a degree of risk and investors should not invest any funds in the Offer unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in the Offer. For taking an investment decision, investors must rely on their own examination of 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" on page 17.

COMPANY'S AND SELLING SHAREHOLDERS' ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company 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 Selling Shareholder, severally and not jointly, accepts responsibility for and confirms only statements specifically confirmed or undertaken by such Selling Shareholder in this Draft Red Herring Prospectus to the extent that the statements pertain to such Selling Shareholder and its portion of Equity Shares offered under the Offer for Sale and confirms that such statements are true and correct in all material respects and not misleading in any material respect.

LISTING

The Equity Shares offered through the Red Herring Prospectus are proposed to be listed on the BSE and the NSE. Our Company has received an 'in-principle' approval from the BSE and the 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 14 th Floor, Edelweiss House Off CST Road, Kalina, Mumbai 400 098 Tel: (91 22) 4009 4400 Fax: (91 22) 4086 3610 E-mail: cwcnsl ipo@edelweissfin.com Investor grievance e-mail: customerservice.mb@edelweissfin.com Website: www.edelweissfin.com Contact Person: Sandeep Maheshwari/ Mohit Kapoor SEBI Registration No.: INM0000010650	Axis Capital Limited 1st floor, Axis House C-2, Wadia International Centre P.B. Marg, Worli, Mumbai 400 025 Tel.: (91 22) 4325 1199 Fax: (91 22) 4325 3000 E-mail: cwcnsl ipo@axiscap.in Investor grievance e-mail: complaints@axiscap.in Website: www.axiscapital.co.in Contact Person: Ankit Bhatia SEBI Registration No.: INM0000012029	Ambit Private Limited⁽¹⁾ Ambit House 449, Senapati Bapat Marg Lower Parcel, Mumbai 400 013 Tel: (91 22) 3982 1819 Fax: (91 22) 3982 3020 E-mail: cwciipo@ambit.co Investor grievance e-mail: customerservicecmb@ambit.co Website: www.ambit.co Contact Person: Sundeeep Parate SEBI Registration Number: INM0000010585	ICICI Securities Limited ICICI Center, H.T. Parekh Marg Churchgate, Mumbai - 400 020 Tel: (91 22) 2288 2460 Fax: (91 22) 2282 6580 E-mail: cwc.ipo@icicisecurities.com Website: www.icicisecurities.com Investor Grievance E-mail: customercare@icicisecurities.com Contact Person: Ms. Payal Kulkarni SEBI Registration No.: INM0000011179	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound L.B.S. Marg, Bhandup (West) Mumbai 400078 Tel: (91 22) 6171 5400 Fax: (91 22) 2596 0329 Email: cwcl.ipo@linkintime.co.in Investor Grievance e-mail: cwcl.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Shanti Gopalkrishnan SEBI Registration No. INR0000004058

BID/OFFER PROGRAMME

BID/OFFER OPENS ON

[●]⁽²⁾

BID/OFFER CLOSES ON

[●]⁽³⁾

⁽¹⁾ Formerly Ambit Corporate Finance Private Limited

⁽²⁾ Our Company may in consultation with the BRLMs offer a discount of up to [●] % (equivalent of ₹ [●]) of the Offer Price to Retail Individual Bidders and Eligible Employees. Our Company may, in consultation with the BRLMs, consider participation by Anchor Investors in accordance with the SEBI Regulations. The Anchor Investor Bid/Offer Period shall be one Working Day prior to the Bid / Offer Opening Date

⁽³⁾ Our Company and Bridgeview 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 SEBI 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.

General Terms

Term	Description
our “Company”, “the Company”, “the Issuer” or “CWCNSL”	Continental Warehousing Corporation (Nhava Seva) Limited, a company incorporated under the Companies Act, 1956 and having its registered office at 405, Windfall, Sahar Plaza Complex, Andheri Kurla Road, J.B. Nagar, Andheri (East), Mumbai 400 059
“we”, “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries

Company and Selling Shareholders’ Related Terms

Term	Description
2009 Employment Agreement	Employment agreement dated June 26, 2009 entered into between N. Adikesavulu Reddy and our Company, as amended by agreement dated September 2, 2016
2009 JV Agreement	Joint Venture Agreement dated August 29, 2009 entered into between CWCL and KRIL
ABFL	Aditya Birla Finance Limited
Abraaj or Abraaj Selling Shareholder(s)	AOIOF, ASAF and IOF
Amalgamation Scheme	Scheme of amalgamation approved by the High Court of Madras, through its order dated December 20, 2013, pursuant to which KWPL was amalgamated with Delex with effect from April 1, 2012
Amendment and Consent Agreement	Amendment and consent agreement dated September 29, 2016 to the SHA entered into amongst the SHA Investors, Abraaj, the Promoters, the SHA Group Entities, Saastha and our Company
AOIOF	Aureos Offshore India Opportunities Fund LLC, represented by Aureos South Asia Managers Limited
Articles of Association / AoA	Articles of Association of our Company, as amended
ASAF	Aureos South Asia Fund LLC, represented by Aureos South Asia Managers Limited
Auditor / Statutory Auditor	Statutory auditor of our Company, namely, Price Waterhouse Chartered Accountants LLP
Board / Board of Directors	The board of directors of our Company or a duly constituted committee thereof, unless otherwise specified
Bridgeview	Bridgeview Investment Ltd
Bridgeview SSA	Share Subscription Agreement dated February 25, 2011 entered into amongst our Promoters, N. Kamakshamma, Saastha, Kaveri, Delex, CMTL, CWCL, Bridgeview and our Company
CCPS	Series A CCPS and Series B CCPS
CMFPPL	Continental Mega Food Park Private Limited having its registered office at D No. 1088, Khopta village, Uran taluka, Raigad district, Navi Mumbai 400 702
CMPL	Chetana Multitrade Private Limited having its registered office D No. 1088, Khopta village, Uran taluka, Raigad district, Navi Mumbai 400 702
CMTL	Continental Multimodal Terminals Limited having its registered office at 6-3-713, 1 st floor, Topaz Buildings, Amrutha Hills, Punjagutta, Hyderabad 500 072
CMTL Consideration	Consideration of ₹ 172.58 million for the transfer of 23,577,323 equity shares of CMTL to our Company under the CMTL SPA
CMTL Promoters	Adikesavulu Reddy, N. Kamakshamma and CWCL
CMTL SPA	The share purchase agreement dated March 28, 2014 entered into amongst the CMTL Promoters, CMTL, Bridgeview and our Company
Corporate Office	Corporate office of our Company located at D. No. 1088, Khopta Village, Uran Taluka, Raigad district, Navi Mumbai 400 702
CWCL	Continental Warehousing Corporation Limited
Delex	Delex Cargo India Private Limited having its registered office at NDR Estates, 110, GMT Kanakachatram, Madhavaram, Chennai 600 110
Director(s)	Director(s) of our Company, unless otherwise specified
Equity Shares	Equity shares of our Company of face value of ₹ 10 each
ePlanet	ePlanet Ventures Mauritius Limited
Group Companies	Such companies as covered under the applicable accounting standards and such other

Term	Description
	companies as considered material by our Board
	For details of our Group Companies, see “Our Group Companies” beginning on page 176
IDFC	IDFC Bank Limited
IFC	International Finance Corporation
IFC SSA	Share Subscription Agreement dated March 31, 2016 entered into amongst the Promoters, IFC and our Company
IL&FS	IL&FS Private Equity Trust
India Infrastructure	India Infrastructure and Logistics Private Limited
Indostar	Indostar Capital Finance Limited
IndusInd	IndusInd Bank Limited
IOF	India Opportunities Fund, scheme of Aureos India Fund, acting through its trustee, Aureos India Trustees Private Limited
June Employment Agreement	Employment agreement dated June 26, 2009 entered into between Darayush K. Jalnawalla and our Company, as amended by agreement dated September 2, 2016
July Employment Agreement	Employment agreement dated July 30, 2009 entered into between N. Amrutesh Reddy and our Company, as amended by agreement dated September 2, 2016
Key Management Personnel	Key management personnel of our Company in terms of Regulation 2(s) of the SEBI Regulations and Section 2(51) of the Companies Act, 2013 and disclosed in “Our Management” from pages 168 to 170
KRIL	KRIBHCO Infrastructure Limited
KWPL	Kaveri Warehousing Private Limited
MoA / Memorandum of Association	Memorandum of Association of our Company, as amended
N.D.R.	N.D.R. Warehousing Private Limited
Promoters	N. Adikesavulu Reddy, N. Amrutesh Reddy and N.D.R.
Promoter Group	Persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI Regulations
Registered Office	Registered office of our Company located at 405, Windfall, Sahar Plaza Complex, Andheri Kurla Road, J.B. Nagar, Andheri (East), Mumbai 400 059
Registrar of Companies /RoC	Registrar of Companies, Maharashtra situated at Mumbai
Restated Consolidated Financial Information	The restated consolidated financial information of our Company, along with its subsidiaries and associate, which comprises the restated consolidated statement of assets and liabilities as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012, the restated consolidated statement of profit and loss and the restated consolidated cash flow statement for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012 and notes to the restated consolidated statements of assets and liabilities, profit and loss and cash flows as of and for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012, respectively
Restated Financial Information	Collectively, the Restated Consolidated Financial Information and the Restated Standalone Financial Information
Restated JV Agreement	Restated joint venture agreement dated December 20, 2010 entered into between CWCL and KRIL
Restated Standalone Financial Information	The restated standalone financial information of our Company which comprises the restated standalone statement of assets and liabilities as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012, the restated standalone statement of profit and loss and the restated standalone cash flow statement for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and notes to the restated standalone statements of assets and liabilities, profit and loss and cash flows as of and for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013, and March 31, 2012 respectively
Saastha	Saastha Warehousing Limited
Selling Shareholders	AOIOF, ASAF, Bridgeview and IOF
Series A CCPS	Series A compulsorily convertible preference shares of face value of ₹ 10 each having a coupon rate of ₹ 35
Series B CCPS	Series B compulsorily convertible preference shares of face value of ₹ 10 each having a coupon rate of ₹ 35
SHA	Restated and Amended Shareholders’ Agreement dated March 31, 2016 as amended by way of Amendment and Consent Agreement dated September 29, 2016 entered into amongst the SHA Investors, Abraaj, the Promoters, the SHA Group Entities, Saastha and our Company
SHA Group Entities	Delex and CMTL
SHA Investors	Bridgeview and IFC

Term	Description
Shareholders	Shareholders of our Company from time to time
Subsidiaries	Subsidiaries of our Company, namely CMFPPL, CMPL, CMTL, and Delex
Yes Bank	Yes Bank Limited

Offer Related Terms

Term	Description
Acknowledgement Slip	The slip, document or counter foil issued by the Designated Intermediary to a Bidder as proof of having accepted the ASBA Form
Allot/ Allotment/ Allotted	Unless the context otherwise requires, the allotment of the Equity Shares pursuant to the Fresh Issue and transfer of the Equity Shares offered by the Selling Shareholders pursuant to the Offer for Sale to the successful Bidders
Allotment Advice	Note, 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
Ambit	Ambit Private Limited formerly Ambit Corporate Finance Private Limited
Anchor Investor(s)	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the SEBI Regulations and the Red Herring Prospectus
Anchor Investor Allocation Price	The price at which Equity Shares will be allocated to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus which will be decided by our Company 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 this 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 Escrow Accounts	Account opened with the Escrow Collection Bank and in whose favour the Anchor Investors will transfer money through NECS/direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
Anchor Investor Offer Price	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 The Anchor Investor Offer Price will be decided by our Company in consultation with the BRLMs
Anchor Investor Portion	Up to 60% of the QIB Portion which may be allocated by our Company in consultation with the BRLMs, to Anchor Investors on a discretionary basis 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
Application Supported by Blocked Amount or ASBA	An application, whether physical or electronic, used by ASBA Bidders to make a Bid and authorising 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 this Prospectus
Axis Capital	Axis Capital Limited
Banker(s) to the Offer /Escrow Collection Bank(s)	Banks which are clearing members and registered with SEBI as bankers to an issue and with whom the Anchor Investor Escrow Accounts will be opened, in this case being [●]
Basis of Allotment	Basis on which Equity Shares will be Allotted to successful Bidders under the Offer and which is described in “Offer Procedure” from page 444 to 446
Bid	An indication to make an offer during the Bid/Offer Period by an ASBA Bidder pursuant to submission of the ASBA Form, or during the Anchor Investor Bid/Offer Period by the Anchor Investors 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 SEBI Regulations

Term	Description
	The term “Bidding” shall be construed accordingly
Bid Amount	<p>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 Bidders, as the case may be, upon submission of the Bid, which shall be net of Employee Discount and Retail Discount for Eligible Employees and Retail Individual Bidders, as applicable</p> <p>However for Eligible Employees applying in the Employee Reservation Portion and the Retail Individual Investors applying at the Cut-Off, the Bid Amount shall be Cap Price multiplied by the number of Equity Shares Bid for by such Eligible Employees / Retail Individual Bidders and mentioned in the Bid cum Application Form net of Employee Discount / Retail Discount, as the case may be</p>
Bid cum Application Form	The Anchor Investor Application Form and the ASBA Form, or either such form, as the context requires
Bid/Offer Closing Date	<p>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 [●] edition of the English national newspaper [●], [●] edition of Hindi national newspaper [●] and, [●] edition of Marathi newspaper [●], (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation</p> <p>Our Company and Bridgeview may, in consultation with the BRLMs, consider closing the Bid/Offer Period for the QIB Category one Working Day prior to the Bid/Offer Closing Date in accordance with the SEBI Regulations</p>
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 [●] edition of the English national newspaper [●], [●] edition of Hindi national newspaper [●] and, [●] edition of Marathi newspaper [●], (Marathi being the regional language of Maharashtra where our Registered Office is located), each with wide circulation
Bid/Offer Period	Except in relation to the 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 Lot	[●]
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, and includes an Anchor Investor
Bidding Centres	Centres at which the Designated Intermediaries shall accept the ASBA Forms, i.e. Designated SCSB Branches for SCSBs, Specified Locations for Syndicate, Brokers 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 SEBI Regulations, in terms of which the Offer is being made
Book Running Lead Managers / BRLMs	Book running lead managers to the Offer, being Edelweiss, Axis Capital, Ambit and I-Sec
Broker Centres	<p>Broker centres notified by the Stock Exchanges where Bidders can submit the ASBA Forms to a Registered Broker</p> <p>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)</p>
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 / 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 dated [●] entered into by our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Escrow Collection Bank, Public Offer Account Bank and the Refund Bank for 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 the Bidders, on the terms and conditions thereof
Client ID	Client identification number maintained with one of the Depositories in relation to demat account
Collecting Depository Participant or CDP	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 as per the list available on the websites of BSE and NSE

Term	Description
Cut-off Price	Offer Price finalised by our Company in consultation the BRLMs which shall be any price within the Price Band Only Retail Individual Bidders and Eligible Employees Bidding under the Employee Reservation Portion are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price
Demographic Details	Details of the Bidders including the Bidders' address, name of the Bidders' 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 Collecting Depository Participants eligible to accept ASBA Forms are available on the respective websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
Designated Date	Date on which funds are transferred by the Escrow Collection Banks from the Anchor Investor Escrow Accounts and the amounts blocked by the SCSBs are transferred from the ASBA Accounts, as the case may be, to the Public Offer Account or the Refund Account, as appropriate
Designated Intermediaries	Syndicate, sub-syndicate/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorised to collect ASBA Forms from the ASBA 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 websites of the Stock Exchanges (www.bseindia.com and www.nseindia.com)
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 http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries or at such other website as may be prescribed by SEBI from time to time
Designated Stock Exchange	[●]
Draft Red Herring Prospectus / DRHP	This Draft Red Herring Prospectus dated September 30, 2016 issued in accordance with the SEBI 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 Employee	All or any of the following: (a) A permanent and full time employee of our Company or of our Subsidiaries, as of the date of filing of the Red Herring Prospectus with the RoC and who continues to be an employee of our Company, until the submission of the Bid cum Application Form as on the date of submission of the Bid cum Application Form; and (b) An employee of our Company, who is recruited against a regular vacancy but is on probation as on the date of submission of the Bid cum Application Form will also be deemed a 'permanent and a full time employee'. The maximum Bid Amount under the Employee Reservation Portion by an Eligible Employee shall not exceed ₹ 200,000 on a net basis. Eligible Employees may be given a discount at the discretion of our Company in consultation with the BRLMs in accordance with Regulation 29 of the SEBI Regulations
Eligible NRI(s)	NRI(s) 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
Employee Discount	Discount of [●]% (equivalent to ₹ [●]) to the Offer Price given to Eligible Employees
Employee Reservation Portion	Portion of the Offer being [●] Equity Shares aggregating up to ₹ [●] million available for allocation to Eligible Employees, on a proportionate basis, not exceeding 5% of our post-Offer paid-up Equity Share capital
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Anchor Investors will transfer money through direct credit/NEFT/RTGS in respect of the Bid Amount when submitting a Bid
First Bidder	Bidder whose name shall be mentioned first 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

Term	Description
Fresh Issue	The fresh issue of up to [●] Equity Shares aggregating up to ₹ 4,188.00 million by our Company
General Information Document / GID	General Information Document 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” on page 424
I-Sec	ICICI Securities Limited
Maximum RIB Allottees	Maximum number of RIBs who can be allotted the minimum Bid Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIBs by the minimum Bid Lot
Mutual Fund Portion	5% of the QIB Portion (excluding the Anchor Investor Portion), or [●] Equity Shares which shall be available for allocation to Mutual Funds only
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996
Net Offer	Offer less the Employee Reservation Portion
Net Proceeds	Proceeds of the Fresh Issue less our Company’s share of the Offer expenses For further details regarding the use of the Net Proceeds and the Offer expenses, see “Objects of the Offer” from pages 88 to 90
Non-Institutional Bidder/NIBs	All Bidders that are not QIBs or Retail Individual Bidders and 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 Net Offer being not more than 15% of the Net 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, FIIs, FPIs and FVCIs
Offer	The public issue of up to [●] Equity Shares of face value of ₹ 10 each for cash at a price of ₹ [●] each, aggregating up to ₹ [●] million comprising the Fresh Issue and the Offer for Sale. The Offer comprises the Net Offer to the public aggregating up to ₹ [●] million and the Employee Reservation Portion. For details, see “The Offer” and “Capital Structure” on pages 70 and 79, respectively
Offer Agreement	Agreement dated September 30, 2016, among our Company, the Selling Shareholders and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer
Offer for Sale	The offer for sale of up to 798,603 Equity Shares by AOIOF, 2,505,018 Equity Shares by ASAF, up to 10,000,000 Equity Shares by Bridgeview and 373,199 Equity Shares by IOF at the Offer Price aggregating up to ₹ [●] million in terms of the Red Herring Prospectus
Offer Price	Final price at which Equity Shares will be Allotted to Bidders other than Anchor Investors. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Offer Price in terms of the Red Herring Prospectus. The Offer Price will be decided by our Company in consultation with the BRLMs on the Pricing Date A discount of up to [●]% (equivalent to ₹ [●]) per Equity Share on the Offer Price may be offered to Retail Individual Investors and Eligible Employees
Offer Proceeds	Proceeds of the Offer that is available to our Company and each Selling Shareholder For further information about use of Offer Proceeds, see “Objects of the Offer” from pages 88 to 90
Price Band	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 The Price Band will be decided by our Company and Bridgeview in consultation with the BRLMs and will be advertised, at least five Working Days prior to the Bid/Offer Opening Date, in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●], and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where our Registered Office is located), each with wide circulation
Pricing Date	The date on which our Company 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 SEBI 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

Term	Description
	other information, including any addenda or corrigenda thereto
Public Offer Accounts	Bank accounts opened under Section 40(3) of the Companies Act, 2013, to receive monies from the Anchor Investor Escrow Accounts and the ASBA Accounts on the Designated Date
Public Offer Banks	Banks which are clearing members and registered with SEBI as a banker to an issue and with whom the Public Offer Accounts will be opened, in this case being [●]
QIB Category / QIB Portion	The portion of the Offer (including the Anchor Investor Portion) being not more than 50% of the Net Offer consisting of [●] Equity Shares which shall be Allotted to QIBs (including Anchor Investors)
Qualified Institutional Buyers or QIBs / QIB Bidders	Qualified institutional buyers as defined under Regulation 2(1)(zd) of the SEBI Regulations
Red Herring Prospectus / RHP	<p>The red herring prospectus to be issued in accordance with Section 32 of the Companies Act, 2013 and the provisions of the SEBI 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 Accounts	Accounts opened with the Refund Banks, from which refunds, if any, of the whole or part of the Bid Amount to the Bidders shall be made
Refund Banks	Banks which are clearing members and registered with SEBI as bankers to an issuer and with whom the Refund Accounts will be opened, in this case being [●]
Registered Brokers	Stock brokers registered with the stock exchanges having nationwide terminals, other than the BRLMs and Syndicate Members and eligible to procure Bids in terms of Circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI
Registrar and Share Transfer Agents/ 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 as per the list available on the websites of BSE and NSE
Registrar Agreement	The agreement dated September 30, 2016 entered into between our Company, the 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 to the Offer / Registrar	Link Intime India Private Limited
Retail Individual Bidder(s)/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 Discount	Discount of [●]% (equivalent of ₹ [●]) to the Offer Price given to Retail Individual Investors
Retail Portion	The portion of the Offer being not less than 35% of the Net Offer consisting of [●] Equity Shares which shall be available for allocation to Retail Individual Bidders) in accordance with the SEBI Regulations subject to valid Bids being received at or above the Offer Price
Revision Form	<p>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)</p> <p>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 or withdraw their Bids during the Bid/Offer Period only</p>
Self-Certified Syndicate Bank(s) or SCSB(s)	Banks registered with SEBI, offering services in relation to ASBA, a list of which is available on the website of SEBI at http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries and updated from time to time
Share Escrow Agent	Escrow agent appointed pursuant to the Share Escrow Agreement namely [●]
Share Escrow Agreement	Agreement dated [●] entered into by the Selling Shareholders, our Company and the Share Escrow Agent in connection with the transfer of Equity Shares under the Offer for Sale by such Selling Shareholders and credit of such Equity Shares to the demat account of the Allottees
Specified Locations	Bidding centres where the Syndicate shall accept ASBA Forms from Bidders
Syndicate Agreement	Agreement dated [●] entered into entered into among the BRLMs, the Syndicate Members, our Company and the Selling Shareholders in relation to collection of Bid cum Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, [●]
Syndicate	The BRLMs and the Syndicate Members

Term	Description
Underwriters	[•]
Underwriting Agreement	The agreement dated [•] entered into among the Underwriters, our Company and the Selling Shareholders
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/Offer Period, “Working Day” shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) with reference to 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
AAI	Airport Authority of India
AAI Act	Airport Authority of India Act, 1994
Air Act	Air (Prevention and Control of Pollution) Act, 1981
Aircraft Act	Aircraft Act, 1934
Aircraft Rules	Aircraft Rules, 1937
B2B	Business to Business
BMT CI	BMT Consultants India
BMT Report	Report on “Feasibility Study and Due Diligence of Private Freight Terminals and Retail Warehouses across India” published by BMT CI in September 2016
Carriage by Air Act	Carriage by Air Act, 1972
Carriage by Road Act	Carriage by Road Act, 2007
Carriage by Road Rules	Carriage by Road Rules, 2011
CFS	Container Freight Station
CRISIL	Credit Rating Information Services of India Limited
CRISIL Report	Report titled “Study on selected verticals within Indian logistics industry with focus on container trade” published in September 2016
Consumer Protection Act	Consumer Protection Act, 1986
CTO	Container train operator
Customs Act	Customs Act, 1962
Customs Tariff Act	Customs Tariff Act, 1975
Department of Customs	Central Board of Excise and Customs, Department of Revenue, Ministry of Finance
DGCA	Director General of Civil Aviation
DGEOT crane	Double girder electric overhead travelling crane
DSL	Down shop lead
EPA	Environment Protection Act, 1986
Environment (Protection) Rules	Environment (Protection) Rules, 1986
Export Act	Export (Quality Control and Inspection) Act, 1963
Export of Goods and Services Regulations	Foreign Exchange Management (Export of Goods and Services) Regulations, 2000
EXIM	Export-Import
Food Safety Rules	Food Safety and Standard Rules, 2011
Foreign Trade Act	Foreign Trade (Development and Regulation) Act, 1992
Foreign Trade Policy	Foreign Trade Policy for 2015-2020 issued by the Ministry of Commerce & Industry
FCL	Full Container Load
FSS Act	Food Safety and Standards Act, 2006
FSSAI	Food Safety and Standards Authority of India
FTWZ	Free Trade and Warehousing Zones
GPS	Global Positioning System
Ground Handling Services Regulations	AAI (General Management, Entry for Ground Handling Services) Regulations, 2000
GHA	Ground Handling Agency
Handling of Cargo Regulations	Handling of Cargo in Customs Area Regulations, 2009
Hazardous Waste Rules	Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008
ICD	Inland Container Depot

Term	Description
IEC	Importer-Exporter Code
ISO	International Organization for Standardization
JN Port	Jawaharlal Nehru Port
Km	Kilometre
LCL	Less Than Container Load
Legal Metrology Act	Legal Metrology Act, 2009
Liberalization Rules	Liberalization of Siding Rules, 2012
Maritime Goods Code	International Maritime Dangerous Goods Code
MoEF	Ministry of Environment and Forests
Motor Transport Workers Act	Motor Transport Workers Act, 1961
MoU	Memorandum of Understanding
MTG Act	Multimodal Transportation of Goods Act, 1993
MV Act	Motor Vehicles Act, 1988
MV Amendment Bill	Motor Vehicles Amendment Bill, 2014
MV Rules	Central Motor Vehicles Rules, 1989
National Building Code	National Building Code of India, 2005
Petroleum Act	Petroleum Act, 1934
Petroleum Rules	Petroleum Rules, 1976
PCB	Pollution Control Board
PFT	Private Freight Terminal
PFT Scheme	Private Freight Terminal Scheme issued by the Railway Board, Ministry of Railway, Government of India, pursuant to the Freight Marketing Circular (no. 5 of 2012) dated April 23, 2012
Public Liability Act	Public Liability Insurance Act, 1991
RFID	Radio Frequency Identification Number
SIEAA	State Environment Impact Assessment Authority
SICA	Sick Industries Companies (Special Provisions) Act, 1985
Sq. ft.	Square feet
Standards of Weights and Measures Act	Standards of Weights and Measures (Enforcement) Act, 1985
TEU	Twenty-foot Equivalent Unit
TMC	Terminal Management Company
Warehousing Act	Warehousing (Development and Regulation) Act, 2007
Warehousing Regulations 2016	Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016
Water Act	Water (Prevention and Control of Pollution) Act, 1974

Conventional and General Terms or Abbreviations

Term	Description
AGM	Annual General Meeting
AIF	Alternative Investment Funds as defined in and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
AS / Accounting Standards	Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 issued by the Central Government
BSE	BSE Limited
Bn / bn	Billion
Bonus Act	Payment of Bonus Act, 1965
CAGR / Compounded Annual Growth Rate	Annualised average year-over-year growth rate over specified period of time calculated as per the following formula: $(\text{End value} / \text{beginning value})^{(1 / \text{number of years})} - 1$
CDSL	Central Depository Services (India) Limited
CIN	Corporate Identity Number
CSR	Corporate Social Responsibility
Category I Foreign Portfolio Investors	FPIs who are registered as “Category I foreign portfolio investors” under the SEBI FPI Regulations
Category II Foreign Portfolio Investors	FPIs who are registered as “Category II foreign portfolio investors” under the SEBI FPI Regulations

Term	Description
Category III Foreign Portfolio Investors	FPIs who are registered as “Category III foreign portfolio investors” under the SEBI FPI Regulations
Child Labour Act	Child Labour (Prohibition and Regulation) Act, 1986
Companies Act	Companies Act, 1956 and 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 sections of the Companies Act, 2013, along with the relevant rules made thereunder
Contract Labour Act	Contract Labour (Regulation and Abolition) Act, 1970
DIN	Director Identification Number
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India
Depositories	NSDL and CDSL
Depositories Act	Depositories Act, 1996
EBITDA	Earnings before Interest, Tax, Depreciation and Amortisation
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPF Act	Employees’ Provident Funds and Miscellaneous Provisions Act, 1952
EPS	Earnings Per Share
ESI Act	Employees’ State Insurance Act, 1948
ESOP	Employee Stock Option Plan
Employees’ Compensation Act	Employees’ Compensation Act, 1923
Factories Act	Factories Act, 1948
FCNR Account	Foreign currency non-resident account
FCRA	Foreign Contribution (Regulation) Act, 1976
FDI	Foreign direct investment
FDI Policy	Consolidated Foreign Direct Investment Policy notified by the DIPP under D/o IPP F. No. 5(1)/2016-FC-1 Dated the June 7, 2016, effective from June 7, 2016
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, 2000
FII(s)	Foreign institutional investors as defined under the SEBI FPI Regulations
FPI(s)	A foreign portfolio investor as defined under the SEBI FPI Regulations
FIPB	Foreign Investment Promotion Board
FVCI	Foreign venture capital investors as defined and registered under the SEBI FVCI Regulations
Financial Year / FY/ Fiscal Year	Unless stated otherwise, the period of 12 months ending March 31 of that particular year
GAAP	Generally Accepted Accounting Principles
GAAR	General Anti Avoidance Rules
GDP	Gross Domestic Product
GIR	General Index Register
GoI or Government or Central Government	Government of India
Gratuity Act	Payment of Gratuity Act, 1972
HUF	Hindu Undivided Family
ICAI	The Institute of Chartered Accountants of India
Industrial Disputes Act	Industrial Disputes Act, 1947
IFRS	International Financial Reporting Standards
Income Tax Act	Income Tax Act, 1961
Ind AS	IFRS converged Indian Accounting Standards, notified pursuant to the Companies (Accounting Standards) Rules, 2015 issued by the MCA on February 16, 2015
India	Republic of India
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial public offering
Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015
LLP	Limited Liability Partnership under the Limited Liability Partnership Act, 2008
Maternity Benefit Act	Maternity Benefit Act, 1961
MCA	Ministry of Corporate Affairs

Term	Description
MICR	Magnetic Ink Character Recognition
Migrant Workmen Act	Inter State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979
Minimum Wages Act	Minimum Wages Act, 1948
Mn	Million
N.A. / NA	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NI Act	Negotiable Instruments Act, 1938
NEFT	National Electronic Fund Transfer
NR	Non-resident
NRE Account	Non Resident External Account
NRI	An individual resident outside India, who is a citizen of India as defined under the Foreign Exchange Management (Deposit) Regulations, 2000 or an 'Overseas Citizen of India' cardholder within the meaning of section 7(A) of the Citizenship Act, 1955
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.0% by NRIs including overseas trusts, in which not less than 60.0% 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
p.a.	Per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Partnership Act	Indian Partnership Act, 1932
P/E	Price / Earning
RBI	The Reserve Bank of India
RoNW	Return on Net Worth
₹/Rs./Rupees/INR	Indian Rupees
RTGS	Real Time Gross Settlement
Regulation S	Regulation S under the U.S Securities Act
Remuneration Act	Equal Remuneration Act, 1976
Rule 144A	Rule 144A under the U.S Securities Act
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SEBI	The 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 Investments Funds) Regulations, 2012
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000
SEBI Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
STT	Securities Transaction Tax
State Government	The government of a state in India
Stock Exchanges	The BSE and the NSE
Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
UK	United Kingdom
U.S. / USA / United States	United States of America
USD / US\$	United States Dollars
US GAAP	Generally Accepted Accounting Principles in the United States of America
U.S. QIBs	Qualified institutional buyers as defined in Rule 144A of the U.S. Securities Act
U.S Securities Act	U.S Securities Act, 1933
VAT	Value added tax
VCFs	Venture Capital Funds as defined in and registered with SEBI under the SEBI VCF Regulations
Wages Act	Payment of Wages Act, 1936

Term	Description
Wilful Defaulter(s)	Wilful defaulter as defined under Regulation 2(zn) of the SEBI Regulations

The words and expressions used but not defined herein shall have the same meaning as is assigned to such terms under the SEBI Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.

Definitions

For definitions, see “Definitions and Abbreviations” on page 1. In “Main Provisions of Articles of Association” on page 456, defined terms have the meaning given to such terms in the Articles of Association. In “Statement of Tax Benefits” on page 100, defined terms have the meaning given to such terms in the Statement of Tax Benefits. In “Financial Statements” on page 181, defined terms have the meaning given to such terms in the Financial Statements.

CERTAIN CONVENTIONS, PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references to “India” in this Draft Red Herring Prospectus are to the Republic of India and 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, the financial information in this Draft Red Herring Prospectus is derived from our Restated Standalone Financial Information as of and for the Financial Years ended March 31, 2012, 2013, 2014, 2015 and 2016 and Restated Consolidated Financial Information as of and for the Financial Years ended March 31, 2012, 2013, 2014, 2015 and 2016. The financial information pertaining to our Subsidiaries is derived from their respective audited financial statements.

In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding off. All figures in decimals have been rounded off to the second decimal and all percentage figures 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.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided. 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 we urge investors to consult their own advisors regarding such differences and their impact on our Company’s financial data. For details in connection with risks involving differences between Indian GAAP and IFRS, see “Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind-AS and IFRS, which may be material to investors' assessments of our financial condition” on page 37. Further, for details of significant differences between Indian GAAP and Ind AS, see “Summary of Significant Differences between Indian GAAP and Ind AS” on page 361. 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, Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting policies, Indian GAAP, the Companies Act, the SEBI Regulations and practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

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” on pages 17, 129 and 369, respectively, and elsewhere in this Draft Red Herring Prospectus have been calculated on the basis of the Restated Financial Information.

Currency and Units of Presentation

All references to:

- “Rupees” or “₹” or “INR” or “Rs.” are to Indian Rupee, the official currency of the Republic of India; and
- “USD” or “US\$” are to 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” units. One million represents 1,000,000 and one billion represents 1,000,000,000.

Exchange Rates

This Draft Red Herring Prospectus contains conversion of certain other currency amounts into Indian Rupees that have been presented solely to comply with the SEBI 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 Rupee and other currencies:

(in ₹)					
Currency	As on March 31, 2012	As on March 31, 2013	As on March 31, 2014	As of March 31, 2015	As of March 31, 2016

Currency	As on March 31, 2012	As on March 31, 2013	As on March 31, 2014	As of March 31, 2015	As of March 31, 2016
1 USD	51.16 ⁽¹⁾	54.39 ⁽²⁾	60.10 ⁽³⁾	62.59	65.74

Source: RBI Reference Rate, except otherwise specified

- (1) Exchange rate as on March 30, 2012, as RBI Reference Rate is not available for March 31, 2012 being a Saturday.
- (2) Exchange rate as on March 28, 2013, as RBI Reference Rate is not available for March 31, 2013, March 30, 2013 and March 29, 2013 being a Sunday, a Saturday and a public holiday, respectively.
- (3) Exchange rate as on March 28, 2014, as RBI Reference Rate is not available for March 31, 2014, March 30, 2014 and March 29, 2014 being a public holiday, a Sunday and a Saturday, respectively.

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as various industry publications and sources. Further, information has also been derived from the CRISIL Report. For risks in relation to commissioned reports, see “Risk Factors – We have commissioned a report from CRISIL which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us” on page 34.

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, the Selling Shareholders or the BRLMs or any of their respective affiliates or advisors. The data used in these sources may have been re-classified by us for the purposes of presentation. Data from these sources may also not be comparable.

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 business of our Company is conducted, and methodologies and assumptions may vary widely among different industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors including those discussed in “Risk Factors” on page 17. Accordingly, investment decisions should not be based solely on such information.

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*BMTCI does not have the necessary permission and/ or registration to carry out its business activities in this regard. **Continental Warehousing Corporation (Nhava Seva) Limited** will be responsible for consequences of non-compliance for wrongful/improper use of the Report or part thereof.*

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”, “seek to” or other words or phrases of similar import. Similarly, statements that describe our Company’s strategies, objectives, plans, prospects 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 without expectations with respect to, but not limited to, regulatory changes pertaining to the industry in India 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 Company’s exposure to market risks, general economic and political conditions in India which have an impact on its 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 domestic laws, regulations and taxes and changes in completion in its 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:

- Decline in the container traffic handled by JN port, Chennai port and Tuticorin port, lower than anticipated growth or any significant social, political, economic or geological disruption in these regions;
- Any inadequacy in reliable transportation infrastructure;
- Any adverse development affecting the growth of trade volumes and freight rates;
- Inability to obtain or renew the requisite approvals, licenses, registrations or consents in a timely manner;
- Any decision by our customers to not avail our services or not renew their contracts with us;
- Termination or non-renewal of agreements with the railway authorities for our PFT operations; and
- Inability on our part to effectively utilize the co-located ICD and PFT facilities at Ahmedabad and Panipat.

For further discussion on factors that could cause the actual results to differ from the expectations, see “Risk Factors”, “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 17, 129 and 369, respectively. By their nature, certain 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 expectation 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, the Selling Shareholders, the BRLMs 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 Regulations as prescribed under applicable law, each of the Selling Shareholders, severally and not jointly, will ensure that investors are informed of material developments in relation to statements and undertakings made by the respective Selling Shareholder from the date of the Red Herring Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges. Further, in accordance with Regulation 51A of the SEBI Regulations, our Company may be required to undertake an annual updation of the disclosures made in the Red Herring Prospectus and make it publicly available in the manner specified by SEBI.

SECTION II: RISK FACTORS

An investment in Equity Shares involves a high degree of risk. 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 our Equity Shares. The risks described below are not the only ones relevant to us or our Equity Shares, the industry in which we operate in or to India. Additional risks and uncertainties, not presently known to us or that we currently deem immaterial may also impair our business, results of operations and financial condition. Unless specified in the relevant risk factor below, we are not in a position to quantify the financial implication of any of the risks mentioned below. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. To obtain a complete understanding of our Company, prospective investors should read this section in conjunction with the section "Our Business" and "Management's Discussions and Analysis of Financial Condition and Results of Operations" on pages 129 and 369, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and risks involved.

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. This Draft Red Herring Prospectus also contains forward-looking statements that involve risks, assumptions, estimates and uncertainties. Our actual results could differ 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" on page 16.

Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implications of any of the risks described in this section. Unless otherwise stated, the financial information of our Company used in this section has been derived from our Restated Consolidated Financial Information.

Internal Risk Factors

- 1. Our cargo handling business operations are dependent on container traffic at the JN port, Chennai port and the Tuticorin port. Any decline in the container traffic handled by these ports, lower than anticipated growth or any significant social, political, economic or geological disruption in these regions could have an adverse effect on our business, results of operations and financial condition.***

We currently have four operational CFSs located at Navi Mumbai, Madhavaram and Red Hills in Chennai, and Tuticorin, with an aggregate installed handling capacity of 322,417 TEUs per annum and our cargo handling operations are significantly dependent on the flow of container traffic through the JN Port and the ports of Chennai and Tuticorin. For the Financial Year 2016, we derived 39.1% of our revenue from operations from these four CFS facilities. In the event container traffic does not grow as anticipated or declines, the volume of cargo handled by us may be adversely affected.

Further, with the development of new ports along the west coast of India, capacity additions in the existing ports and adverse developments in relation to the transportation infrastructure, some of the cargo traffic may get diverted to other ports resulting in a slowdown of our business. Also, any significant social, political, economic or geological disruption in these regions, or changes in the state or local governments, or the Government of India, or any change in the EXIM policies or the policies of these ports, could require us to incur significant capital expenditure, change our business structure or strategy, which could have an adverse effect on our business, results of operations and financial condition.

- 2. Our cargo handling business and our express logistics business require an efficient transportation network and as such, any inadequacies in reliable transportation infrastructure may have an adverse effect on our business, results of operations and financial condition.***

We are an integrated multimodal logistics company in India, owning and operating cargo handling and storage facilities and providing express logistics and third-party logistics services in India. As part of our cargo handling business, we own and operate four CFSs located at Navi Mumbai, Madhavaram and Red Hills in Chennai, and Tuticorin. We also own and operate a co-located ICD and PFT at Thimmapur near Hyderabad and have set up co-located ICDs and PFTs at Ahmedabad and Panipat. PFT operations at our Ahmedabad and Panipat facilities commenced in January and February 2016, respectively and we expect our ICD operations at both these facilities to commence by December 2016. Further, we are currently in the process of setting up a co-located ICD and PFT facility at each of Chennai and Bengaluru, both of which are expected to be commissioned by March 2018. Our subsidiary Delex, is an integrated logistics service provider and as of August 31, 2016, Delex's pan India delivery network covered over 40 towns and cities in over 19 states and union territories and it has approximately 330 owned vehicles for pick-up, delivery and line haul movements, and web enabled track and trace services. As such, our operations for both our businesses are dependent upon transportation network and the connectivity and conditions of

the road, rail and other transportation infrastructure in India.

We believe that generally, the investment in, and maintenance of, transportation infrastructure in India, and particularly in the rail and road networks we use, has been less developed compared to certain developed countries. Inadequacies, and congestion in and any adverse regulatory or administrative restrictions in relation to the transportation infrastructure in India may result in delays in our deliveries or schedules or other disruptions to our operations. While the Government has announced initiatives to improve the transportation infrastructure in India, improvement in such infrastructure will involve major capital expenditure and policy and administrative focus. We cannot assure you that the road, rail and general transportation infrastructure will improve or be maintained at a level that would result in improvement in our business or that the planned improvements to such infrastructure will be completed in a timely manner, which may adversely affect our business, results of operations and financial condition.

3. *Any adverse development affecting the growth of trade volumes and freight rates may have an adverse effect on our business, results of operations and financial condition.*

Our results of operations are affected by the volume of our business, which in turn depends on worldwide trade volumes as well as the import and export volumes in India. Global trade volumes and the import and export volumes in India are significantly affected by changes in global, regional and local economic, financial and political conditions and freight rates that are outside of our control, including as a result of:

- changing economic cycles and other macroeconomic developments;
- the imposition of trade barriers, sanctions, boycotts and other measures;
- significant variations in the exchange rates applicable to currencies in the regions in which our customers operate;
- trade disputes and work stoppages, particularly in the logistics services industry;
- acts of war, hostilities, natural disasters, epidemics or terrorism; and
- changes in freight rates.

Any obstruction in trade with the markets from which we receive cargo, or to which cargo passing through our facilities is shipped, slowing economic growth (due to factors such as economic fluctuations, wars, natural disasters or internal developments such as political realignments) or the imposition of new trade barriers (such as rail, road and other tariffs; minimum prices; political, economic or military sanctions; export subsidies and import restrictions or duties), could lead to lower growth or a decline in the volume of trade and, consequently, to a decline or slower growth in cargo container handling. Given our dependence on the volume of container traffic and freight rates, such developments could have an adverse effect on our business, results of operations and financial condition.

4. *We face a variety of risks in connection with our reliance on licenses and approvals from governmental agencies and any inability to obtain or renew the requisite approvals, licenses, registrations or consents in a timely manner, could adversely affect our business, results of operations and financial condition.*

Our cargo handling business is heavily regulated and we require licenses and approvals from government agencies for most of our current operations, including obtaining CFS and ICD status and the commencement of operations, customs clearances, warehousing, specific cargo handling, rail network access and railway safety, town planning and land acquisition. Our licenses and approvals are subject to various conditions, including periodic renewal and maintenance standards that are subject to inspection and may require us to incur substantial expenditure. Our licenses and approvals are also subject to certain transportation laws and regulations which are liable to change as a result of future legislative or regulatory initiatives.

Each of our CFS and ICD facilities have been declared as a 'customs notified area' and we have been appointed as a 'custodian' and a 'customs cargo service provider' through notifications of the relevant customs authorities. These notifications require us to be the custodian of imported goods received at our facilities until the goods are cleared for home consumption or are warehoused or transported in accordance with prevailing regulations. We are also appointed as custodians for export cargo that is brought to our facilities for examination and stuffing until it is exported through the respective ports. These notifications, pursuant to which we conduct our operations, also require us to comply with conditions including, among others:

- compliance with the applicable provisions of the Customs Act, Handling of Cargo Regulations, concerned port

trust rules, and any other rules, regulations, and notifications issued from time to time in this regard;

- maintenance of records of all imported and export goods and to produce the relevant records before a customs officer as and when required;
- maintenance of records of each activity or action taken in relation to the movement or handling of imported or export goods;
- maintenance of adequate infrastructure for handling of import and export of goods;
- demarcating separate areas for unloading of imported goods and loading of export goods for their storage with respect to the categories of importers or exporters, nature of goods and other criterion;
- not permitting goods to be removed from the customs area, or allowing them to be otherwise dealt with, except in accordance with the permission and supervision of a customs officer;
- not permitting any export cargo to enter the customs area without a shipping bill or a bill of export having been filed with the proper customs officer;
- ensuring the safety and security of imported and export goods;
- disposal of imported or export goods lying unclaimed, uncleared or abandoned in accordance with the prescribed procedures;
- bearing the costs involved with the customs officers who are posted at our CFSs and ICDs as prescribed by law;
- restrictions on sub-contracting or outsourcing any functions, except with the prior written permission of the Department of Customs;
- furnishing, within the first week of every month, a statement to the Department of Customs, in respect of all cargo imported and exported which are lying at our CFSs or ICDs for over 30 days;
- execution of bonds of a specified value for goods likely to be stored in the premises for a period of 30 days supported by a bank guarantee or a government bond or cash deposit;
- restriction on sub-letting any of the functions inside or connected with the customs area without the prior approval of the relevant custom authority; and
- restriction on altering the plan of our CFSs or ICDs without the concurrence of the relevant custom authority;
- carrying out the insurance of all goods held in our CFS and ICDs covering the value as well as the duty payable on the goods
- ensuring that the time taken for to and fro movement of goods between the ICD and gateway ports does not exceed 10 days;
- requirement to indemnify the concerned commissioner of customs from any liability arising on account of damages caused or loss suffered on imported or export goods due to accident, damage, deterioration, destruction or any other unnatural cause during their receipt, storage, delivery, dispatch or otherwise handling; and
- requirement to publish and display at prominent places including website or webpage of the Company the schedule of charges for the various services provided in relation to the imported and export goods in the custom area.

If we are unable to comply with these conditions, we may be subject to penalties including suspension, revocation or termination of a license. Further, our subsidiary, Delex has not made applications for registrations under the Carriage by Road Act, 2007 and the Petroleum Act, 1934, which we may be required to maintain. If we fail to obtain, renew or maintain any applicable approvals, licenses, registrations or consents in a timely manner for our existing facilities and proposed facilities, we may not be able to undertake certain operations of our business, or at all, which may affect our business or results of operations. For further details, see “Government and Other Approvals” on page 391. Further, some of our approvals and licenses contain terms and conditions which are unclear. In the event, our interpretation of these terms and conditions differs from, or contradicts with, the interpretation of the relevant

authorities, we may be subject to penalties including revocation or termination of the license.

Currently, some of our facilities are operating without one or more valid approvals, licenses, registrations and permits which include among others, environmental consents, licenses under various state shops and establishment acts and licenses under the FSS Act. We may have either made fresh applications for obtaining the relevant approval, license, registration or permit, or in case of existing approvals, licenses, registrations and permits which may have expired, we have either made an application for their renewal, or are in the process of making an application for renewal. For example, we have made applications to the pollution control board of Tamil Nadu for consents to operate for our CFSs at Red Hills in Chennai and Tuticorin by applications dated September 7, 2015 and July 12, 2016, respectively. We cannot assure you that we will get the approvals applied for in a timely manner, or at all. We cannot assure you that the approvals, licenses, registrations or permits issued to us may not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. In addition, any suspension, revocation or termination of one or more of our operational licenses may also lead to consequences under the terms of our other licenses. Any failure to renew the approvals that have expired, or to apply for and obtain the required approvals, licenses, registrations or consents in a timely manner, or at all, or any suspension or revocation of any of the approvals, licenses, registrations or consents that have been or may be issued to us, would materially and adversely affect our business or results of operations.

5. ***We do not have formal arrangements with some of our customers, while certain customer contracts that we have executed have expired or are about to expire and may not be renewed. Any such decision by our customers to not avail our services or not renew their contracts with us, could have an adverse effect on our business, results of operations and financial condition.***

We do not have formal arrangements with some customers of our cargo handling business, while certain customer contracts that we have executed have expired or are about to expire and may not be renewed on terms as favourable, or at all. However, we continue to provide services to such customers at rates that are negotiated from time to time. In addition, we typically do not enter into long term contracts with our customers and our contracts usually range from one to three years. These contracts may not contain automatic term-renewal clauses and are subject to negotiations. Consequently, since we do not have binding agreements with some of our customers, they may avail the services of our competitors, resulting in the loss of business to us. We cannot assure you that we will be able to find new customers, in a timely manner, or at all.

For instance, Delex had entered into a cargo handling agreement in September 2015 with an airline that was recently terminated. For the financial year 2016, Delex's revenues from this arrangement accounted for ₹ 894.50 million. Any such decision by our customers to not avail our services, or renew their contracts with us, could have an adverse effect on our business, results of operations and financial condition.

6. ***We are currently not in compliance with certain covenants of our agreements with the railway authorities for our PFT operations and the termination or non-renewal of such agreements would have an adverse effect on our business, results of operations and financial condition.***

We have obtained approvals and entered into long term agreements with the relevant railway authorities for our PFT facilities at Thimmapur, Panipat and Ahmedabad. The PFT agreements are valid for a period of 30 years. The approvals and PFT agreements require us to comply with certain terms and conditions, including, among others:

- compliance with the PFT Policy and PFT agreements executed with the railways authorities;
- compliance with the provisions of our financing documents;
- payment of freight and haulage charges as specified in the approval granted by the railways;
- payment of all costs, expenses and charges in connection with the performance of our obligations pursuant to the PFT agreements;
- responsibility to keep the track and cess clear of day to day movement of rolling stock and locomotive. In case of failure to do so, railways have a right to stop the working of the concerned PFT or impose a charge at a penal rate;
- maintaining insurance cover throughout the term of the PFT agreements;
- requirement to indemnify railways for, among other things, against all suits, third party claims arising out of a breach of the PFT agreement or failure to comply with applicable law and injury or loss of life arising out of negligent act or omission at the PFT by breach of any of our obligations under the PFT agreements;

- promptly inform the railway administration of any material adverse effect in its financial conditions and of any litigation threatened or initiated;
- obtaining all statutory and non-statutory clearances that may be required from other governmental departments and statutory bodies for setting up and operating the PFT; and
- not permitting without the prior written approval of the railway authorities any change in control in our Company through direct or indirect transfer of legal or beneficial ownership or control of any equity or other contractual arrangement before the completion of one year from the commencement of commercial operations of the PFTs pursuant to the PFT agreement (wherein 'control' means holding, directly or indirectly, whether in India or abroad, more than 50% of the voting stock or other voting interest of any entity or the ability to control the composition of a majority of its board of directors).

We are currently not in compliance with certain covenants of our PFT agreements for our Ahmedabad and Panipat PFTs, in relation to the shareholding of our promoters and their associates in our Company being 51% or above, which constitutes an event of default under the PFT agreements. If we are unable to comply with our contractual obligations and the terms and conditions of our licenses, the railway authorities may terminate our PFT agreements, de-link our PFT tracks from the rail network and require us to pay monetary damages. We cannot assure you that we will be in compliance with all the covenants of our PFT agreements in the future, or that we will receive any waiver from the railway authorities in the event we breach our obligations. Our inability to comply with the terms of our approvals and PFT agreements could result in the shut down of our PFTs, which in turn could have an adverse effect on our business, results of operations and financial condition.

7. *We have recently developed co-located ICD and PFT facilities at Ahmedabad and Panipat and any inability on our part to effectively utilize these facilities could have an adverse effect on our business, results of operations and cash flows.*

We recently developed co-located ICD and PFT facilities at Ahmedabad and Panipat with installed handling capacities of 99,071 TEUs and 175,020 TEUs per annum, respectively. PFT operations at our Ahmedabad and Panipat facilities commenced in January and February 2016, respectively and we expect our ICD operations at both these facilities to commence by December, 2016. We are focussed on utilizing our installed handling capacities at these new facilities by engaging in extensive marketing activities in these regions and increasing our customer base. Any inability on our part to find customers and effectively utilize these facilities, could have an adverse effect on our business, results of operations and cash flows.

8. *Our failure to comply with stringent environment regulations could adversely affect our business and operations.*

We require licenses from the pollution control boards of Maharashtra, Tamil Nadu, Gujarat, Andhra Pradesh and Haryana to conduct our cargo handling operations at our CFSs and co-located ICDs and PFTs. Further, our facility at Navi Mumbai is certified by the Department of Customs to handle hazardous cargo. Environmental laws presently in effect require us to comply with a number of regulations and the extensive regulatory structure under which we operate may constrain our flexibility to respond to market conditions, competition or changes in our cost structure in a timely manner.

Our licenses set out various conditions that we have to comply with, including, among others:

- compliance with provisions of the Water Act, Air Act, Environment (Protection) Act and Hazardous Wastes Management Rules, Public Liability Insurance Rules, 1991, Noise Pollution (Regulation and Control) Rules, 2000 and any other rules and regulations in this regard;
- requirement not to exceed the threshold limits/quantity laid down in Manufacture, Storage and Import of Hazardous Chemical Rules, 1989;
- maintaining the prescribed limit of trade and sewage effluents and a comprehensive sewage effluent treatment system and in some cases not discharging or generating trade effluent without the prior written permission of the relevant state pollution control board;
- maintaining the prescribed limit of emissions and ensure that they do not cause any nuisance to the surroundings;
- requirement to install a comprehensive control system consisting of control equipments to monitor emissions so as to not exceed the prescribed level of pollutants;

- requirement to take adequate measures for control of noise levels and maintenance of prescribed noise levels;
- not generate any type of hazardous wastes;
- requirement to bring minimum 33% of the available open land under green coverage/tree plantation and in some cases, plant a minimum of three varieties of trees in the vacant area;
- requirement to provide for an alternate electric supply sufficient to operate all pollution control facilities installed by us;
- submission of a yearly environmental statement report for each financial year;
- submission of returns of water consumption in the prescribed form to the relevant state pollution control board;
- requirement to display data outside our facilities with regard to quantity and nature of hazardous chemicals being handled in the facility, including waste water and air emissions and solid hazardous wastes generated within the facility premises;
- requirement to obtain prior consent for bringing into use any new or altered outlet for the discharge of effluents or emissions;
- payment of compensation as determined by the competent authority if any damage is caused to any person or property due any industrial activities carried out by our Company;
- keep the relevant state pollution control board informed of any accident or unforeseen act or event of any poisonous, noxious or polluting matter or emissions being discharged into a stream or well or air as a result of such discharge; and
- provide adequate arrangement for fighting accidental leakages, discharge of any pollutants from vessels or mechanical equipments which are likely to cause environmental pollution.

If we are unable to comply with these conditions, we may be subject to certain penalties including suspension, revocation or termination of a license, fine or imprisonment, for any non-compliance with such terms and conditions. Any suspension, cancellation, early termination or non-renewal of our environmental licenses could have an adverse effect on our ability to operate our facilities, which may have an adverse effect on our business, results of operations and financial condition. We cannot assure you that we will be able to renew our licenses in a timely manner, or at all.

Further, any change in or expansion of the scope of the regulations governing our environmental obligations could involve us incurring additional costs, including costs relating to maintenance and inspection, development and implementation of emergency procedures and insurance coverage or other additional costs to address environmental incidents or external threats. Our inability to control the costs involved in complying with these and other relevant laws and regulations could have an adverse effect on our business, results of operations and financial condition.

9. *We operate bonded warehouses pursuant to licenses granted to us by the relevant customs authorities and any failure on our part to comply with the terms of these licenses could result in their cancellation, which could adversely affect our business, results of operations and financial condition.*

We have set up bonded warehouses at our CFSs at Navi Mumbai, Madhavaram, Red Hills and Tuticorin, and at our ICD at Thimmapur, pursuant to licenses issued to us by the relevant customs authorities. These licenses require us to comply with certain terms and conditions, including, among others:

- responsibility for the proper storage, stacking, handling and safe and secure custody of the bonded goods and maintenance of sensitive and non-sensitive goods separately;
- permission to store only imported dutiable cargo without payment of duty under Section 57 of the Customs Act. No other goods are permitted to be stored;
- requirement to maintain stock books and stock cards in the manner prescribed by the custom authorities and furnishing of monthly statements of the balance stock of goods in the prescribed form;
- the stock to be held at any time in the warehouses shall be such that the value of the goods and the duty leviable thereon does not exceed the sum insured;

- requirement to carry out insurance of the bonded goods deposited in the warehouses;
- storage of hazardous goods is permitted only on the strength of the insurance policy produced by us and the stock is required to be maintained within the percentage/ ratio of insurance coverage mentioned in the respective policy;
- license shall cease to be valid whenever there is a change in the constitution of the firm, unless renewed or amended;
- responsibility for providing fire-fighting equipment and ventilation for the bonded premises;
- requirement to operate the bonded warehouses under a double lock system and provide adequate arrangements for round the clock watch and ward; and
- compliance with such other conditions, as may be issued from time to time for carrying out the purpose of the relevant bonded warehouse license.

If we are unable to comply with the terms and conditions of our bonded warehouse licenses, or renew them in a timely manner, or at all, our business, results of operation and financial conditions could be adversely affected.

10. *We are currently in the process of setting up two co-located ICDs and PFTs and any delay or failure on our part to complete these projects, or to obtain requisite approvals and licenses, may have an adverse effect on our business, results of operations and financial condition.*

We are setting up co-located ICDs and PFTs at Chennai and Bengaluru and are currently in the process of acquiring land for these facilities. We are yet to apply for regulatory approvals and registrations that we require to set up these facilities, such as approvals for change in land use, approvals from the customs authorities and railway authorities. We are also yet to place orders for all the equipment and machinery that we will require at these facilities. As on the date of this Draft Red Herring Prospectus, while we have executed preliminary agreements for acquisition of the land required for setting up these ICD and PFT, we have not yet executed and registered final sale deeds.

While we believe that our expansion plans and our plans to invest in our existing infrastructure are essential for us to remain competitive, and to capitalize on the growth potential of our industry, we cannot assure you that we will be successful in implementing our plans including setting up the two co-located ICD and PFT facilities. The railway authorities could decide to prioritize passenger traffic over cargo traffic, or may impose restrictions on the kind of cargo that can be transported, which could have an adverse effect on our ability to operate our PFTs. The success of our plans are therefore dependent on a variety of factors, including receipt of regulatory approvals, timely acquisition of land, timely completion of the projects, the demand for our services once these projects are operational and our ability to obtain and maintain all necessary approvals and licenses for our operations. We could face significant delays, disruptions or cost overruns which could have an adverse effect on our business, results of operations and financial condition.

11. *Our facilities and business operations may be adversely affected by severe weather conditions and natural disasters.*

Our CFSs, co-located ICDs and PFTs and warehouses may be adversely affected by severe weather conditions and natural disasters such as earthquakes, tsunamis, tornados, hurricanes and cyclones. Such natural disasters may also lead to a disruption of transportation networks, information systems and telephone service for sustained period of time. Damage or destruction that interrupts our business operations may cause us to incur substantial additional expenses to repair or replace any damaged infrastructure or equipment. We may also be liable to our customers for disruption in our operations resulting from such damage or destruction and any consequent delay in the transportation of their cargo.

Further, adverse weather conditions resulting in dense fog, low visibility and heavy rains may force us to temporarily suspend our operations for both our businesses. In addition, severe monsoons and flooding, that affect the ports that serve as starting points or final destinations for shipping our containers could harm our business. We may also decide to temporarily suspend operations based on warnings from local and national meteorological departments. If weather conditions of any type were to force the ports and/or our facilities to halt operations for extended periods of time, our business and results of operations may be adversely affected.

12. *In the past, we have incurred additional costs in order to complete some of our projects and have also completed certain projects beyond the stipulated completion dates. We cannot assure you that we will be able to complete our projects under construction or development, or any of our future projects, according to schedule or without incurring cost overruns.*

The construction or development of our projects involves various implementation risks. In the past, we have incurred cost overruns with respect to the development of our co-located ICD and PFT facilities at Ahmedabad and Panipat. Additionally, there were certain delays with respect to the implementation of our CFS facility at Navi Mumbai. We cannot assure you that we will be able to complete our projects under construction or development according to schedule or without incurring cost overruns. Any delay or cost overruns in the development, construction or operation of any of our new projects or existing projects is likely to adversely affect our business, financial condition and results of operations.

- 13. *Our management will have broad discretion in how we apply the Net Proceeds and there is no assurance that the Objects of the Offer will be achieved within the time frame expected, or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.***

We intend to use the Net Proceeds for the purposes described under “Objects of the Offer” from pages 88 to 90. The Objects of the Offer include (i) purchase of gantry cranes and ancillary equipment, (ii) construction of warehouses at our PFTs in Ahmedabad and Panipat and (iii) part repayment/prepayment of certain loans availed by our Company and Delex. Our fund requirements and deployment of the Net Proceeds are based on internal management estimates and as per the “Continental Warehousing Corporations (Nhava Seva) Limited – Feasibility Study and due diligence of private freight terminals and retail warehouses across India” technical report prepared by BMT Consultants India, along with quotations received from suppliers/vendors. However, these Objects of the Offer have not been appraised by any bank, financial institution or other independent agency. Our management will have broad discretion to revise our business plans, estimates and budgets from time to time. Consequently, our funding requirements and deployment of funds may change, which may result in rescheduling of the proposed utilization of the Net Proceeds and increasing or decreasing expenditure for a particular activity, subject to compliance with applicable law and the investment policies approved by our management. Furthermore, pursuant to Section 27 of the Companies Act 2013, any variation in the Objects of the Offer would require a special resolution of the shareholders and the promoter or controlling shareholders will be required to provide an exit opportunity to the shareholders who do not agree to such proposal to vary the Objects of the Offer, in accordance with applicable law.

In case of increase in actual expenses or shortfall in requisite funds, additional funds for a particular activity will be met by any means available to us, including internal accruals and additional equity and/or debt arrangements. If actual utilization towards the Objects of the Offer is lower than the proposed deployment, such balance will be used for future growth opportunities, including funding other existing objects, if required. If estimated utilization of the Net Proceeds is not completely met in a fiscal year, it shall be carried forward.

In addition, as the Offer includes an offer for sale of Equity Shares by the Selling Shareholders, the proceeds from the Offer for Sale will be remitted to the Selling Shareholders and our Company will not benefit from such proceeds.

- 14. *We have not entered into any binding arrangements for the purposes of utilization of certain portion of the Net Proceeds. Any failure to (i) purchase gantry cranes and ancillary equipment (the “Equipment”); and (ii) construct warehouses in Ahmedabad and Panipat on the basis of the stipulation in quotations and BMT Report, respectively, may impact our business, financial condition and results of operations.***

The Net Proceeds are proposed to be utilized towards, among other things, (i) purchase of Equipment; and (ii) construction of warehouses at Ahmedabad and Panipat. Our Company has relied upon third-party quotations from a vendor for purchase of Equipment and has relied on the BMT Report for determining capital expenditure for construction of warehouses at our PFTs in Ahmedabad and Panipat. We have not entered into any definitive arrangements in relation to the aforementioned Objects of the Offer and the actual procurement of Equipment and construction of warehouses at our PFTs in Ahmedabad and Panipat could entail significant outlay of cash in addition to the timeframe involved in procuring and implementing them. Moreover, the quotation and estimates may expire in due course and we may be required to obtain fresh quotations and estimates which we may be unable to obtain in a timely manner or at the same rates which may impact our estimates or assumptions for the proposed objects.

Any delays or failure in purchase of Equipment or construction of warehouses at our PFTs in Ahmedabad and Panipat or any cost overruns may mean that we may not achieve the economic benefits expected from such investment which could impact our business, financial condition and results of operations. For further information, see “Objects of the Offer” beginning on page 88.

- 15. *Our Subsidiary, Delex operates a large number of our pick-up and drop-off centers on leased premises and we hire vehicles and other equipment for our business operations. If we are unable to renew our leases or enter into new agreements on favourable terms or at all, our business, results of operations and financial condition may be adversely affected.***

Our Subsidiary, Delex, has leased most of its pick-up and drop-off centers and it plans to lease premises to establish express logistics centers at nine key locations in India. Further, at Kakinada and Visakhapatnam, we have set up warehouses on land owned by the port authorities. While we have, in the past, acquired the land on which certain

facilities are located, with the increasing unavailability, and rising cost, of land, acquiring land to set up warehouses is no longer economically viable and we may enter into lease agreements to use land to set up our new warehouses. In addition, Delex has also leased in-city vehicles across the country for pick-up, delivery and line haul movements. Further, we also hire equipment for our cargo handling business at all our facilities.

These warehouses, vehicles and equipment are critical to our business and operations. We cannot assure you that we will be able to renew our lease agreements or enter into new agreements in the future, on terms favourable to us, or at all. In the event that any lease agreement is not renewed, we will be required to expend time and financial resources to locate suitable land to set up alternate warehouses or secure the required vehicles and equipment. Also, we may be unable to relocate a warehouse to an appropriate location in a timely manner, or at all, and we cannot assure you that a relocated warehouse or substitute vehicles and equipment will be as commercially viable.

If a lease agreement is terminated, prior to its tenure or if it is not renewed, or if we are required to cease business operations at a property or are unable to use certain vehicles and equipment, for any reason whatsoever, our business, financial condition and results of operations may be adversely affected. Further, if the vacated property is leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect our market share.

16. *Our services and operations are subject to operational risks such as breakdown of equipment, accidents, labor disputes and natural disasters. If any of these risks were to materialize, our business and results of operations could be adversely affected.*

Our operations comprise cargo handling services and express logistics and third-party logistics services and our operations may be adversely affected by many factors, such as the breakdown of equipment, accidents, labor disputes and natural disasters. Any significant malfunction or breakdown of our machinery, equipment or vehicles may entail significant repair and maintenance costs and cause delays in our operations. Further, any accident, labor dispute, natural disaster or our inability to repair malfunctioning machinery, equipment or vehicles in a timely manner or at all, may result in our operations being slowed down or suspended and cause human fatalities and damage to property which may have an adverse effect on our business, results of operations and financial condition.

Further, any malfunction or break-down of our machinery or equipment may adversely affect the quality of products stored with us or may affect the timely delivery of packages. Consequently, we may be in breach of our contractual obligations to our customers. Any breach of our obligations may result in termination of our contracts with our customers, which could have an adverse effect on our business, results of operations and financial condition.

17. *We have a substantial amount of outstanding indebtedness, which requires significant cash flows to service, and limits our ability to operate freely.*

As of August 31, 2016, our total indebtedness was ₹ 5,899.06 million. Our ability to meet our debt service obligations and repay our outstanding borrowings will depend primarily on the cash generated by our business. Increasing level of our indebtedness also has important consequences to us such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;
- limiting our ability to borrow additional funds; and
- increasing our interest expenditure.

We cannot assure you that we will generate sufficient cash to service existing or proposed borrowings or fund other liquidity needs, which could have an adverse effect on our business, results of operation and cash flows.

18. *Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations.*

Our financing agreements contain certain restrictive covenants that limit our ability to undertake certain types of transactions, any of which could adversely affect our business and financial condition. We are required to obtain prior approval from our lenders for, among other things:

- effecting any change in the capital structure, issuing any securities, undertaking any buyback, cancellation, retirement, reduction, redemption, re-purchase, purchase or otherwise acquiring any of the outstanding share capital, or setting aside any funds for the foregoing purposes;
- undertaking any merger, de-merger, consolidation, reorganization, scheme of arrangement or compromise or

effecting any scheme of amalgamation or reconstruction;

- undertaking any new project or implementing any scheme of expansion or acquiring fixed assets or carrying out any change of business;
- investing, lending, extending advances or placing deposits with any other concern;
- raising terms loans or debentures or incurring major capital expenditure or making any investments either directly or through our Subsidiaries;
- entering into borrowing arrangements with any other bank, financial institution or company or making material amendments or modifications to the financing documents;
- creating any charges, lien or encumbrances over its assets or undertaking or any part thereof in favour of any third party;
- selling, assigning, mortgaging or disposing off any fixed assets charged to a lender;
- undertaking guarantee obligations or providing any collateral on behalf of any other company, including group and subsidiary companies;
- declaring dividend on equity shares except out of the profits relating to the particular financial year for which the dividend is being declared after making all due and necessary provisions, and provided no default having occurred in any repayment obligations;
- permitting any transfer of the controlling interest or making any changes to our senior management;
- reducing the shareholding of our Promoters below the threshold prescribed by our lenders from time to time;
- incurring any normal expenditure of an amount exceeding ₹ 100 million;
- winding up, liquidating or dissolving our affairs;
- taking any action to list or de-list our Equity Shares on any stock exchange;
- carrying on trading, business or activity other than what is necessary in the ordinary course of business or carrying out any material change in our business;
- entering into any material contract or any long term contractual obligation or other agreement having a material adverse effect;
- changing our practice with regard to remuneration of directors and to pay any commission to the directors for any reason whatsoever upon any event of default under the financing documents;
- paying commission to our directors or management or other affiliates in connection with such person furnishing any guarantee, counter guarantee or indemnity on behalf of the Company;
- creating any subsidiaries or changing our name;
- repayment of any amount, loans, or share application money advanced to the Company by its Promoters, directors or associate companies;
- making amendments to the Memorandum of Association and Articles of Association;
- changing our financial year;
- augmenting, modernizing, expanding or otherwise changing the nature or scope of the project for which the borrowing has been availed;
- entering into derivative transactions other than in the normal course of business; and
- undertaking any new project or take any new assets on lease or otherwise (other than in the normal course of

business).

Further, our Company cannot locate certain agreements entered into by our Company for availing vehicle and equipment loans. We cannot assure you that we are in compliance with all the financial and other covenants contained in such agreements. In the event we breach any financial or other covenants contained in any of our financing arrangements or in the event we had breached any terms in the past which is noticed in the future, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. We may also be forced to sell some or all of the assets if we do not have sufficient cash or credit facilities to make repayments. In addition, one of our lenders has, while providing its consent to our Company for undertaking the Offer, imposed a condition on our Company to consummate the Offer within a period of six months. In the event our Company is unable to complete the Offer within the stipulated time, our Company will have to approach the lender for an adequate extension. We cannot assure you that the extension will come in a timely manner or at all. Further, our financing arrangements contain cross-default provisions which could automatically trigger defaults under other financing arrangements. Our failure to meet our obligations under the debt financing agreements could have an adverse effect on our business, results of operations and financial condition. For details in connection with our borrowings please see section “Financial Indebtedness” on page 367.

19. *Certain of our facilities are certified to handle and store hazardous goods, which can cause injury to people or property in certain circumstances.*

Our Navi Mumbai facility is certified by the Department of Customs to handle hazardous goods. Our cargo handling business typically requires individuals to work with potentially hazardous goods, which may be volatile and often highly flammable. While we require our customers to disclose the nature of goods being handed to us and we have screening and verification procedures in place, we cannot assure you that we will be able to verify or examine all the goods being handled by us. Certain customers may incorrectly or inadequately disclose the nature of the goods handed to us, which may include improperly disclosed hazardous goods. If improperly handled or subjected to unsuitable conditions, such materials could seriously hurt or even kill employees or other persons, and could cause damage to our properties and the properties of others or could cause environmental damages. This could subject us to disruptions in our business and expose us to legal and regulatory costs and liabilities, which could adversely affect our business, results of operations and our reputation.

20. *Land title in India can be uncertain and we may not be able to identify or correct defects or irregularities in title to the land which we own, lease or intend to acquire in connection with the development of our facilities.*

There is no central title registry for real property in India and the documentation of land records in India has not been fully computerized. Property records in India are generally maintained at the state and district level and in local languages, and are updated manually through physical records. Therefore, property records may not be available online for inspection or updated in a timely manner, or may be illegible, untraceable, incomplete or inaccurate in certain respects, or may have been kept in poor condition, which may impede title investigations or our ability to rely on such property records.

Further, non-executed or improperly executed, unregistered or insufficiently stamped conveyance instruments in a property’s chain of title, unregistered encumbrances in favour of third parties, rights of adverse possessors, ownership claims of family members of prior owners or third parties, or other defects that a purchaser may not be aware of can affect title to a property. Our Company and its Subsidiaries, CMTL and Delex have entered into leave and license agreements and lease agreements some of which may be inadequately stamped or unregistered in relation to some of the properties in, amongst others, Chennai, Mumbai and Bengaluru. As a result, potential disputes or claims over title to the land on which our current facilities are or the facilities that we plan to construct may arise. Any defects in, or irregularities of, title may result in loss of development or operating rights over land. In addition, title insurance is not commercially available in India to guarantee title or development rights in respect of land. The absence of title insurance, coupled with the difficulties in verifying title to land, may increase our exposure to third party claims to the property. Furthermore, the Government may exercise its rights of eminent domain, or compulsory acquisition in respect of land on which our facilities are or will be located. Any such development may have an adverse affect on our business, results of operations and financial condition.

In India, there are certain state laws, which prescribe conditions for use of agricultural land for non-agricultural purposes, such as the Bombay Tenancy and Agricultural Lands Act, 1956, which prescribes that prior approval of the collector of the land must be sought for use of agricultural land for industrial purposes. In the event, such permission is not obtained from the collector, the holder of such land may be ordered to restore the land to its original use and to carry out such restoration as may be required to remove any structure constructed on such land. Our Company has acquired agricultural land admeasuring over 44.43 acres in JN port and accordingly, the names of our relevant directors have been recorded in the revenue records. We cannot assure you that the requisite permissions for conversion into non-agricultural land will be obtained in a timely manner or at all. Our Company had acquired two parcels of land in the JN port area, which were agricultural lands, which is being used for industrial purposes,

without seeking the prior permission of the collector of the land within the stipulated time period under the Bombay Tenancy and Agricultural Lands Act, 1956. However, the Company has, at later stage made application to the necessary authorities for use of the agricultural lands for industrial purposes. Some of the lands owned by us may have irregularities of title, such as (i) title of the land being subject to receipt of non-agricultural order and consequent rectification of revenue records, (ii) mismatch in survey in records evidencing title of the land, (iii) lack of clarity of conveyance in the property's chain of title, and (iv) ownership claims of relatives of prior owners, or other defects that we may not be aware of. We cannot assure you that the rectification of the revenue records will be done in a timely manner or at all. Additionally, our Company and our Subsidiary, CMTL, have acquired land admeasuring 3 acres 15 cents (less 0.99 cents) and 0.99 cents, respectively, in Tuticorin. However, the same is subject to verification of building plan approval. We cannot assure you that the building plan will be approved in a timely manner or at all. In addition our Company has acquired 13,861 sq. m. of land in Ahmedabad. However, the bonafide industrial use permission under Section 63-AA of the Bombay Tenancy and Agricultural Lands Act, 1948, as well as bonafide industrial use permission under Section 65-B of the Bombay Land Revenue Code, 1879, is yet to be obtained. We cannot assure you that the requisite permissions will be obtained in a timely manner, or at all. Additionally, any defects in, or irregularities of, title may result in loss of development or operating rights over land. Further, the Government may exercise its rights of eminent domain, or compulsory acquisition in respect of land on which our facilities are or will be located. Any such development may have an adverse affect on our business, results of operations and financial condition.

21. *Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our business, results of operations and financial condition.*

We have experienced considerable growth over the last few years and we have significantly expanded our operations and services. Between the financial year 2012 to the financial year 2016, our total revenues increased from ₹ 4,497.14 million to ₹ 7,093.99 million at a CAGR of 12.1%. Our inability to manage our expansion effectively and execute our growth strategy in a timely manner, or within budget, or our inability to meet the expectations of our customers and other stakeholders could have an adverse effect on our business, results of operations and financial condition. We intend to continue expansion to pursue existing and potential market opportunities. Our future prospects will depend on our ability to grow our business and operations in India further. The development of such future business could be affected by many factors, including general political and economic conditions in India, government policies or strategies in respect of specific industries, prevailing interest rates, price of equipment and construction materials, fuel supply and currency exchange rates.

In order to manage our growth effectively, we must regularly improve our operational systems, procedures and internal controls systems. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees or operate our business effectively. Moreover, our ability to sustain our growth depends significantly upon our ability to upgrade our facilities, select and retain key managerial personnel, maintaining effective risk management policies and training managerial personnel to address emerging challenges.

We cannot assure you that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations. Failure to manage growth effectively could have an adverse effect on our business and results of operations.

22. *If we are unable to compete effectively with other cargo handling companies and express logistics service providers, our business, results of operations and financial condition could be adversely affected.*

We face competition from a number of cargo handling companies and express logistics service providers. Many of our competitors may have significantly greater financial and marketing resources and operate larger global networks than we do and may decide to set up their cargo handling operations or express logistics business at place of greater strategic advantage than us. Our ability to compete effectively may be constrained by several factors including:

- Our competitors may be able to procure land and funding for their operations on terms more favorable than us;
- Our competitors may enter into alliances with international transportation or logistics services providers and have access to an extensive distribution network, larger customer base as well as resources and technologies that may not be available to us;
- Consolidation between our competitor container freight station operators and other container shipping companies could also have the effect of reducing the number of shipping customers available to us and increasing the access that such competing freight stations may have to the major shipping lines;

- Our competitors may deploy more advanced technology platforms; and
- Certain domestic or regional competitors may have a lower cost base than ours.

Consequently, we may not be able to compete effectively with our existing or potential competitors. Further, increased competition, including as a result of government emphasis on foreign investment and greater private sector participation in infrastructure sectors, may reduce the growth of our customer base, reduce our market share and result in higher selling and promotional expenses. If we are unable to compete effectively with our competitors, our business, results of operations and financial condition could be adversely affected.

23. *Any failure on our part to transport or store cargo warehoused with us with the requisite standards and in a timely manner, could have an adverse effect on our business, results of operations and financial condition.*

We are required to maintain the requisite standard for storage of the products that we warehouse and transport. This may be achieved through various means including by ensuring that our cool rooms and plug-in reefers are continuously monitored for temperature. We may be unable to maintain our temperature controlled chambers or our plug-in reefers in accordance with prescribed industry standards. In the event that we fail to maintain the prescribed standards of storage or if the quality of products that are warehoused or distributed is compromised, we could be in breach of contractual obligations to our customers and could make us liable to pay monetary damages to our customers. Further, cargo handling contracts are generally time bound and contain provisions, which may attract payment of damages in the event there is a delay in the delivery of services. Certain contracts executed with our customers contain provisions pursuant to which we are required to indemnify our customers for, among others things, theft, acts of negligence, damage caused to reputation or goodwill and non-compliance by us of applicable law. Further, in certain contracts we are required to indemnify customers against consequential or indirect damages as well. Failure to adhere to contractually agreed timelines or breach of our obligations by our employees or agents could make us liable to pay damages.

With respect to our express logistics business, our operations are dependent upon timely pick-up and delivery of packages that are warehoused or transported by us. However, distribution of such packages may be subject to delays including due to factors beyond our control. Any delay in the delivery of packages may result in breach of contract with our customers and may have an adverse effect on our business, results of operations and financial condition.

24. *Our current and future expansion plans required for future growth may require significant infusion of capital. If we are unable to raise additional capital, our business prospects could be adversely affected.*

We operate in a capital intensive industry, which requires substantial capital. With respect to our cargo handling business, we are currently in the process of setting up two co-located ICDs and PFTs at Chennai and Bengaluru. We also plan to expand our express logistics services by establishing express logistics centers at nine key locations across India and increasing our warehousing capacity. We also propose to invest in our existing infrastructure, which will require significant capital expenditure. We intend to fund these development plans through variety of sources, including borrowings, internal accruals and cash flow from operations. We expect our long-term capital requirements to increase significantly to fund our intended growth.

We cannot assure you that we will have sufficient capital resources for these new expansion plans or any future expansion plans that we may have. While we expect our internal accruals, cash flow from operations and available borrowings under our credit facilities to be adequate to fund our existing commitments, our ability to pay these amounts is dependent upon the success of our operations. Additionally, the inability to obtain sufficient financing or the inability of one or more of our financiers to provide committed funding could adversely affect our ability to complete expansion plans. Moreover, we cannot assure you that market conditions and other factors would permit us to obtain future financing on terms acceptable to us, or at all. Our ability to arrange financing and the costs of capital of such financing are dependent on numerous factors, including general economic and capital market conditions, credit availability from banks, investor confidence, the continued success of our operations and other laws that are conducive to our raising capital in this manner. Any downgrade in our credit ratings could increase our borrowing costs and adversely affect our access to capital. Further, if we decide to raise additional funds through the issuance of equity or equity-linked instruments, your interests as our shareholders may be diluted. If we decide to meet our capital requirements through debt financing, our interest obligations will increase and we may be subject to additional restrictive covenants. If we are unable to raise adequate capital in a timely manner and on acceptable terms, or at all, our business, results of operations and financial condition could be adversely affected.

25. *There are outstanding legal proceedings against the Company, certain of its Directors and Promoters, Subsidiaries and Group Companies which may adversely affect our business, results of operations and financial condition.*

There are outstanding legal proceedings, including certain criminal proceedings against our Company, certain of our

Directors, Promoters, Subsidiaries and Group Companies. These proceedings are pending at different levels of adjudication before various courts, tribunals, enquiry officers and appellate tribunals. For instance, our Company is involved in two writ petitions with respect to alleged violations of the Customs Act and the Major Ports Act on account of withholding of containers by us. Such proceedings could divert management time and attention, and consume financial resources in their defense. Further, an adverse judgment in some of these proceedings could have an adverse impact on our business, financial condition and results of operations. Additionally, some properties on which we are developing projects are subject to litigation. For details in relation to certain material litigation, see “Outstanding Litigation and Material Developments” on page 384.

A summary of the outstanding legal proceedings against our Company, our Directors, Promoters, Subsidiaries and Group Companies as disclosed in this Draft Red Herring Prospectus, to the extent quantifiable, have been set out below:

Litigation against our Company

Nature of cases	Number of cases	Total amount involved (in ₹ million)
Criminal	1	—*
Direct tax	6	956.61
Other matters exceeding ₹ 8.96 million	3	—*

*Amount not quantifiable

Litigation against our Subsidiaries

Nature of cases	Number of cases	Total amount involved (in ₹ million)
Direct tax	1	0.63
Indirect tax	4	107.25

Litigation against our Promoters

Nature of cases	Number of cases	Total amount involved (in ₹ million)
Direct tax	4	122.54

Litigation against our Group Companies

Nature of cases	Number of cases	Total amount involved (in ₹ million)
Direct tax	1	34.95
Other matters exceeding ₹ 8.96 million	1	9.38

Litigation against our Directors

Nature of cases	Number of cases	Total amount involved (in ₹ million)
Criminal	1	100.63
Action by statutory / regulatory authorities	3	—*

* Amount not quantifiable

For details, see “Outstanding Litigation and Material Developments – Litigation filed by our Company” on page 384.

26. ***The cost of implementing new technologies for our operations could be significant and could adversely affect our results of operations, cash flows and financial condition.***

Our future success will depend in part on our ability to respond to technological advances and emerging standards and practices on a cost effective and timely basis. We cannot assure you that we will be able to successfully make timely and cost-effective enhancements and additions to the technology used in our operational platform, keep up with technological improvements in order to meet our customers’ needs or that the technology developed by others

will not render our services less competitive or attractive. Our failure to successfully adopt such technologies in a cost effective and a timely manner could increase our costs and lead to us being less competitive in terms of our prices or quality of services we provide. Further, implementation of new or upgraded technology may not be cost effective, which may adversely affect our business, results of operations and financial condition.

27. *A downturn in the business performance of manufacturers, retailers and other customers who engage shipping lines to transport their cargo, or express logistics service providers to transport their packages, could adversely affect our business, results of operations and financial condition.*

As part of our cargo handling business, we are primarily engaged in providing services to shipping lines, customs house agents, importers, exporters and other service providers who are engaged by manufacturers, retailers and other customers to serve their needs along their supply chains. For our express logistics services, we also depend on manufacturers and other entities that require their packages to be transported within the country. We are therefore dependent on the business performance and developments of such manufacturers, retailers and other customers. Any decline in the sales of products of manufacturers, retailers or other importers and exporters served by such shipping lines in a geographic market served by us, will likely lead to a corresponding decrease in the demand for our services. Adverse developments in our customers' business performance could therefore have an adverse effect on our business, financial condition and results of operations.

28. *Upgrading or renovation works or physical damage to our facilities may disrupt our operations.*

Our facilities may need to undergo upgrading or renovation works from time to time to retain their competitiveness and may also require unforeseen ad hoc maintenance or repairs in respect of faults or problems that may develop or because of new planning laws or regulations. Our facilities may suffer some disruptions and it may not be possible to continue operations in areas affected by such upgrading or renovation works. In addition, physical damage to our terminal resulting from fire, severe weather or other causes may lead to a significant disruption to business and operations, particularly if our insurance coverage is inadequate, and, together with the foregoing, may result in unforeseen costs, which may have an adverse affect on our business, results of operations and financial condition.

29. *Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition.*

We are insured against a majority of the risks associated with our business, such as equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our principal types of insurance coverage include insurance for damage to containers and cargo belonging to our customers and in our custody, burglary of cargo and containers held by us, public liability non-industrial policy, standard fire and special perils insurance policy which covers hazardous and non-hazardous goods stored in warehouses and also covers property lost or damaged due to fire, earthquakes or terrorism. Further, we also have money insurance policy, directors and officers liability insurance, policy for burglary of hazardous and non-hazardous goods at our bonded warehouses and commercial vehicle insurance policy. While we believe that the insurance coverage which we maintain would be reasonably adequate to cover the normal risks associated with the operation of our business, we cannot assure you that any claim under the insurance policies maintained by us will be honored fully, in part or on time, or that we have taken out sufficient insurance to cover all material losses. For example, we are currently involved in legal proceedings for recovery of a claim of ₹ 111.39 million in relation to the damage caused to shipments of cargo due to a fire at our CFS in Madhavaram. For details, see "Outstanding Litigation and Material Developments – Litigation filed by our Company" on pages 387 to 388. Further, we may not have obtained insurance cover for certain of our equipments and fleet of vehicles.

Notwithstanding the insurance coverage that we carry, we may not be fully insured against some business risks and the occurrence of an event that causes losses in excess of limits specified under the relevant policy, or losses arising from events not covered by insurance policies, could adversely affect our business, results of operations and financial condition. If we are subject to litigation or claims or our operations are interrupted for a sustained period, we cannot assure you that our insurance policies will be adequate to cover the losses that may be incurred as a result of such interruption. If we suffer large uninsured losses or if any insured losses suffered by us significantly exceed our insurance coverage or our insurance claim is rejected, it may adversely affect our business, results of operations and financial condition.

To the extent that we suffer loss or damage for which we did not obtain or maintain insurance, and which is not covered by our insurance or exceeds our insurance coverage or our insurance claim is rejected, the loss would have to be borne by us and our results of operations, cash flows and financial performance could be adversely affected. For further details, see "Our Business – Insurance" on page 142.

30. *We are dependent on a number of key personnel, including our senior management, and the loss of or our*

inability to attract or retain such persons could adversely affect our business, results of operations and financial condition.

The continued operations and growth of our business is dependent upon our ability to attract and retain personnel who have the necessary and required experience and expertise. We believe that the inputs and experience of our senior management and key managerial personnel are valuable for the development of business and operations and the strategic directions taken by us. Competition for qualified personnel with relevant industry expertise in India is intense. We cannot assure you that we will be able to retain these employees or find suitable replacements in a timely manner, or at all. We may take a long period of time to hire and train replacement personnel when qualified personnel terminate their employment with us. We may also be required to increase our levels of employee compensation more rapidly than in the past to remain competitive in attracting employees that our business requires. The loss of services of such persons may have an adverse effect on our business, results of operations and financial condition.

31. *Any withdrawal, or termination of, or unavailability of, or disputes in relation to tax benefits and exemptions being currently availed by us may have an adverse effect on our business, results of operations, financial condition and cash flows.*

We are currently availing certain tax benefits for our CFS operations and have claimed a ten-year tax exemption from the financial year 2008, under Section 80-IA (4)(i) of the Income Tax Act, 1961. These tax benefits have resulted in significantly lower tax liabilities. Further, our Company is entitled to avail tax exemptions for its PFT operations under Section 80-IA (4)(i) of the Income tax Act, 1961, with an option to choose any ten consecutive years, out of a slab of fifteen years. We cannot assure you that our ability to claim reduced deduction in the future will not affect our financial condition and results of operations. Further, we may be unable to avail these tax benefits in the future, which could result in increased tax liabilities and reduced liquidity and have an adverse effect on our results of operations. The Finance Bill, 2016 stipulates that the tax exemption under Section 80-IA shall not be available if the specified activity commences on or after 1st day April, 2017. Accordingly, any facilities we may develop after this period will not be able to avail such tax benefits.

Our Company is currently involved in six disputes pending before various fora in relation to certain deductions under Section 80-IA of the Income Tax Act. The aggregate amount involved in the matters is ₹ 956.61 million. For details, see “Outstanding Litigation and Material Developments – Litigation filed by our Company” on page 384. We cannot assure you that these legal proceedings will be decided in favour of our Company. If such claims are determined against our Company, our business, results of operations and financial condition may be adversely affected.

32. *Any delay or default in client payment could result in the reduction of our profits.*

Our operations involve extending credit for extended periods of time to certain customers and we face the uncertainty regarding the receipt of these outstanding amounts. We typically have credit terms of 15 to 30 days with our CFS customers, 30 to 60 days with our ICD and PFT customers and 45 to 90 days with customers of our supply chain solutions and freight and allied services. Consequently, we have and will continue to have high levels of outstanding receivables. For the financial years 2016 and 2015, our trade receivables were ₹ 1,320.82 million and ₹ 1,245.45 million, respectively, which constituted 18.6% and 16.9% of our total revenues for the same period. If such delays or default in client payments continue or increase in proportion to our total revenues, our profits margins could be adversely affected. Further, if the goods are not cleared for home consumption, warehoused or transported within 30 days, it is assessed by the Department of Customs for value and sold through public auction. The auction proceeds are used to recover costs of auctions, custom duties and CFS charges. Although we generally recover the costs associated with handling, transporting and storing the containers in the event of storing unclaimed containers, we cannot assure you that we will continue to do so in the future. Any failure on our part to recover amounts owed to us could have an adverse effect on our results of operations.

33. *Any failure of our information technology systems could adversely affect our business and our operations.*

We have implemented industry and trade specific software to assist us with our operations and we use customized software for warehouse management and other functions. Our information technology systems are vital to our daily operations and provide our customers and us with real-time information of the movement of cargo. Delex also utilizes customized software to assist it with booking shipments, creating airway bills and flight manifests, customer account management and invoicing and other relevant functions. These systems may be susceptible to outages due to fire, floods, power loss, telecommunications failures, natural disasters, break-ins and similar events. Effective response to such disruptions will require effort and diligence on the part of our third-party vendors and employees to avoid any adverse affect to our information technology systems. In addition, our systems and proprietary data stored electronically may be vulnerable to computer viruses, cybercrime, computer hacking and similar disruptions from unauthorized tampering. If such unauthorized use of our systems were to occur, data related to our product formulas,

product development and other proprietary information could be compromised. The occurrence of any of these events could adversely affect our business, interrupt our operations, subject us to increased operating costs and expose us to litigation. For further information on our information technology systems, see “Our Business”. Any partial or complete disruption of our information technology systems could have an adverse effect on our business, results of operations and financial condition.

34. *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.*

As of August 31, 2016, we employed 1,701 personnel and we hire contract labour from time to time. Although we have not experienced any material labour unrest, 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 impossible for us to predict or control and any such event could adversely affect our business, results of operations and financial condition.

35. *We rely on security procedures carried out at other port facilities and by our shipping line customers, which are outside of our control.*

We inspect cargo that enters our CFSs in accordance with the inspection procedures prescribed by, and under the authority of, the governmental body charged with oversight of the relevant port. We also rely on the security procedures carried out by our shipping line customers and the port facilities that such cargo has previously passed through to supplement our own inspection to varying degrees. However, we cannot guarantee that none of the cargo that passes through our CFSs will not be affected by breaches in security or acts of terrorism either directly against us or in other areas of the supply chain. A security breach or act of terrorism that occurs at one or more of our facilities, or at a shipping line or other port facility that has handled cargo before us, could subject us to significant liability, including the risk of litigation and loss of goodwill. In addition, a major security breach or act of terrorism that occurs at one of our facilities or one of our competitors’ facilities may result in a temporary shutdown of the container terminal industry and/or the introduction of additional or more stringent security measures and other regulations affecting the container terminal industry, including us. The costs associated with any such outcome could have an adverse effect on our business, reputation, results of operations and financial condition.

36. *In the past, our Company and two of our Subsidiaries, Delex and CMTL have been in non-compliance with certain requirements under the Companies Act. Whilst no action has been initiated against the Company for such non-compliances yet, our Company may face penalties in the future and we cannot assure you that such event will not have an adverse effect on our business and operations.*

Historically, our Company has not complied with certain requirements stipulated under the Companies Act. Prior to reconstitution of our Board on September 23, 2015, our Company has been in non compliance with the provisions of Section 149(4) of the Companies Act and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, in relation to appointment of the requisite number of independent directors on our Board. Further, prior to the reconstitution of our Board on September 27, 2016, our Company has been non-compliant with Section 152(6) of the Companies Act which requires that at least two-thirds of the members of the Board, excluding the independent directors, are such directors who are liable to retire by rotation at every annual general meeting of the Company. Further, prior to the reconstitution of the Audit Committee, the Nomination and Remuneration Committee and the Corporate Social Responsibility Committee on September 23, 2015, our Company did not have adequate number of independent directors as members of these committees as required under the Companies Act, 2013. While our Company appointed A.T. Shah as a whole time company secretary with effect from September 23, 2015 and regularized the appointment of R. Ramdas as the chief financial officer, our Company has been non-compliant with the requirements with respect to appointment of a whole-time Company Secretary and regularization of the appointment of the Chief Financial Officer under the Companies Act, 2013, and the rules prescribed thereunder prior to September 23, 2015.

While our Company has undertaken necessary steps for rectifying the non-compliance and made necessary filings with the RoC, we cannot assure you that the Central Government will not impose any penalty or the penalty imposed by the Central Government will be reasonable and that such penalty will not have a material adverse effect on our financial results. Additionally, our Company had filed a compounding application with the RoC for non-compliance with the provisions of Section 297 of the Companies Act, 1956, on account of the failure to obtain prior approval of the relevant company law board for entering into transactions in which directors of the Company were interested. Subsequently, the offence was compounded on a payment of ₹ 1,500.00 by our Company and ₹ 1,500.00 each by each the relevant directors of our Company who were in default. Further, our Company had filed a compounding application with the RoC for the non-compliance with the provisions of Section 295 of the Companies Act, 1956 on account of giving loans to CMTL. Subsequently, the offence was compounded on a payment of ₹ 5,000.00 by each

of the relevant directors of our Company who were in default.

One of our Subsidiaries, Delex, has been in non-compliance with certain provisions of the Companies Act, 2013. Delex has filed compounding applications with the Registrar of Companies, Chennai situated at Tamil Nadu for the non-compliance with the provisions of (i) Section 149(4) of the Companies Act, 2013 and Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 with respect to appointment of the prescribed number of independent directors on its board of directors; (ii) Sections 177(1) and 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Section 135(1) of the Companies Act, 2013 in relation to the constitution of the audit, nomination and remuneration and corporate social responsibility committees of the board of directors of Delex with the prescribed number of independent directors as members of these committees; (iii) Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in relation to the appointment of certain key managerial personnel; (iv) Section 96 of the Companies Act, 2013 in relation to delay in holding the AGM; and (v) Section 149(4) in relation to appointment of independent directors on the board of directors of Delex.

In addition, one of our subsidiaries, CMTL has been in non-compliance with certain provisions of the Companies Act, 2013. CMTL has filed compounding applications with the Registrar of Companies, Andhra Pradesh & Telangana situated at Hyderabad for the non-compliance with the provisions of (i) Section 149(4) of the Companies Act, 2013 in relation to the appointment of independent directors on the board of directors of CMTL; (ii) Section 177(1) of the Companies Act, 2013 in relation to the constitution of the audit committee; and (iii) Section 178(1) of the Companies Act, 2013 in relation to the constitution of the nomination and remuneration committee. While our Subsidiaries, Delex and CMTL, have undertaken necessary steps for rectifying the non-compliances and made necessary filings with the RoC, we cannot assure you that the Central Government will not impose any penalty or the penalty imposed by the Central Government will be reasonable and that such penalty will not have a material adverse effect on our financial results.

- 37. *Few forms filed by us with the RoC had factual inaccuracies and certain documents are not available in our records and while we have applied to the RoC for re-filing of such forms and conducted RoC searches for the unavailability of such forms, we cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future or such forms will be available at all or any time in the future.***

In the past, certain prescribed forms filed by us with the RoC have had factual inaccuracies. These include the (i) Form 5 filed under the relevant provisions of the Companies Act, 1956 wherein the date for reclassification of our authorized share capital in July 2009 was mentioned incorrectly (ii) Form 5 filed for the redemption of OCPS in July 2009 wherein the date of redemption was stated inaccurately; (iii) Form 32 filed under the relevant provisions of the Companies Act, 1956 for the appointment of our Director, N. Amrutesh Reddy, wherein the details of his designation were mentioned incorrectly; and (iv) Form 32 filed for the appointment of our Director, Darayush K. Jalnawalla, wherein the date of his appointment was stated inaccurately.

Additionally, we are unable to trace copies of return of allotment (Form 2) filed by us with the RoC. Such forms pertain to Forms 2 filed for the allotment of Equity Shares in March 2006 and allotment of OCPS in April 2006.

We cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future. Further, in relation to unavailability of forms in our as well as the records of RoC, we have conducted RoC searches but cannot assure you that such forms will be available at all or any time in the future or that we will be subject to any penalty imposed by the regulatory authorities in this respect.

- 38. *Our Managing Director and Chairman as well as one of our Whole - time Directors do not have any documents evidencing certain information in relation to their educational qualifications.***

We have not included the details of the educational qualifications of one of our Promoters, N. Adikesavulu Reddy, who is also our Managing Director and Chairman, since relevant information is not available for the same. Further, one of our Whole-time Directors, Darayush K. Jalnawalla does not have any documents evidencing his educational qualifications included in his biography under the section "Our Management – Brief Biographies of Directors" on page 158. Accordingly, in making such disclosures, we have relied on an affidavit executed by Darayush K. Jalnawalla. We cannot assure you that such disclosure is true and accurate and that it does not have any inadvertent errors or omissions.

- 39. *We have commissioned a report from CRISIL which has been used for industry related data in this Draft Red Herring Prospectus and such data has not been independently verified by us.***

We have commissioned CRISIL Research to produce a report on the cargo handling and express logistics industry. CRISIL Research has provided us with a report titled 'Study on selected verticals within Indian logistics industry with focus on container trade' dated September 2016, (the "**CRISIL Report**") which has been used for industry related data that has been disclosed in this Draft Red Herring Prospectus. The CRISIL Report uses certain

methodologies for market sizing and forecasting. We have not independently verified such data. Accordingly, investors should read the industry related disclosure in this Draft Red Herring Prospectus in this context.

40. *The Promoters and Directors may have interests in our Company in addition to their remuneration and reimbursement of expenses.*

Certain of our Directors (including our Promoters) are interested in our Company, in addition to regular remuneration or benefits and reimbursement of expenses, to the extent of their shareholding in our Company. We cannot assure you that our Promoters will exercise their rights as shareholders to the benefit and best interest of our Company. Our Promoters will continue to exercise significant influence over us, including in relation to the composition of our Board of Directors and decisions requiring simple or special majority voting of shareholders, and our other shareholders may be unable to affect the outcome of such voting. Our Promoters may take or block actions with respect to our business which may conflict with the best interests of the Company or that of minority shareholders. In addition, one of our directors, Viraj Sawhney, is a director of certain companies which operate in lines of business which are similar to certain areas of business in which our subsidiary, Delex is engaged. For details on the interest of our Promoters and Directors of our Company, other than reimbursement of expenses incurred or normal remuneration or benefits, please see “Our Management – Interest of Directors” and “Our Promoters and Promoter Group – Interest of our Promoters” on pages 162 and 176, respectively.

41. *Certain premises, including our Registered Office are not owned by us and we have only leasehold or leave and license rights over them. In the event we lose such rights, our business, financial condition and results of operations and cash flows could be adversely affected.*

Certain premises used by our Company have been obtained on a lease or on a leave and license basis, including our Registered Office. Our Registered Office, located at Mumbai, has been obtained on leave and license basis pursuant to a leave and license agreement dated February 24, 2016. The term of this leave and license is for a period of 60 months effective from February 11, 2016. We cannot assure you that we will be able to renew our leave and license agreements or enter into new agreements in the future, on terms favourable to us, or at all. Any failure to renew the leave and license arrangement or procure new premises will increase our costs, force our Company to look for alternative premises and therefore disrupt our business. New premises may not be available or may be available at higher prices or on commercially less favourable terms. Any or all of these factors may have an adverse effect upon our business, cash flows, financial condition and results of operations. Further, if the vacated property is leased or sold to a competitor, we may also face increased competition in that geographic area, which could adversely affect our market share. For details, see “Our Business – Properties” on page 141.

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

We have entered into various transactions with related parties. While we believe that all such transactions have been conducted on an arm’s length basis and contain commercially reasonable terms, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. It is likely that we may enter into related party transactions in the future. Such related party transactions may potentially involve conflicts of interest. For details on our related party transactions, see “Related Party Transactions” on page 179. We cannot assure you that such transactions, individually or in the aggregate, will always be in the best interests of our minority shareholders and will not have an adverse effect on our business, results of operations, cash flows and financial condition.

43. *Our ability to pay dividends in the future will depend on our earnings, financial condition, working capital requirements, capital expenditures and restrictive covenants of our financing arrangements.*

Our Company has not paid any dividends on its Equity Shares in the past. Our ability to pay dividends in the future will depend on our earnings, financial condition, cash flow, working capital requirements, capital expenditure and restrictive covenants of our financing arrangements. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board and will depend on factors that our Board deems relevant, including among others, our future earnings, financial condition, cash requirements, business prospects and any other financing arrangements. We cannot assure you that we will be able to pay dividends in the future. For details of dividend paid by our Company in the past, see the section “Dividend Policy” on page 180.

44. *Our application for the registration of the logo appearing on the cover page is pending approval and the use of this 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 that our success depends, in part, on our brand image. We believe that our trademarks and other proprietary rights have significant value and are important to identifying and differentiating our business from those of our competitors and creating and sustaining demand for our services. We have applied for the registration of our logo as appearing on the cover page of this Draft Red Herring Prospectus, with the Registrar of Trademarks on March 14, 2011. We are yet to receive registration or final approval for use of such trademark from the Registrar of Trademarks. For further information, see “Our Business – Intellectual Property” on page 141. We are yet to make applications for registrations of certain of our logos. However, we cannot guarantee that any of our pending trademark applications will be approved by the applicable governmental authorities. Even if the applications are approved, third parties may seek to oppose or otherwise challenge these registrations.

We cannot assure you that the steps taken by us to protect our intellectual property rights will be adequate to prevent infringement of such rights by others, including misappropriation of our brand name. Third parties may provide services under our or similar brand name or marks which, may result in confusion among customers and loss of business for us. Any adverse experience of customers of such third parties or any negative publicity generated in respect of such third parties could negatively affect our reputation and business.

Further, if we are not successful in registering our trademark we will not be entitled to the statutory protections that are available to a trademark registered in India. The trademark may be registered in the name of another entity, thereby preventing our Company from using the trademark and the logo. In the absence of a registered trademark, the redress available to us may be limited to relief for passing off of our marks by others which could negatively affect our brand image, goodwill and business. Litigation in relation to our intellectual property could be expensive and time consuming and could divert management resources.

- 45. *Our Company has entered into certain agreements and MoUs for acquisition of land with our Promoters, members of our Promoter Group and Group Companies. While we have entered into these transactions on an arm’s length basis, we cannot assure you we will enter into such agreements on similar terms or on an arm’s length basis in the future.***

Our Company has entered into certain agreements and MoUs for acquisition of land with our Promoters, members of our Promoter Group and Group Companies. For further details in relation to such agreements and MoUs, see “Our Promoters and Promoter Group” and “Group Companies” on pages 172 and 178, respectively. While we believe we have entered into these transactions on an arm’s length basis, we cannot assure you that these transactions could not have been made on more favourable terms with unrelated parties.

- 46. *We have had negative net cash flows in the past and may continue to have negative cash flows in the future.***

We had negative cash flow, on a consolidated basis, as set out below:

	Financial Year		
	2016 (₹in millions)	2015 (₹in millions)	2014 (₹in millions)
Net cash generated from operating activities	840.80	787.24	672.02
Net cash used in investing activities	1,429.75	(1,708.29)	(617.18)
Net cash generated from financing activities	490.25	908.22	16.63
Net increase/(decrease) in cash and cash equivalents	(98.70)	(12.83)	71.47

For further details, see “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 181 and 369, respectively. We cannot assure you that our net cash flow will be positive in the future.

- 47. *One of our Group Companies, KWMSPL has incurred losses in the last preceding financial year, based on its last audited financial statements available. In addition, one of our Subsidiaries, CMTL, has incurred losses in the preceding five financial years.***

One of our Group Companies, KWMSPL has incurred losses in the last preceding financial year, based on its last audited financial statements available. For further details of our loss making Group Company, see “Group Companies – Loss making Group Company” on page 178. Further, one of our Subsidiaries, CMTL, has incurred losses in the preceding five financial years. For further details, see “History and Certain Corporate Matters” and “Financial Statements” beginning on pages 146 and 181, respectively. We cannot assure you that our Group Companies or Subsidiaries will not incur losses in the future.

- 48. *Our Promoters and Group Companies have unsecured loans that may be recalled by the lenders at any time.***

Our Promoters and Group Companies have availed unsecured loans which may be called by their lenders at any time. In the event that any lender seeks a repayment of any such loan, our Promoters and Group Companies would

need to find alternative sources of financing, which may not be available on commercially reasonable terms, or at all. As a result, any such demand may adversely affect our business, cash flows, financial condition and results of operations.

49. *Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price.*

Our Company has issued Equity Shares in the last 12 months at a price which may be lower than the Offer Price to IFC. The Offer Price is not indicative of the price that will prevail in the open market following listing of the Equity Shares. For future details, see “Capital Structure” on page 80.

50. *Certain of our existing shareholders together may be able to exert substantial voting control over our Company after completion of the Offer, which may limit your ability to influence the outcome of matters submitted for approval of our shareholders.*

Following the completion of the Offer, Bridgeview and our Promoters will continue to collectively hold majority of our post-Offer Equity Share capital. Such shareholding to be held by Bridgeview and our Promoters could limit your ability to influence corporate matters requiring shareholder approval especially the resolutions which are required to be approved by way of special resolutions by our shareholders under the provisions of the Companies Act. Any consequent delay or non-receipt of the shareholder approval for such matters could adversely affect our business. In addition, Bridgeview and IFC will have the right to nominate one director each on the Board, until such time that Bridgeview and IFC continue to hold 15.0% and 5.0% of the issued and paid-up share capital of our Company, respectively. For further details on their shareholding and their right to appoint nominee directors, see “History and Certain Corporate Matters – Summary of Key Agreements” on page 151.

51. *Our statutory auditors have made certain comments in Annexure VI of our Restated Consolidated Financial Statements and Annexure VI of our Restated Standalone Financial Statements in relation to one of our Subsidiaries.*

The statutory auditors are required to comment upon matters included in the Companies (Auditor’s Report) Order, 2003 (“**CARO Report**”) issued by the Central Government of India in terms of sub-section (11) of Section 143 of the 2013 Act. The Restated Consolidated Financial Statements include Annexure - VI, wherein our statutory auditors have drawn attention to inadequacy of internal controls as there were missing stocks worth ₹ 17.00 million due to wrong delivery by one of the employee. In addition, our statutory auditors have drawn attention to delays in payment of certain statutory dues for certain financial periods. For further details, see “Financial Statements – Restated Consolidated Financial Information - Annexure VI” on page 256. The Restated Standalone Financial Statements include Annexure – VI, wherein our statutory auditors have drawn attention to the delays in payment of certain statutory dues for certain financial periods. For further details, see “Financial Statements – Restated Standalone Financial Information – Annexure VI” on page 338.

External Risks

Risk Related to India

52. *Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind-AS and IFRS, which may be material to investors' assessments of our financial condition.*

Our Company prepares its statutory annual financial statements under Indian GAAP. Our Company is required to prepare annual financial statements under Indian Accounting Standards (“**Ind-AS**”) from the current financial year. We have not attempted to quantify the impact of US GAAP, Ind-AS or IFRS on the financial data included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial statements to those of US GAAP, Ind-AS or IFRS. US GAAP, Ind-AS and IFRS differ in significant respects from Indian GAAP. Accordingly, the degree to which the Restated Financial Information, which are restated as per SEBI Regulations and the Companies Act, included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited. For further details, please see “Summary of Significant Differences Between Indian GAAP and Ind-AS” on page 361.

53. *Public companies in India, including us, are required to prepare financial statements under Ind AS and compute Income Tax under the Income Computation and Disclosure Standards (the “ICDS”). The transition to Ind AS and ICDS in India is very recent and we may be negatively affected by such transition.*

In accordance with India’s roadmap for “Convergence of its existing standards with IFRS”, referred to as “Ind AS”, announced by the MCA, through press notes dated January 22, 2010, read with the Companies (Indian Accounting Standards) Rules, 2015 issued by the MCA on February 16, 2015, effective April 1, 2015, public companies in India

(except banking companies, insurance companies and non-banking financial companies) are required to adopt Ind AS, effective from (i) accounting periods beginning on or after April 1, 2016 (with comparatives for the period ending March 31, 2016 or thereafter), for companies with net worth of ₹ 5,000 million or more; and (ii) accounting periods beginning on or after April 1, 2017 (with comparatives for the period ending March 31, 2017 or thereafter) for listed or to-be-listed companies (i.e. whose equity and/or debt securities are listed or are in the process of being listed on any stock exchange in or outside India) with net worth less than ₹ 5,000 million and unlisted companies with net worth between ₹ 2,500 million and ₹ 5,000 million. These requirements also apply to any Indian domiciled and incorporated holding company, subsidiary, joint venture or associate companies of such companies. Accordingly, for statutory reporting purposes under the Companies Act, our annual and interim financial statements will be required to be reported under Ind AS for accounting periods commencing on or after April 1, 2016.

Pursuant to a SEBI circular dated March 31, 2016, with respect to financial information to be included in any offer document filed with SEBI on or after April 1, 2016 and until March 31, 2017, the Company has chosen to report its Restated Financial Information, on a standalone as well as a consolidated basis, for the preceding five years, included in this Draft Red Herring Prospectus have been prepared by taking Indian GAAP framework as its underlying base and restated in accordance with Companies Act and the SEBI Regulations. Our financial statements reported under Ind AS in future accounting periods may not be directly comparable with our financial statements historically prepared under Indian GAAP, including those disclosed in this Draft Red Herring Prospectus. Accordingly, our Restated Financial Information included in this Draft Red Herring Prospectus may not form an accurate basis to consider the accounting policies and financial statements adopted by our Company for future periods, which may differ materially from our Restated Financial Information. We would urge you to consult your own advisors regarding the differences between Indian GAAP and other accounting policies and the impact of such differences on our financial data, including the impact of our transition to, and adoption of Ind AS for statutory reporting purposes under the Companies Act, our annual and interim financial statements, for accounting periods commencing on or after April 1, 2016.

The Ind AS is different in many aspects from Indian GAAP under which our statutory financial statements are currently prepared and presented. For instance, financial instruments being classified as equity or financial liabilities based on the substance of the contractual arrangement rather than legal form, accounting policies related to determination of control for consolidation, accounting of acquisitions/business combinations, recording of minority interest, accounting for leases and revenue sharing arrangements, accounting of deferred taxes, use of fair value for recording assets and liabilities, classification of financial assets and liabilities, disclosure impact in connection with financial instruments, segment reporting, related party disclosures, interim financial reporting, in terms of Ind AS are different from the accounting policies for these items under Indian GAAP. Similarly, the Ministry of Finance, Government of India, has issued a notification dated July 6, 2016, stating that ICDS shall be applicable with effect from April 1, 2016, and is applicable fiscal 2017 onward. Therefore, ICDS will have a direct impact on computation of taxable income of our Company fiscal 2017 onwards. ICDS differs on several aspects from accounting standards including the Indian GAAP and Ind AS. As a result, our financial statements for the period commencing from April 1, 2016 may not be comparable to our historical financial statements.

Further, there can be no assurance that the adoption of Ind AS will not affect our reported results of operations, cash flows or financial condition. Our management is devoting and will continue to need to devote time and other resources for the successful and timely implementation of Ind AS. A failure to successfully transition into the Ind AS regime may have an adverse effect on the trading price of the Equity Shares and/or may lead to regulatory action and other legal consequences against our Company. Moreover, our transition to Ind AS reporting may be hampered by increasing competition and increased costs for the relatively small number of Ind AS-experienced accounting personnel available as more Indian companies begin to prepare Ind AS financial statements. There is not yet a significant body of established practice from which to draw references/judgments regarding the implementation and application of Ind AS. Any of these factors relating to the use of Ind AS may adversely affect our financial condition, results of operations and cash flows. For further details in relation to the impact of Ind AS on the preparation and presentation of our financial statements, see “Summary of Significant Differences between Indian GAAP and Ind AS” on page 361.

54. *The preparation requirement and presentation format of financial statements of our Company subsequent to the listing of its Equity Shares will not be in the same manner and same format as being prepared and presented for this Draft Red Herring Prospectus.*

Till financial year 2016, our audited statutory financial statements under the Companies Act have been prepared in accordance with Indian GAAP and the applicable provisions of the Companies Act. Further, for statutory reporting purposes under the Companies Act, our annual and interim financial statements will be required to be reported under Ind AS for accounting periods commencing on or after April 1, 2016. The Restated Financial Information included in this Draft Red Herring Prospectus is restated in accordance with the applicable provisions of Companies Act and relevant SEBI Regulations, as amended from time to time. In order to comply with the requirements applicable to public companies in India, subsequent to our Equity Shares getting successfully listed on the Stock Exchanges, we

will be required to prepare our annual and interim financial statements in terms of the Companies Act and Ind AS, as applicable. The preparation requirement and the presentation format prescribed under the SEBI Regulations for Restated Financial Information differs in certain respects from Indian GAAP and Ind AS. Therefore, the preparation and presentation of our financial statements post-listing may be not be comparable with, or may be substantially different from, the manner in which the Restated Financial Information is being disclosed in this Draft Red Herring Prospectus.

55. *We may be affected by competition law in India and any adverse application or interpretation of the Competition Act could adversely affect our business.*

The Competition Act, 2002, as amended (the “**Competition Act**”), regulates practices having an appreciable adverse effect on competition in the relevant market in India. Under the Competition Act, any formal or informal arrangement, understanding or action in concert, which causes or is likely to cause an appreciable adverse effect on competition is considered void and may result in the imposition of substantial monetary penalties. Further, any agreement among competitors which directly or indirectly involves the determination of purchase or sale prices, limits or controls production, supply, markets, technical development, investment or provision of services in any manner, shares the market or source of production or provision of services by way of allocation of geographical area, type of goods or services or number of customers in the relevant market or in any other similar way, or directly or indirectly results in bid-rigging or collusive bidding is presumed to have an appreciable adverse effect on competition. The Competition Act also prohibits abuse of a dominant position by any enterprise. If it is proved that the contravention committed by a company took place with the consent or connivance of or is attributable to any neglect on the part of, any director, manager, secretary or other officer of such company, that person shall be guilty of the contravention and may be liable to punishment.

On May 11, 2011, the Government issued and brought into force the Competition Commission of India (Procedure in regard to the transaction of business relating to combinations) Regulations, 2011 under the Competition Act with effect from June 1, 2011 which sets out the mechanism for implementation of the merger control regime in India. These provisions require acquisitions of shares, voting rights, assets or control or mergers or amalgamations that cross the prescribed asset and turnover based thresholds to be mandatorily notified to and pre-approved by the Competition Commission of India (the “**CCI**”). The Competition Act aims to, among others, prohibit all agreements and transactions which may have an appreciable adverse effect on competition in India. Further, the CCI has extra-territorial powers and can investigate any agreements, abusive conduct or combination occurring outside India if such agreement, conduct or combination has an appreciable adverse effect on competition in India. However, we cannot predict the impact of the provisions of the Competition Act on the agreements entered into by us at this stage. We are not currently party to any outstanding proceedings, nor have we received notice in relation to non-compliance with the Competition Act or the agreements entered into by us. However, if we are affected, directly or indirectly, by the application or interpretation of any provision of the Competition Act, or any enforcement proceedings initiated by the CCI, or any adverse publicity that may be generated due to scrutiny or prosecution by the CCI or if any prohibition or substantial penalties are levied under the Competition Act, it would adversely affect our business, results of operation and prospects.

The applicability or interpretation of the Competition Act to any merger, amalgamation or acquisition proposed or undertaken by us, or any enforcement proceedings initiated by CCI for alleged violation of provisions of the Competition Act may adversely affect our business, financial condition or results of operation.

56. *Changes in legislation or the rules relating to tax regimes could adversely affect our business, prospects and results of operations.*

Our business is subject to a significant number of state tax regimes and changes in legislation governing the rules implementing them or the regulator enforcing them in any one of those jurisdictions could adversely affect our results of operations. The applicable categories of taxes and tax rates also vary significantly from state to state, which may be amended from time to time. The final determination of our tax liabilities involves the interpretation of local tax laws and related regulations in each jurisdiction as well as the significant use of estimates and assumptions regarding the scope of future operations and results achieved and the timing and nature of income earned and expenditures incurred. Changes in the operating environment, including changes in tax law, could impact the determination of our tax liabilities for any given tax year. Taxes and other levies imposed by the Government or State Governments that affect our industry include income tax and other taxes, duties or surcharges introduced from time to time. The tax scheme in India is extensive and subject to change from time to time and any adverse changes in any of the taxes levied by the Government or State Governments could adversely affect our competitive position and profitability.

Pursuant to the Constitution (One Hundred and First Amendment) Act, 2016, a national goods and services tax (“**GST**”) regime has been promulgated, that will combine taxes and levies by the Central and State Governments into a unified rate structure. Although the legislative bill has been passed by both houses of Parliament, it has not yet been enacted and given the limited availability of information in the public domain concerning the GST, we are

unable to provide any assurance as to the exact date of when GST is to be introduced or any other aspect of the tax regime following implementation of the GST. Further, any disagreements between certain state governments may also create further uncertainty towards the implementation of the GST. Any such future increases or amendments may affect the overall tax efficiency of companies operating in India and may result in significant additional taxes becoming payable.

Further, the General Anti Avoidance Rules (“GAAR”) is proposed to be effective 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.

The Finance Act, 2016 which came into force in May 2016 introduces certain changes in relation to existing tax legislation. The changes introduced include hike in service tax rates, changes to the Cenvat Credit Rules, 2004, changes in excise duty rates and amendments to the Customs Act, 1952. We cannot predict the impact of the changes introduced in the Finance Act, 2016 on our business, financial condition and results of operations.

We have not determined the impact of such proposed legislations on our business. Uncertainty in the applicability, interpretation or implementation of any amendment to, or change in, governing law, regulation or policy, including by reason of an absence, or a limited body, of administrative or judicial precedent may be time consuming as well as costly for us to resolve and may impact the viability of our current business or restrict our ability to grow our business in the future.

57. *Investors may not be able to enforce a judgment of a foreign court against our Company.*

Our Company is incorporated under the laws of India. All our Company’s Directors and Key Management Personnel are residents of India and our assets are substantially located in India. As a result, it may not be possible for investors to effect service of process upon our Company or such persons in jurisdictions outside India, or to enforce against them judgments obtained in courts outside India. Moreover, it is unlikely that a court in India would award damages on the same basis as a foreign court if an action were brought in India or that an Indian court would enforce foreign judgments if it viewed the amount of damages as excessive or inconsistent with Indian public policy.

58. *Under Indian law, foreign investors are subject to investment restrictions that limit our ability to attract foreign investors, which may adversely affect the trading price of the Equity Shares.*

Under foreign exchange regulations currently in force in India, transfer of shares between non-residents and residents are freely permitted (subject to certain exceptions), if they comply with the valuation and reporting requirements specified by the RBI. If a transfer of shares is not in compliance with such requirements and does not fall under any of the exceptions specified by the RBI, then the RBI’s prior approval is required. Additionally, shareholders who seek to convert Rupee proceeds from a sale of shares in India into foreign currency and repatriate that foreign currency from India require a no-objection or a tax clearance certificate from the Indian income tax authorities. We cannot assure you that any required approval from the RBI or any other governmental agency can be obtained on any particular terms or at all.

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

Under current Indian tax laws, unless specifically exempted, capital gains arising from the sale of Equity Shares in an Indian company are generally taxable in India. Any gain realized on the sale of listed equity shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if Securities Transaction Tax (“STT”) has been paid on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realized on the sale of equity shares held for more than 12 months, which are sold other than on a recognized stock exchange and on which no STT has been paid to an Indian resident, will be subject to long term capital gains tax in India. Further, any gain realized on the sale of listed equity shares held for a period of 12 months or less will be subject to short term capital gains tax 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.

60. *Rights of shareholders under Indian laws may be more limited than under the laws of other jurisdictions.*

Indian legal principles related to corporate procedures, directors’ fiduciary duties and liabilities, and shareholders’ rights may differ from those that would apply to a company in another jurisdiction. Shareholders’ rights including in relation to class actions, under Indian law may not be as extensive as shareholders’ rights under the laws of other countries or jurisdictions. Investors may have more difficulty in asserting their rights as shareholder in an Indian company than as shareholder of a corporation in another jurisdiction.

61. *Our ability to raise foreign capital may be constrained by Indian law.*

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our projects under development and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. 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 have an adverse effect on our business growth, financial condition and results of operations.

Risks Related to the Offer

62. *The Equity Shares have never been publicly traded, and, after the Offer, the Equity Shares may experience price and volume fluctuations, and an active trading market for the Equity Shares may not develop. Further, the price of the Equity Shares may be volatile, and you may be unable to resell the Equity Shares at or above the Offer Price, or at all.*

Prior to the Offer, there has been no public market for the Equity Shares, and an active trading market on the Stock Exchanges may not develop or be sustained after the Offer. Listing and quotation does not guarantee that a market for the Equity Shares will develop, or if developed, the liquidity of such market for the Equity Shares. The Offer Price of the Equity Shares is proposed to be determined through a book-building process and may not be indicative of the market price of the Equity Shares at the time of commencement of trading of the Equity Shares or at any time thereafter. The market price of the Equity Shares may be subject to significant fluctuations in response to, among other factors, variations in our operating results of our Company, market conditions specific to the industry we operate in, developments relating to India, volatility in the Stock Exchanges, securities markets in other jurisdictions, variations in the growth rate of financial indicators, variations in revenue or earnings estimates by research publications, and changes in economic, legal and other regulatory factors.

63. *The Offer Price may not be indicative of the market price of the Equity Shares after the Offer.*

The Offer Price of the Equity Shares will be determined by our Company in consultation with the BRLMs through the Book Building Process. This price will be based on numerous factors, as described under “Basis for Offer Price” on page 97 and may not be indicative of the market price for the Equity Shares after the Offer. The market price of the Equity Shares could be subject to significant fluctuations after the Offer, and may decline below the Offer Price. We cannot assure you that the investor will be able to resell their Equity Shares at or above the Offer Price.

64. *Any future issuance of Equity Shares, or convertible securities or other equity linked securities by us and any sale of Equity Shares by our Promoters and Bridgeview may dilute your shareholding and adversely affect the trading price of the Equity Shares.*

After the completion of the Offer, our Promoters and Bridgeview will collectively own, directly and indirectly, majority of our outstanding Equity Shares. Any future issuance of the Equity Shares, convertible securities or securities linked to the Equity Shares by us may dilute your shareholding in the Company, adversely affect the trading price of the Equity Shares and our ability to raise capital through an issue of our securities. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of the Equity Shares. No assurance may be given that we will not issue additional Equity Shares. The disposal of Equity Shares by our Promoters or Bridgeview, or the perception that such sales may occur may significantly affect the trading price of the Equity Shares. Except as disclosed in “Capital Structure” beginning on page 79, no assurance may be given that our significant shareholders will not dispose of, pledge or encumber their Equity Shares in the future.

65. *Holders of Equity Shares may be restricted in their ability to exercise pre-emptive rights under Indian law and thereby suffer future dilution of their ownership position.*

Under the Companies Act, a company incorporated in India must offer its equity shareholders pre-emptive rights to subscribe and pay for a proportionate number of equity shares to maintain their existing ownership percentages prior to issuance of any new equity shares, unless the pre-emptive rights have been waived by the adoption of a special resolution by holders of three-fourths of the equity shares voting on such resolution.

However, if the law of the jurisdiction that you are in does not permit the exercise of such pre-emptive rights without our filing an offering document or registration statement with the applicable authority in such jurisdiction, you will be unable to exercise such pre-emptive rights, unless we make such a filing. If we elect not to file a registration statement, the new securities may be issued to a custodian, who may sell the securities for your benefit. The value such custodian receives on the sale of any such securities and the related transaction costs cannot be predicted. To the extent that you are unable to exercise pre-emptive rights granted in respect of our Equity Shares, your

proportional interests in our Company may be reduced.

- 66. *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 the Bid Closing Date.***

Pursuant to the SEBI Regulations, 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 the Bid Closing Date. Further, QIBs and NIIs cannot withdraw their Bids at any stage after the Bid/Offer Closing Date. While our Company is required to complete Allotment pursuant to the Offer within six Working Days from the Bid/Offer Closing Date, events affecting the Bidders' decision to invest in the Equity Shares, including material 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. Our Company may complete the Allotment of the Equity Shares even if such events occur, and such events limit the Bidders' ability to sell the Equity Shares Allotted pursuant to the Offer or cause the trading price of the Equity Shares to decline on listing.

- 67. *We may decide not to proceed with the Offer at any time before Allotment. If we decide not to proceed with the Offer after the Bid Opening Date but before Allotment, the refund of Application amounts deposited will be subject to us complying with our obligations under applicable laws.***

We, in consultation with the BRLMs, reserve the right not to proceed with the Offer at any time before the Allotment. If we withdraw the Offer after the Bid Opening Date, we will be required to refund all Bid Amounts deposited and shall be required to pay interest / penalty, as specified under SEBI Regulations or the Companies Act, 2013, on the Bid Amounts received if refunds are not made within the stipulated time from the Bid Closing Date. Notwithstanding the foregoing, the Offer is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchanges, which the Bank shall apply for after Allotment and (ii) the final RoC approval.

- 68. *You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Offer.***

The Equity Shares will be listed on the Stock Exchanges. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading in the Equity Shares may commence. Investors' book entry, or "demat" accounts with depository participants in India, are expected to be credited within two working days of the date on which the Basis of Allotment is approved by the NSE and BSE. Thereafter, upon receipt of final listing and trading approvals from the Stock Exchanges, trading in the Equity Shares is expected to commence within six working days of the Bid Closing Date. There could be a failure or delay in listing of the Equity Shares on the Stock Exchanges. Any failure or delay in obtaining the approval or otherwise commence trading in the Equity Shares would restrict investors' ability to dispose of their Equity Shares. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this risk factor. We could also be required to pay interest at the applicable rates if allotment is not made, refund orders are not dispatched or demat credits are not made to investors within the prescribed time periods.

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

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

Prominent Notes

1. Public issue of [●] Equity Shares for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share), aggregating up to ₹ [●] million comprising of a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,188.00 million by our Company and an Offer for Sale of up to 798,603 Equity Shares by Aueros Offshore India Opportunities Fund LLC, up to 2,505,018 Equity Shares by Aureos South Asia Fund LLC, up to 10,000,000 Equity Shares by Bridgeview Investment Ltd and up to 373,199 Equity Shares by India Opportunities Fund aggregating up to ₹ [●] million. The Offer comprises a Net Offer to the public of [●] Equity Shares and a reservation of up to [●] Equity Shares aggregating up to ₹ [●] million for subscription by Eligible Employees, not exceeding 5% of our post-Offer paid-up Equity Share capital and the Net Offer to the public would constitute [●]% of our post-Offer Equity Share capital.
2. As of March 31, 2016, the Company's net worth (net worth has been computed as sum of Equity Share capital and reserves and surplus (including capital redemption reserve, securities premium and surplus / (deficit) of our

Company)) was ₹ 8,168.09 million as per the Company's Restated Consolidated Financial Information and ₹ 7,710.30 million as per the Restated Standalone Financial Information.

3. As of March 31, 2016, the net asset value (net asset value per Equity Share, for the purpose of this paragraph means total Shareholders' funds of our Company divided by Equity Shares issued and outstanding at the end of year) per Equity Share was ₹ 110.76 as per the Company's Restated Consolidated Financial Information and ₹ 104.55 as per the Restated Standalone Financial Information.
4. The average cost of acquisition of Equity Shares by (i) N. Adikesavulu Reddy is ₹ 16.65, (ii) N. Amrutesh Reddy is ₹ 12.00 and (iii) NDR is ₹ 40.75. For further details, see "Capital Structure" beginning on page 79. The average cost of acquisition per Equity Share by our Promoters has been calculated by taking the average of the amounts paid by each of our Promoters to acquire the Equity Shares.
5. There has been no change in the Company's name since incorporation. Our Company was incorporated as Continental Warehousing Corporation (Nhava Seva) Limited on May 23, 1997 as a public limited company under the Companies Act, 1956.
6. For details of related party transactions entered into by the Company with our Group Companies and Subsidiaries in the last financial year, including nature and cumulative value of the transactions, see "Related Party Transactions" on page 179.
7. Except as disclosed in "Our Group Companies" and Related Party Transactions" on pages 178 and 179, respectively, none of our Group Companies have business interest or other interests in our Company.
8. There have been no financing arrangements whereby our Promoter Group, our Directors, the directors of NDR (our corporate Promoter) and their relatives have financed the purchase by any other person of securities of the Company other than in normal course of the business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.

For any complaints, information or clarifications pertaining to the Offer, investors may contact the BRLMs who have submitted the due diligence certificate to the SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information contained in this section is derived from the CRISIL report titled 'Study on selected verticals within Indian logistics industry with focus on container trade' published in September 2016 (the "**CRISIL Report**"), which was commissioned by our Company and other publicly available sources. Unless specified otherwise, all information in this section has been derived from the CRISIL Report. Neither we, nor any other person connected with the Issue 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 that 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.

Overview of the Indian Economy

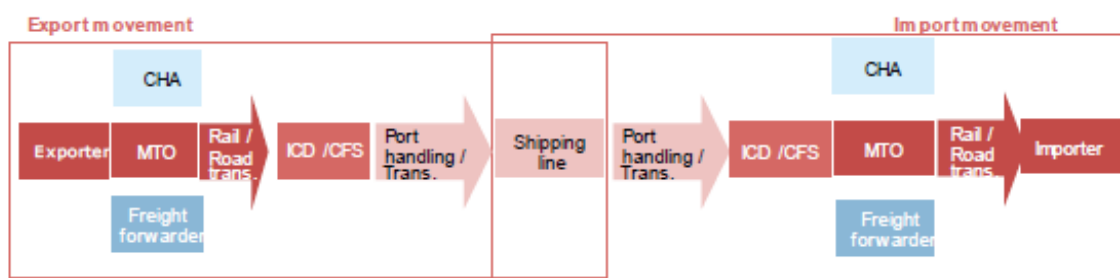
The Indian economy is the fourth largest economy in the world by purchasing power parity (Source: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>). The services sector has emerged as the most dynamic sector globally and remains the key driver of India's economic growth. The sector has remained the most vibrant sector in terms of contribution to national and state incomes, trade flows, foreign direct investment inflows, and employment. India's services sector covers a wide variety of activities such as trade, hotels and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. The growth in the services sector in India accelerated to 10.3% for the financial year 2015 from 7.8% for the financial year 2014 (Source: *Economic Survey 2015-16*, available at indiabudget.nic.in).

Container Freight Station and Inland Container Depot Industry

Container freight stations ("CFSs") and inland container depots ("ICDs") are a common user facility with public authority status, equipped with fixed installations. They offer a wide range of services, including custom clearance and handling and temporary storage of both import and export-laden and empty containers. The emergence of CFSs near ports and ICDs in the hinterland have eased congestion at ports, boosting their capacity. CFS and ICDs are also critical as they are appointed the custodians of imported goods by the Commissioner of Customs under Section 45 of the Customs Act, 1962. Imported goods remain in the custody of a CFS or ICD until cleared for consumption, warehousing or transshipment to another location.

The key participants in a container logistics chain include importers and exporters, customs house agents, multi-modal transport operators, freight forwarders, shipping lines and consolidators.

The following chart sets forth the various stages on port-based logistics value chain and the participants involved at each stage:

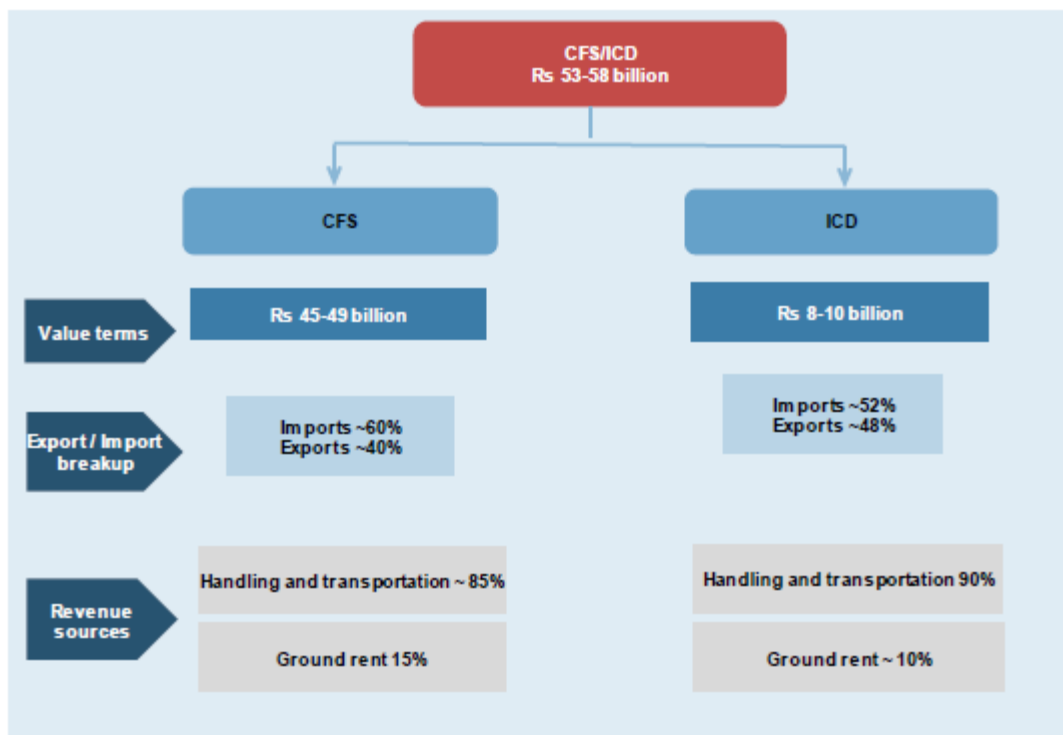


(Source: CRISIL Research)

The CFS segment occupies a major share of approximately 85% of the overall CFS and ICD industry (excluding rail transportation). Of the estimated ₹ 53 to 58 billion size of the CFS and ICD industry for the financial year 2016, the CFS segment's share is estimated to be ₹ 45 to 49 billion. Further, during the financial year 2016, CFSs will serve approximately 52% of container traffic (imports and exports), ICDs will serve approximately 25%, while the remainder will be catered to by direct customs clearance at the respective ports.

Of the total traffic estimated to be handled by CFSs, imports are estimated to account for approximately 60% and exports approximately 40%, while in the case of ICDs, imports are estimated to account for approximately 52% and exports approximately 48%. For the financial year 2016, the share of CFSs in overall imports is estimated to be 60%, with ICDs comprising 25%.

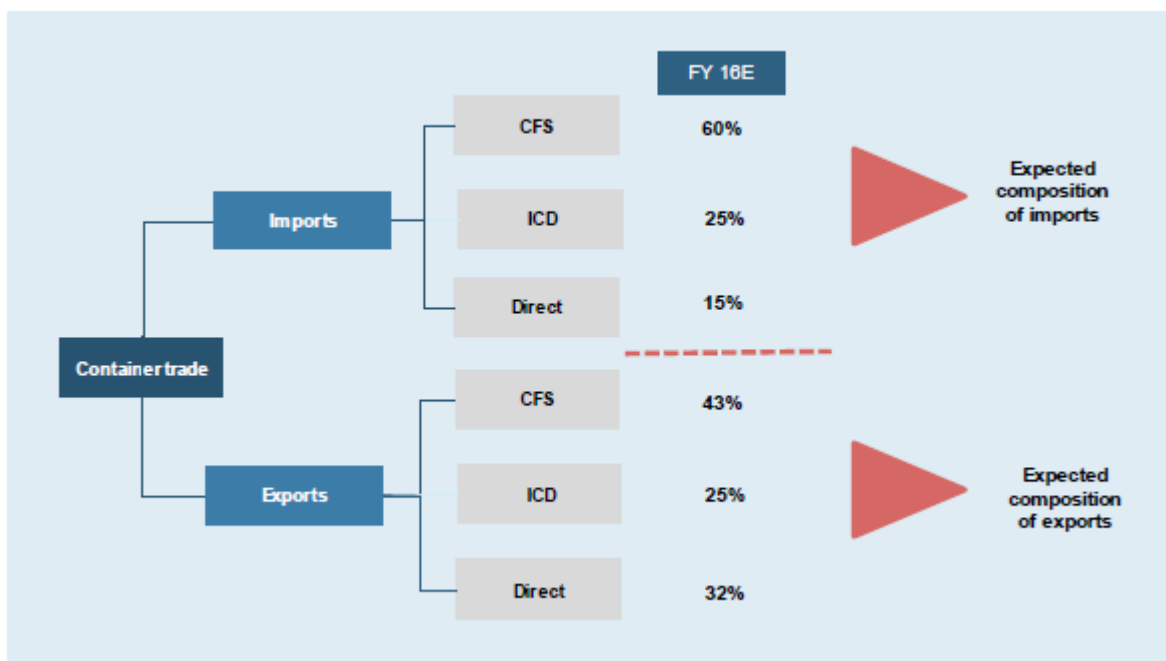
The following chart sets forth the estimated segment-wise market size and revenue distribution for the financial year 2016:



(Source: CRISIL Research)

CFSs derive between 80 to 85% of their revenue from handling and transportation charges and 15 to 20% from ground rent. The share of ground rent has been curtailed since the average storage duration (dwell time) of imported containers has been reducing since the financial year 2014. Dwell time for imports for the financial year 2016 is estimated to be seven to eight days and that for exports to be about four days. In case of containers, particularly operating on western corridors, transit accounts for a significant portion in the total time between container loading and unloading at ICD and handling at gateway ports. As the transit times decrease due to higher average speeds, the dwell time for containers at ICDs can potentially increase, translating into incremental operating profits for ICDs, by way of higher ground rent.

The CFS and ICD segments would be benefitted by growth in export and import trade led by improved economic activity, container capacity additions, containerisation as well as shift of container traffic from road to rail due to commissioning of western DFC. The CFS and ICD growth profile is thus dependent on export and import trade, rather than driven by domestic cargo growth. The following chart sets forth the projected import-export container traffic share for the financial year 2016 at CFSs and ICDs:



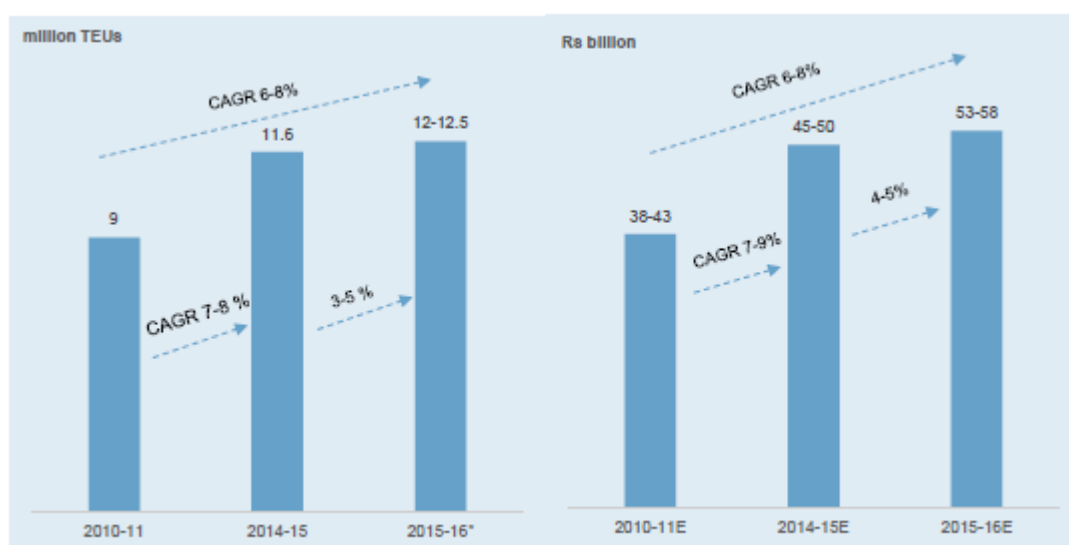
(Source: CRISIL Research)

While historically ICDs have had the advantage of adequate rail connectivity and lower cost on long-haul distances, they have encountered issues such as longer turn around times and lack of efficient custom clearance services and ancillary services. Further, there have been regular hikes in the tariff of containerized freight by the Indian railways as against a decrease in diesel prices that has lowered road freight rates. For instance, the Indian Railways raised tariffs of containers moving on privately-owned wagons by 25 to 40% in March 2015. A separate congestion surcharge of approximately 10% on the base rate was also introduced in November 2014 for import cargo.

Evolution of the CFS and ICD Market

Container traffic in Indian ports grew at a CAGR of 6 to 8% between the financial years 2011 and 2016. During the financial year 2016, traffic was estimated to grow at 3% year-on-year due to the weak trade scenario prevalent in India, with exports and imports declining for two to three quarters, despite a GDP growth of approximately 7%. The CFS and ICD industry (value terms) is estimated to have risen by 12 to 13% year-on-year during the financial year 2015, driven by an improvement in containerized trade of 10 to 11% year-on-year. However, with an estimated growth of 3 to 5% year-on-year in container trade during the financial year 2016 and a tariff hike of 2 to 3%, it is estimated that the CFS and ICD industry in value terms will grow at 4 to 6% year-on-year during the financial year 2016 to reach ₹ 53 to 58 billion.

The following chart sets forth the estimated growth in container traffic at Indian ports along with the estimated increase in the market size of the CFS and ICD industry:



Note: E-Estimated, Data for major ports are estimates for 2015-16

(Source: CRISIL Research)

Major Hubs across the CFS and ICD Industry

There were 163 CFSs and 58 ICDs operational in India as per an inter-ministerial committee report dated January 2016, with the states of Tamil Nadu, Maharashtra, Gujarat and Uttar Pradesh accounting for approximately 65% of the total CFSs and ICDs. There are more CFS clusters in the southern and western regions of India, while export-import container handling terminals in the Indian hinterland are concentrated in the northern and central regions.

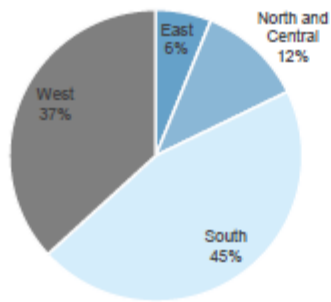
The following table sets forth the relative sizes of CFSs and ICDs in India:

CFS/ICD	Less than 30 acres	Between 30 to 50 acres	Over 50 acres
CFS	80% - 90%	5% to 15%	5% to 15%
ICD	70% - 80%	5% to 15%	15% to 25%

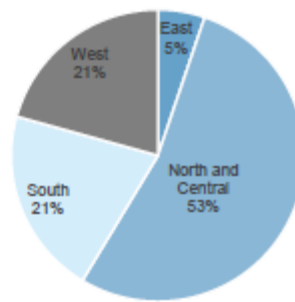
(Source: CRISIL Research)

The following chart sets forth the region wise presence of CFSs and ICDs in India:

Region-wise presence of CFS (in %)



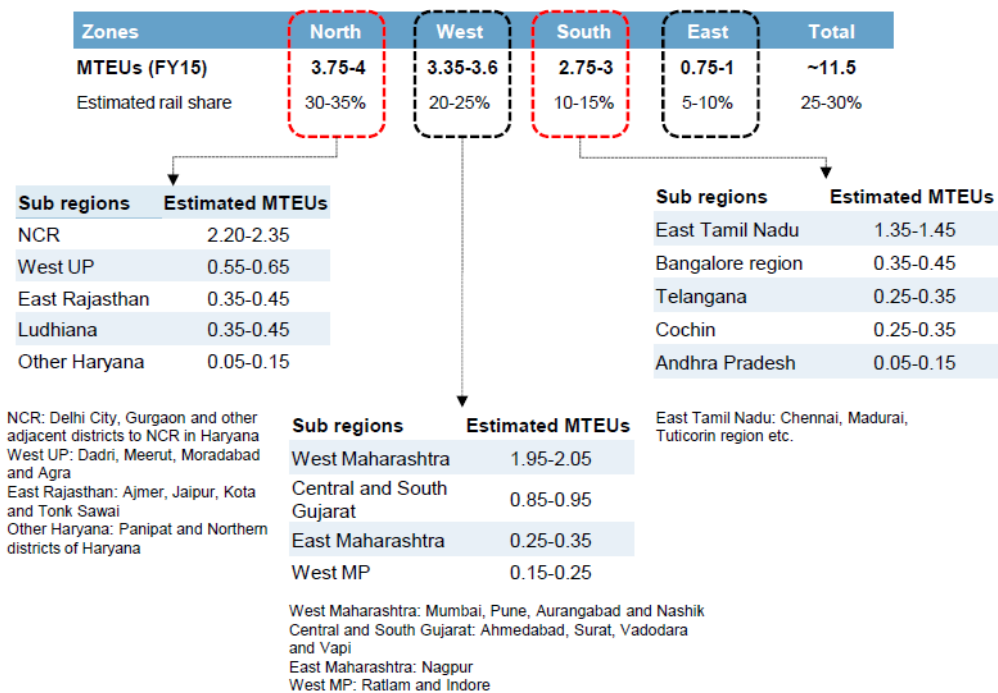
Region-wise presence of ICD (in %)



(Source: CRISIL Research)

Note: North and Central region includes Chandigarh, Chhattisgarh, Haryana, Jharkhand, Jammu & Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh and Rajasthan; East consists of Orissa and West Bengal; South consists of Goa, Pondicherry, Andhra Pradesh, Karnataka, Kerala and Tamil Nadu; and West consists of Gujarat and Maharashtra.

The following chart sets forth the estimated container traffic generated from different zones for financial year 2015:



(Source: CRISIL Research)

The JN Port Region

The JN Port region is the largest CFS cluster in India with approximately 31 CFSs in the region with an estimated capacity of 3 million TEUs. The JN Port handled 4.5 million TEUs during the financial year 2016, with 45 to 50% of the port's container traffic being handled by CFSs. However, with an increasing number of CFS operators and a slower than anticipated growth of traffic, the extent of competition has risen significantly. Consequently, utilization rates have increased marginally and similarly realizations have risen slightly. However, since this is the largest cluster, the utilization levels remain high at 55 to 60%.

The JN Port region faces traffic congestion and evacuation bottlenecks. Also, the road infrastructure consists of mostly two lane roads to connect the CFS zones with the port, leading to road congestion and long waiting periods for clearance from the port to the CFS and vice versa.

Chennai and Eastern Region

In the eastern cluster, CFSs are located around the Visakhapatnam and Kolkata ports, while the Chennai cluster consists of CFSs around Chennai, Ennore and Katupalli ports. Besides these, clusters are also present in and around VOC port, Krishnapatnam port and other ports along the east coast. Port policies and poor road infrastructure have led to challenging

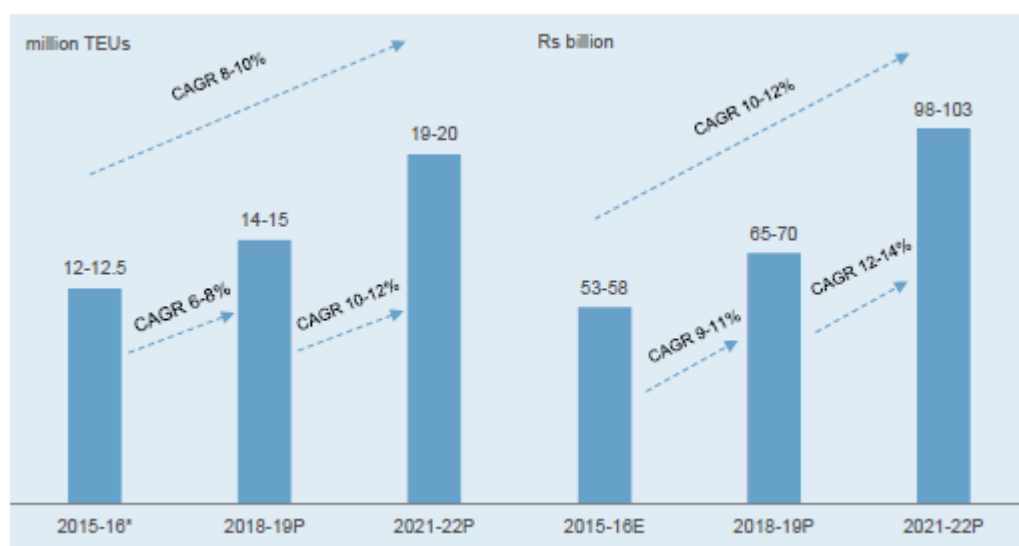
business conditions in the eastern region. The Chennai port suffers from infrastructure bottlenecks as poor road infrastructure leads to transportation delays. This, along with severe competition due to higher number of players in the adjoining region, has kept CFSs' capacity utilizations and operating margins under pressure. There are over 30 CFSs in the Chennai region with a total capacity of approximately 2 million TEUs, with a container traffic of around 1 million TEUs. The industry's capacity utilization in the Chennai region during the financial year 2009 was approximately 70%, which reduced to approximately 40 to 50% during the financial year 2016 due to oversupply of CFS facilities. Correspondingly, the average operating margins in the region hovered at low levels of approximately 20%.

CFS and ICD Industry Outlook

Healthy container growth. The CFS and ICD industry is dependant on the growth in container trade. Container traffic at Indian ports is expected to grow at a CAGR of 8 to 10% during the financial years 2017 and 2022, due to robust GDP growth, gradual recovery in non-oil trade, increase in the levels of containerization and significant addition in container capacities. Further, government initiatives such as 'Make in India' plan to double exports by 2020, which will be expected to lead to an incremental growth in manufacturing and consequently drive growth in containerization opportunities.

Led by the growth in container traffic, the CFS and ICD industry is expected to grow at a faster rate, after weaker container traffic growth during the financial year 2016. Increment in traffic and realizations for the same period is expected to be moderate at around 3 to 5% as expected capacity additions in the CFS and ICD sector will limit very high growth in utilization levels for CFSs and ICDs.

The following chart sets forth the container traffic outlook along with the expected increase in the CFS and ICD market size for the periods indicated:



(Source: CRISIL Research)

Container traffic to be higher in the western zone. Several capacity additions and infrastructure developments are expected to help sustain the western region's (consisting of the JN Port, Mundra and Pipavav) market share in India's container trade. The JN Port is expanding its capacity with a fourth container terminal being constructed, which will enhance the port's container handling capacity. An additional 1.3 million TEU container handling capacity is expected to become operational by the end of 2016 at the Mundra port. The expansion in capacities and development of planned evacuation infrastructure will allow CFS and ICDs in the region to increase utilization levels and improve realizations. However, till these projects are operational, non-major ports such as Mundra, Pipavav and Hazira will continue to attract incremental traffic, albeit at a slower pace. In the southern region, the Krishnapatnam and Kattupalli ports have shown healthy container traffic growth, while a container terminal at the Ennore port is under implementation. These developments would result in a redistribution of Chennai port's container traffic in coming years.

Dedicated freight corridors to help quicken evacuation of containers at ports. The ability of a port to handle cargo and manage turnaround time of vessels is dependent upon its capacity to unload cargo quickly and efficiently. The lack of quick evacuation directly affects the turnaround time of ships at major ports in India. Dedicated freight corridors ("DFCs") being constructed between Delhi and Kolkata and Delhi and Mumbai, are expected to ease congestion in Indian Railways. The 1,504 km double-track western corridor will run from the JN Port to Dadri, while a 1,409 km double track is being laid from Kolkata to Khurja along with a single track of 449 km between Ludhiana and Khurja in the eastern corridor. About half of the total containers sent to the JN Port come from Delhi – Tughlakabad sector. Hence, the western corridor will handle containers from the west coast ports to ICDs in the north. It is expected that the DFCs will enable ports on the eastern and western coasts to service a larger market area quickly and more efficiently. The ports of Mundra, Pipavav, Dahej, Hazira in Gujarat and JN

Port, Mumbai and Dighi in Maharashtra are expected to benefit from the western DFC. The eastern DFC is expected to benefit the ports of Paradip and Dhamra in Orissa and Kolkata in West Bengal.

Dwell time for containers. As the DFCs become fully operational and are linked with the Indian railway network, the average speed of trains is expected to increase. In case of containers, particularly operating on western corridors, transit accounts for a significant portion in the total time between container loading and unloading at ICDs and handling at gateway ports. As the transit times decrease due to higher average speeds, the dwell time for containers at ICDs can potentially increase, translating to incremental operating profits for ICDs, by way of higher ground rent.

Recent Notifications by the Indian Railways to increase traffic. The Indian Railways has decided to withdraw port congestion surcharge (“PCS”), which was a surcharge levied on basic rail freight. PCS was announced in financial year 2015, due to increased imports of thermal coal, iron ore, fertilizers and containers. Additionally, the Indian Railways decided to withdraw busy season charges (“BSC”) in April 2016, in line with the long term goal of rationalizing the tariff structure for freight business. The BSC will be withdrawn on all commodities loaded on covered stock for a period of two months. According to a press release issued by the Indian Railways, this would increase loading on Indian Railways by 6 to 7 million tons. Further, the Indian Railways has rationalized its merry-go-round (“MGR”) system for shorter leads, where terminals at both ends would be privately owned. The Indian Railways expects traffic under this scheme to be 4 to 5 million tons in financial year 2017.

Unit Economics model for CFS and ICD

Typically, revenue, cost structure and margin for companies varies based on utilization rates, location, asset heaviness and import-export mix. Presence across other segments of container logistics also has a bearing on their bargaining power and realizations. Subject to the above, the following is a sample unit economics model developed by CRISIL Research, with the key assumptions for a typical CFS:

Particulars	Unit	Value	Particulars	Unit	Value
General Assumptions			Volume break-up		
Land required	Acres	40	Export	%	40%
Land Cost	Rs million/Acre	15	Import	%	60%
Capacity	TEU	125,000			
CAPEX			Revenue/TEU	Rs/TEU	12,000
Land acquisition	Rs million	600	Operating Margin		
Civil cost	Rs million	300	1st year		20%
Equipment cost	Rs million	400	From 2nd year onwards		30%
Miscellaneous	Rs million	50	Capacity utilisation		
Total	Rs million	1,350	1st year		30%
Revenue			From 2nd year onwards		65%
Export	Rs/TEU	8,000	Tariff escalation		
Import	Rs/TEU	14,000	YoY increase		3%

Source: CRISIL Research

Note: The above model considers land parcels that have been acquired (project cost considers land cost as well). Equipment cost considers estimated cost for reach stackers, forklifts, empty container handlers, tractors trailers and other equipment (trolleys, ramps, and weighing scales) and utilities. Civil cost considers site development cost, construction, access roads, leveling, paving, warehouse construction etc.

According to CRISIL Research, a CFS’s typical capacity is considered to be 125,000 twenty-foot equivalent units (“TEUs”). Revenue per TEU is a function of import-export cargo; imports having a higher share as they are relatively profitable. Considering a utilization rate of 65% and operating margin of 30% (from the second year of operations), which represent typical operating margins and utilization levels as derived by CRISIL Research, the base case Project IRR for a greenfield CFS comes to 19.0%. However, the parameters such as land cost, equipment cost and overall revenue/unit vary significantly with locations of CFS.

Key Trends and Growth Drivers

Increase in container capacities at ports. Significant container capacities are being planned at key ports such as the JN Port, Mundra, Pipavav, Krishnapatnam and Vizhinjam. A new container terminal at the JN Port would help in de-congesting the port area. Similarly, capacity additions at Mundra, Pipavav and Krishnapatnam will be beneficial for nascent CFS clusters around them.

Suitable government support for external trade. Apart from logistics infrastructure, industrial development in the hinterland of a port directly affects container traffic growth in the region. The development of special economic zones, free trade and

warehousing zones, direct freight corridors and special economic regions provides impetus to container traffic in the region.

Another important factor that affects growth of the CFS and ICD industry is the policy framework around exports and imports. Policy initiatives aimed at boosting industrial and infrastructure development act as catalysts for growth of cargo. Faster custom clearances and facilitative regulatory frameworks provide an edge against rival ports, making it more attractive for shipping lines, which leads to traffic growth in the region.

DFCs to improve containerized rail movement. DFCs would help in developing ICDs in the hinterland. ICDs would help in decongesting port areas by working as extension of ports, which are already congested by large clusters of CFSs and over-utilized road infrastructure.

ICD complexes with enabling logistics infrastructure. ICDs providing wide variety of warehousing services such as bonded warehouses, buffer storage warehouses, export-import transit warehouses and other services at large land banks in the hinterland can be developed at lower costs, compared to ports where land is scarce and costly. Apart from the wider range of services, the ICD complexes can also aid in development of adjoining hinterland regions.

Double stacked trains to reduce container shipping cost. In India, the Mundra and Pipavav ports currently operate with double stacked trains. The introduction of electrified double stacked trains on strategic routes, as envisaged across DFCs would reduce the per container shipping cost and it would also enhance the competitiveness of the ICDs and rail linked terminals.

Investment Outlook

According to an inter-ministerial committee report, 25 new CFSs and ICDs are being established. While most of these CFSs are being planned in southern and western India, most ICDs are being set up in northern, central and western India. Of the 50 CFS and ICD projects that are currently being implemented, CRISIL research expects that 30 to 35 CFSs and ICDs will commence operations in the next three years. It is also estimated that the overall investment in CFS and ICD projects will be about ₹ 30 to 35 billion. An additional investment of ₹ 20 to 25 billion is expected till the financial year 2022, with an additional 20 to 25 facilities becoming operational. Thus, the overall investment in the CFS and ICD sector between the financial years 2016 and 2022 is expected to be ₹ 50 to 60 billion.

Barriers to Entry

The CFS and ICD industry is moderately capital intensive. With a typical capital requirement of ₹ 1 to 1.3 billion (including land cost), the threat of new entrants in this industry is moderate according to CRISIL Research. However, limited availability of land at strategic locations near the port acts as a barrier to entry due to the high land prices and difficulties in land acquisition. For example, land prices and availability near JN Port and Chennai ports act as high entry barriers. Familiarity with the container logistics industry, relationship with container terminal operators, shipping lines, consolidators, logistics services providers among others is also imperative for attracting market share. Further, the industry needs to comply with a host of guidelines of the Inter-Ministerial Committee such as land requirement, minimum equipment, among others, with regular monitoring, which may dissuade some from entering the industry.

SUMMARY OF BUSINESS

Overview

We are an integrated multimodal logistics company in India, owning and operating cargo handling and storage facilities and providing express logistics and third-party logistics services. For and as of the years ended March 31, 2016, 2015 and 2014, our total revenues were ₹ 7,093.99 million, ₹ 7,357.86 million and ₹ 6,795.53 million, respectively, and our total fixed assets were ₹ 9,671.43 million, ₹ 7,684.16 million and ₹ 6,635.08 million, respectively.

In our cargo handling business, we own and operate a geographically spread network of container freight stations (“CFSs”), inland container depots (“ICDs”) and private freight terminals (“PFTs”) across India. We currently have ten facilities comprising four CFSs and three ICDs which are co-located with three PFTs. Two of our ICDs are expected to commence operations during the quarter ending December 31, 2016. Our properties, including these facilities are spread over an aggregate area of approximately 360 acres. The following table sets forth the location and certain key details of our facilities:

Facility	Commencement of operations	Installed capacity per annum
<i>Southern</i>		
Madhavaram CFS	January 2005	40,523 TEUs
Red Hills CFS	November 2012	82,845 TEUs
Tuticorin CFS	September 2009	56,716 TEUs
Thimmapur ICD	July 2012	71,952 TEUs
Thimmapur PFT	November 2011	-
<i>Western</i>		
Navi Mumbai CFS	January 2006	142,333 TEUs
Ahmedabad ICD*	-	99,071 TEUs
Ahmedabad PFT	January 2016	-
<i>Northern</i>		
Panipat ICD*	-	175,020 TEUs
Panipat PFT	February 2016	-
Total		668,460 TEUs

*Expected to commence operations during the quarter ending December 31, 2016.

Our first CFS at Madhavaram in Chennai, which we have taken on lease, was commissioned in January 2005. We currently have four operational CFSs located at Navi Mumbai near the JN port, Madhavaram and Red Hills in Chennai near the Chennai port, and Tuticorin near the V. O. Chidambarnar port. During the financial year 2015, these three ports accounted for 6.6 million TEUs or 82.7% of all container traffic handled at major ports in India. (Source: <http://www.ipa.nic.in>) We own and operate co-located ICDs and PFTs at Thimmapur near Hyderabad, and in Panipat and Ahmedabad. We also have warehouses located at Indore, Kakinada and Visakhapatnam spread over an aggregate area of approximately 31,000 sq. m.

Across our facilities, we offer one-stop services including cargo handling and maintenance, transportation and storage services and value added services. Our CFSs at Navi Mumbai, Chennai and Tuticorin have bonded warehouses and reefer points for the storage and handling of temperature sensitive products, container terminals for the storage of containers and container yards where we provide storage and repair of empty containers to shipping lines. We have also set up cold rooms at our Navi Mumbai and Chennai CFSs. At all our CFSs, we provide full container load (“FCL”) solutions and have designated areas for the consolidation of less than container load (“LCL”) containers.

CFSs are established for the purposes of transportation, handling and storage of EXIM container cargo. A CFS is a facility located near gateway ports which helps in decongesting the port by shifting cargo and customs related activities outside the area of the port, while an ICD is typically located in the hinterland acting as a hub near large production and demand centers for transportation of container cargo to and from different ports and used for the same functional purposes as a CFS. A PFT serves domestic cargo, primarily facilitating access to rail transport, and providing services such as warehousing and transportation for incoming and outgoing cargo, including last mile connectivity. Co-located ICD and PFT facilities, acting as regional distribution and consolidation hubs, offer one-stop solutions to customers where both, containerised and non-containerised cargo are handled, stored and distributed, depending on their requirements. Cargo is transported to and from CFSs and ICDs over road and rail, while PFTs are rail fed facilities that primarily target the domestic market.

Our co-located ICD and PFT facility at Thimmapur near Hyderabad, which we operate through our subsidiary, Continental Multimodal Terminals Limited (“CMTL”), was India’s first PFT facility (Source: *CRISIL Report*). We have also set up co-located ICD and PFT facilities at Ahmedabad and Panipat, which commenced their PFT operations in January and February 2016, respectively and we expect to commence our ICD operations by December, 2016. Further, we are currently in the process of setting up co-located ICD and PFT facilities at Chennai and Bengaluru, both of which are expected to be commissioned by March 2018. At our co-located facilities, we offer comprehensive logistics solutions for EXIM containers, domestic containers and bulk cargo including bulk and break bulk cargo, consolidation of LCL containers and other value added services. These facilities handle the sourcing and distribution of containerised and non-containerised domestic and

EXIM cargo via road and rail. We provide warehousing facilities for the storage of domestic and EXIM cargo and reefer points for temperature sensitive products. The railway connectivity at our facilities allows for the efficient movement of cargo across the country on the Indian rail network. We have dedicated infrastructure at our facilities to assist us with our operations and the equipment that we have deployed includes gantries, trailers, mobile and hydra cranes, reach stackers, heavy duty and high reach forklifts.

Our customers include shipping lines, customs house agents, importers, exporters and other logistics service providers. For the financial years 2016, 2015 and 2014, the total container volume handled at our four CFSs was 194,293 TEUs, 165,791 TEUs, and 154,466 TEUs, respectively. For the financial years 2016 and 2015, our co-located ICD and PFT facility at Thimmapur handled total container volumes of 12,060 TEUs and 10,610 TEUs and break bulk cargo of 862,485 tons and 598,780 tons, respectively. Further, for the financial years 2016 and 2015, our PFT facility at Thimmapur handled 452 trains and 395 trains, respectively.

Our wholly owned subsidiary Delex Cargo India Private Limited (“**Delex**”), is an integrated logistics service provider that provides end to end domestic solutions including third party logistic solutions and warehouse management services, domestic distribution, express logistics, last mile delivery services, clearing and forwarding services and cargo handling services. Delex was awarded the Best Air Freight Service Provider of the Year at the 8th Express, Logistics and Supply Chain Leadership Awards in September 2014.

Our Promoters include Mr. N. Adikesavulu Reddy, our founder and chairman, and Mr. N. Amrutesh Reddy, who is also one of our directors. Mr. N. Adikesavulu Reddy has over three decades of experience in the container freight and logistics business and has significant experience of dealing with shipping lines, logistics service providers, custom house agents and corporate houses that require logistics services.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Difficult to Replicate the Scale and Connectivity of our Facilities

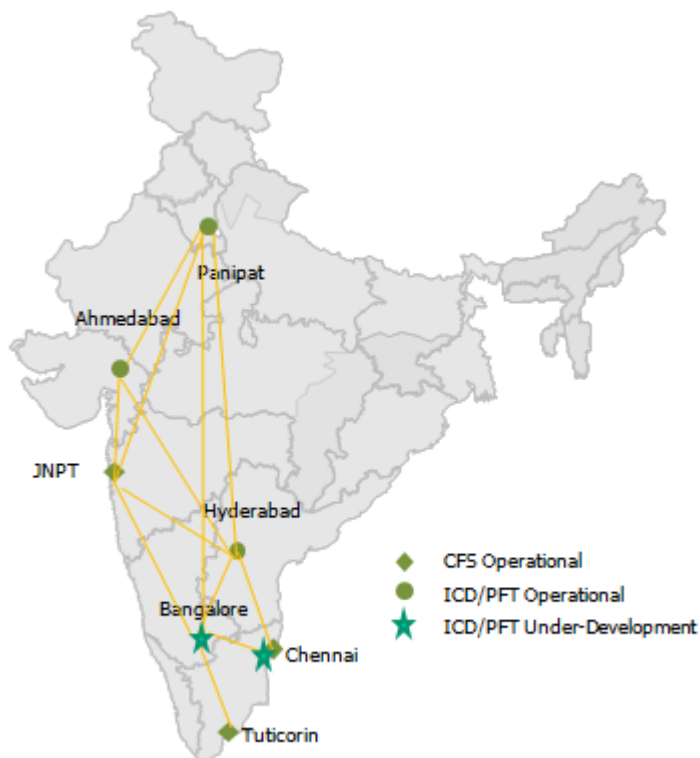
We currently have eight operational facilities comprising four CFSs, one ICD and three PFTs. Operations in the cargo handling and storage industry are capital intensive and costs of land acquisition, construction of facilities and purchase of equipment are high. A facility’s bargaining power, efficiency and competitive advantages depend upon its geographic location, scale of operations and business relationships. At strategic locations, contiguous parcels of land may either be unavailable or available at high prices in comparison to ports with nascent CFS clusters. In such cases, land prices contribute a major portion of a facility’s overall cost. CFS and ICD facilities also need to be located in proximity with state or national highways or railway lines to ensure the quick movement of cargo to and from such facilities. Consequently, the limited availability of land at strategic locations near key ports acts as a barrier to entry due to high land prices and difficulties in land acquisition.

PFT operations require large contiguous parcels of land free from obstructions such as electric poles, gas and oil pipelines, and are required to be in proximity with a railway loop line. Further, the utilization rates of a facility, which are dependant upon the level of cargo traffic, competition across facilities and accessibility to production and consumption centres, significantly determine its profitability. Consequently, at locations with high cargo and container volumes, project costs and competition are high. Thus, we believe that the scale of our facilities, their proximity to key ports, production and consumption centres and access to state and national highways provides us with a competitive advantage and a business model that is difficult to replicate in India.

Strategically Located Network of Facilities

- ***Four Container Freight Stations.*** Our CFS at Navi Mumbai is strategically located in close proximity to the JN port, which is the largest port in India for handling container cargo and handled 4.5 million TEUs during the financial year 2016. (Source: CRISIL Research) In addition, our CFSs at Chennai and Tuticorin are located close to the Chennai port and the V. O. Chidambarnar port in Tuticorin. We believe that our proximity to these key ports enables us to capitalize on the large volume of container cargo traffic handled by them.
- ***Three Inland Container Depots and Three Private Freight Terminals.*** Our co-located ICD and PFT facilities are connected by rail and are located close to state and national highways, which enables the movement of cargo via road. These co-located facilities act as rail-fed regional distribution centres, while transport via roads assists us in evacuation of cargo to and from these hubs. As a result of our widespread network, we are able to offer a multi-modal, multi-locational solution to our customers.

The following map sets out our current and proposed cargo handling network in India:



Our strategically located and geographically spread network of facilities enables us to cater to EXIM and domestic cargo, facilitates the quick and cost efficient movement of cargo across the country and allows us to serve the needs of our customers across India. Our diverse network of CFSs and co-located ICD and PFT facilities also assists us in increasing the utilization levels at each of our facilities and enables us to employ a hub-and-spoke model for our operations. As a result, we are well positioned to become regional hubs of consolidation and cater to the requirements of our customers in an efficient and timely manner.

Dedicated Infrastructure, Ability to Handle Cargo and Service Client Needs

Our CFS and ICD facilities have an installed handling capacity of 668,460 TEUs per annum. We have the ability to handle a variety of cargo at our facilities including bagged, unpacked, grain, metals, cement, fertilizers, minerals, project cargo and over-dimensional cargos. We have also set up bonded warehouses spread over an aggregate area of approximately 34,785 sq. m. We have dedicated infrastructure at our facilities to assist us with our operations and deploy several trailers, mobile and hydra cranes, reach stackers, heavy duty and high reach forklifts, electronic weigh bridges and electronic scales. We fit our containers with radio frequency identification devices (“**RFID**”) to monitor the movement of containers within our facilities. We have also installed GPS systems to monitor our trailers, which are used for line haul movements in our express logistics business. Further, we have installed reefer points at our Navi Mumbai CFS and set up temperature controlled rooms at our Navi Mumbai and Madhavaram CFSs to handle temperature sensitive cargo.

Integrated Logistics Service Provider with Pan India Network

Our subsidiary, Delex, is an integrated logistics service provider that provides end to end logistic solutions in India, including third party logistic solutions and warehouse management services, domestic distribution, last mile delivery services, clearing and forwarding services and cargo handling services. We have established a network of 54 pick-up and drop-off centers in 40 towns and cities at strategic locations across India with a hub-and-spoke model of delivery. As of August 31, 2016, Delex’s pan India delivery network covered 40 towns and cities in 19 states and union territories in India, employing 1,274 full time personnel as well as additional contractual staff. We have also set up a division, Delcart, which is dedicated towards providing logistics solutions to e-commerce companies. We intend to leverage the complementary nature of our cargo handling and express logistics business to provide end-to-end services to our customers and derive significant operational synergies.

Diversified Service Offerings

Our CFSs, ICDs and PFTs enable us to cater to both, EXIM and domestic cargo in containerized and non-containerized forms. We derive revenues from the handling of containers and break bulk cargo, transportation of cargo over road and rail, warehousing cargo at our facilities, rent and terminal access charges for containers and for the value added services that we provide. Our network of facilities enables us to cater to diverse regions and markets in the country since our facilities are located in close proximity to state and national highways allowing for the easy movement of cargo via road and rail. Our

subsidiary, Delex, provides express logistics and third party logistics and cargo handling services. In addition, we derive our revenues from the sales of a variety of services to a diverse range of customers, which we believe assists us in mitigating the concentration risks associated with operations in a specific segment.

Well Established Relationships with Trade Partners

Our customers include shipping lines, customs house agents, importers, exporters and other logistics service providers. We believe that our established relationships with our customers will get further strengthened by our growing network of facilities, the strategic location of our facilities, extensive dedicated infrastructure and our ability to handle several types of cargo at each of our facilities. In addition, we have approximately two decades of experience in warehousing for bulk cargo such as fertilizers, food grains, cement and steel resulting in long-standing relationships with end use industry customers. We plan to leverage these relationships by incentivizing our customers to use the diversified services that we provide. Since we work with customers across various industries with varying cargo requirements, we believe we are better positioned to handle economic and commodity price volatility.

Experienced Senior Management and Qualified Operational Personnel

We believe that we have an experienced management team with significant industry experience. Our Promoters include N. Adikesavulu Reddy, our founder and chairman, and N. Amrutesh Reddy who are also our directors. N. Adikesavulu Reddy has over three decades of experience and N. Amrutesh Reddy has over 18 years of experience in the container freight and logistics business. Their experience helps us develop and manage our network of facilities and develop relationships with our trade partners including shipping lines, logistics service providers and custom house agents. We also benefit from our senior management and operations team, including M. Sayeerman – head of our south zone operations, I.V.S. Murlidhar – head of Panipat operations, S.Krishna Iyer – responsible for strategy, risk and cost management for various divisions and S. Sattiraju – chief executive officer of Delex. We believe that our management team of qualified and experienced professionals enables us to identify new avenues of growth, help us to implement our business strategies in an efficient manner and to continue to build on our track record of establishing facilities to handle containerized and other cargo. For further details, see “Our Management” beginning on page 156.

Our Strategies

The primary elements of our business strategy are as follows:

Improve Utilization at our Recently Developed ICDs and PFTs

With a strategy to capitalize on the growing movement of cargo in the country, we recently developed co-located ICD and PFT facilities at Ahmedabad and Panipat. PFT operations at our Ahmedabad and Panipat facilities commenced in January and February 2016, respectively and we expect our ICD operations at both these facilities to commence by December, 2016. We are focussed on utilizing our installed handling capacities at these new facilities by marketing these facilities to our existing customers and engaging in marketing activities to increase our customer base in these regions. We have entered into an exclusive agreement with a container train operator to handle container trains owned by them at our PFTs at Thimmapur, Ahmedabad and Panipat. We intend to increase our overall market share through this arrangement, and by providing greater efficiency to our customers for the movement of goods by reducing a leg of transportation and handling, reducing pilferage and damage to goods by using our network of facilities and being a single point of contact for our customers.

Develop Co-located ICDs and PFTs at Chennai and Bengaluru

The share of rail on overall freight traffic is expected to rise in the future (*Source: CRISIL Report*) and we intend to capitalize on the Indian railway network and the benefits it offers. We are currently in the process of setting up co-located ICDs and PFTs at Chennai and Bengaluru to strategically connect major production and consumption centres across India. While we currently have two operational CFSs in Chennai, we believe that setting up a co-located ICD and PFT will enable us to move cargo more efficiently from Chennai to other parts of the country and provide us with a competitive advantage. We expect our new facilities in Chennai and Bengaluru to be commissioned by March 2018. Further, we intend to terminate the lease of our CFS facility at Madhavaram and lease another CFS facility with greater capacity at Punneri in Chennai, which is also a comparatively less congested area. We believe that the facility at Punneri will enable us to better cater to the ports of Chennai and Ennore.

Focus on Value Added Services

At our facilities, we offer one-stop services including cargo handling and maintenance, transportation and storage services, and value added services such as cleaning, repacking, segregation, container chocking, fumigation and lashing and palletisation of cargo. We intend to continue to focus on providing and expanding our portfolio of value added services to capture greater cargo volumes and increase our operating revenue. We believe that a greater focus on such services will allow us to attract higher cargo volumes as all cargo handling requirements will be catered to by a single service provider, which we

believe will be an attractive proposition for our customers.

Further, while we currently have reefer points at our Navi Mumbai CFS and Thimmapur PFT, we intend to set up reefer points at our PFTs at Ahmedabad and Panipat since we believe that this will enable us to cater to a larger variety of cargo at our facilities and consequently increase our revenues.

Establish New Express Logistics Centers and Provide Integrated Solutions to Existing and New Customers

Delex plans to establish express logistics centers at nine key locations of Mumbai, Pune, Ahmedabad, Gurugram, Kolkata, Hyderabad, Bengaluru, Chennai and Coimbatore over the next two years. These centers will service our surface parcel delivery customers by providing integrated logistics services by combining transport and warehousing. Typically, cargo is moved through several hubs and is required to be loaded and unloaded and stored at several warehouses before it finally reaches a retailer. By establishing express logistics centers, we propose to aggregate demand from several customers, reduce the time and cost involved in the transportation of cargo by moving cargo directly to our centers and thereon to the distributors and retailers. Going forward, we also intend to utilize our PFT network for our Delex business. It would also assist in administrative synergies and eliminate the need to store cargo at a customer's warehouse.

SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the summary financial information derived from:

- a. The Restated Consolidated Financial Information as of and for the years ended March 31, 2012, 2013, 2014, 2015 and 2016; and*
- b. The Restated Standalone Financial Information as of and for the years ended March 31, 2012, 2013, 2014, 2015 and 2016.*

The financial statements referred to above are presented under the section “Financial Statements” on page 181. The summary financial information presented below should be read in conjunction with these financial statements, the notes thereto and the sections “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 181 and 369, respectively.

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Restated Consolidated Financial Statement of Assets and Liabilities

(₹ in million)

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Equity and liabilities					
Shareholder's funds					
Share capital	737.48	718.60	711.76	697.01	629.88
Reserves and surplus	7,430.61	6,689.08	6,080.17	5,285.43	4,175.84
Minority Interest	56.94	51.60	38.27	-	-
Non-current liabilities					
Long-term borrowings	4,087.23	3,236.36	2,079.35	1,240.70	1,540.65
Deferred tax liabilities (Net)	165.99	115.25	111.51	98.09	31.65
Other long term liabilities	8.41	6.41	8.70	-	-
Long-term provisions	26.31	24.00	13.90	18.47	10.21
Current liabilities					
Short-term borrowings	782.09	668.15	498.79	542.60	387.90
Trade payable	477.72	597.46	798.12	442.25	273.87
Other current liabilities	713.23	637.38	649.85	671.65	533.50
Short-term provisions	46.33	63.63	67.21	37.36	75.39
Total	14,532.34	12,807.92	11,057.63	9,033.56	7,658.89
Assets					
Non current assets					
Fixed assets					
Tangible assets	8,334.91	5,680.41	5,533.19	4,127.56	3,121.70
Intangible assets	9.94	10.59	15.25	14.22	13.06
Capital work-in-progress	1,326.58	1,993.16	1,086.64	807.71	1,451.71
Goodwill on consolidation	291.09	285.93	255.53	183.35	183.35
Non current investments	3.48	3.48	3.48	153.80	146.74
Deferred tax asset (net)	204.70	212.67	182.87	72.49	-
Long term loans and advances	1,317.36	1,372.25	1,133.69	983.71	544.56
Other non current assets	1,034.60	863.66	630.70	856.80	391.85
Current assets					
Current investments	-	326.65	-	135.45	-
Trade receivables	1,320.82	1,245.45	1,370.02	1,143.38	755.75
Cash and bank balances	275.19	408.23	422.16	192.12	565.69
Short-term loans and advances	167.67	195.47	242.42	178.77	337.05
Other current assets	246.00	209.97	181.68	184.20	147.43
Total	14,532.34	12,807.92	11,057.63	9,033.56	7,658.89

Restated Consolidated Financial Statement of Profit and Loss

(₹ in million)

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue					
Revenue from Operations	7,021.89	7,308.47	6,711.07	6,638.41	4,451.81
Other Income	72.10	49.39	84.46	89.32	45.33
Total Revenue (A)	7,093.99	7,357.86	6,795.53	6,727.73	4,497.14
Expenses					
Employee Benefits Expense	650.79	643.99	542.50	424.21	309.91
Finance Costs	402.98	291.30	225.85	287.92	207.95
Depreciation and Amortization Expense	229.39	240.60	179.01	177.24	125.36
Other Expenses	5,272.64	5,471.28	5,109.97	5,296.88	3,224.45
Total Expenses (B)	6,555.80	6,647.17	6,057.33	6,186.25	3,867.67
Profit before Exceptional item and Taxation (A-B) ('C)	538.19	710.69	738.20	541.48	629.47
Exceptional items (D)	-	137.50	-	-	-
Profit before Taxation (C-D) (E)	538.19	573.19	738.20	541.48	629.47
Tax Expenses (F)					
Current tax	147.52	175.41	198.77	140.05	144.78
MAT credit entitlement	(592.09)	(55.83)	-	(53.95)	-
Deferred tax charge/(benefit)	28.29	(23.06)	(0.27)	(20.04)	35.99
Tax for earlier year	5.86	0.63	-	-	1.67
Total (F)	(410.42)	97.15	198.50	66.06	182.44
Net Profit after taxation and before Restatement Adjustments (E-F)	948.61	476.04	539.70	475.42	447.03
Net Profit Before Restatement Adjustments	948.61	476.04	539.70	475.42	447.03
Restatement Adjustments:					
Less: Material restatement adjustments	(402.57)	50.28	146.35	82.27	77.71
Less: Deferred tax on above adjustment	30.42	0.29	12.96	13.99	(9.41)
Net Profit before the adjustments on account of changes in accounting policies	515.62	526.03	673.09	543.70	534.15
Adjustments on account of changes in accounting policies	-	-	-	-	-
Net Profit before Minority Interest	515.62	526.03	673.09	543.70	534.15
Balance brought forward from previous year, as restated	-	-	-	-	-
Balance available for appropriations, as Restated	515.62	526.03	673.09	543.70	534.15
Available to Minority Shareholders					
Profit/(loss) transfer to minority shareholders	(0.28)	(16.40)	-	-	-
Add: Share in profit/(loss) in Associate	-	-	(35.23)	(39.72)	(22.49)
Net Profit as Restated	515.90	542.43	637.86	503.98	511.66

Restated Consolidated Financial Statement of Cash Flows

(₹ in million)

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A. Cash Flow from Operating Activities:					
Restated Net Profit before tax, after restatement adjustments	626.10	574.03	775.65	581.90	602.28
Adjustments for:					
Depreciation and amortisation	229.39	240.60	179.01	177.24	125.36
Finance cost	402.98	291.30	225.85	287.92	207.95
Interest income	(35.97)	(32.11)	(60.38)	(59.90)	(20.02)
Dividend income from current investment	-	-	-	-	0.40
Net gain on sale of current investment	(13.77)	(2.78)	(3.27)	(7.41)	(20.36)
Loss on sale of fixed assets (net)	0.35	7.15	6.14	-	0.91
Profit on sale of fixed assets (net)	-	-	-	(10.15)	-
Provision For Doubtful Debts	0.01	61.94	14.90	85.96	37.76
Bad Debts written off	-	-	-	3.95	3.95
Sundry Balances Written Off	-	6.77	1.47	-	-
Liability no longer required written back	(4.11)	-	-	(9.87)	-
Operating Profit before Working Capital Changes	1,204.98	1,146.90	1,139.37	1,049.64	938.23
Adjusted for:					
Increase/(decrease) in trade payable	(115.63)	(200.66)	326.00	178.25	(83.87)
Increase/(decrease) in short term provisions	(2.35)	5.20	11.80	(4.28)	(1.85)
Increase/(decrease) in other current liability	42.83	(14.61)	(161.91)	165.99	88.07
Increase/(decrease) in long term provisions	2.31	10.10	(4.57)	8.26	2.98
Increase/(decrease) in other long term liability	2.00	(2.29)	8.70	-	-
(Increase) / decrease in trade receivable	(75.38)	55.86	(214.89)	(477.54)	(71.42)
(Increase)/ Decrease in Short term loans and advances	18.68	56.07	(59.83)	158.28	(275.08)
(Increase)/ Decrease in other non current assets	-	-	9.50	(3.50)	(5.84)
(Increase)/ Decrease in long term loans and advances	(12.04)	(16.17)	(153.49)	(152.20)	(331.94)
(Increase)/ Decrease in other current assets	(36.03)	(28.29)	2.52	(36.77)	(24.63)
Cash generated from/ (used in) operations	1,029.37	1,012.11	903.20	886.13	234.65
Direct Taxes paid (net of refund)	(188.57)	(224.87)	(231.18)	(266.28)	(162.94)
Net cash generated from/ (used in) Operating Activities (A)	840.80	787.24	672.02	619.85	71.71
B. Cash Flow from Investing Activities:					
Purchase of Tangible, Intangible and Intangible assets under development	(1,823.52)	(1,305.66)	(1,017.10)	(757.53)	(1,197.07)
Proceeds from sale of tangible and intangible fixed assets	58.23	16.35	33.89	42.71	0.56
Proceeds from sale of Mutual fund units	877.92	366.13	289.17	811.91	1,816.93
Purchase of current investment	(537.50)	(690.00)	(150.45)	(939.95)	(1,796.57)
Purchase of Non- current	-	-	-	(46.78)	(117.13)

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Investment					
Investment in Fixed Deposits (Net)	(40.85)	(127.22)	166.93	(352.21)	(0.50)
Purchase of investment on account acquisition of subsidiary	-	-	-	-	(298.95)
Interest received	35.97	32.11	60.38	59.90	20.02
Net Cash generated from/ (used in) Investing Activities (B)	(1,429.75)	(1,708.29)	(617.18)	(1,181.95)	(1,572.71)
C. Cash Flow from Financing Activities:					
Proceeds from fresh issue of equity (net of issue expenses)	244.51	79.92	(0.14)	672.74	1,685.63
Proceeds long term Borrowings (Net)	815.24	1,144.23	377.41	(323.64)	352.77
Proceeds short term Borrowings (Net)	113.94	169.36	(52.25)	154.70	206.61
Interest paid on Bank Loans and others	(683.44)	(485.29)	(308.39)	(332.69)	(336.45)
Net Cash generated from/ (used in) in Financing Activities (C)	490.25	908.22	16.63	171.11	1,908.56
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(98.70)	(12.83)	71.47	(390.99)	407.56
Cash and cash equivalents (Opening Balance)	222.11	234.94	163.47	554.46	146.90
Cash and cash equivalents (Closing Balance)	123.41	222.11	234.94	163.47	554.46
Cash and cash equivalents comprise of:					
Cash on hand	1.47	0.84	1.02	0.41	2.56
Cheques on hand	19.95	6.18	9.16	2.18	11.56
In current accounts	77.86	152.44	114.61	156.81	510.45
Fixed Deposits (with less than 3 months maturity)	24.13	62.65	110.15	4.07	29.89
Total	123.41	222.11	234.94	163.47	554.46
	-	-	-	-	-

Restated Standalone Financial Statement of Assets and Liabilities

(₹ in million)

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Equity and Liabilities					
Shareholder's Funds					
Share capital	737.48	718.60	711.76	697.01	629.88
Reserves and surplus	6,972.82	6,339.12	5,791.85	5,128.18	4,034.28
Non-current liabilities					
Long-term borrowings	3,725.12	2,764.93	1,532.86	1,131.70	1,368.59
Deferred tax liabilities (Net)	165.99	113.65	110.14	96.98	68.01
Long-term provisions	21.14	15.71	9.10	7.67	5.91
Current liabilities					
Short-term borrowings	135.07	37.14	53.10	2.90	23.77
Trade payables					
- Outstanding dues of micro and small enterprises	-	-	-	-	-
- Outstanding dues of creditors other than micro and small enterprises	116.86	93.73	81.03	107.74	136.38
Other current liabilities	555.39	377.18	374.29	427.19	369.12
Short-term provisions	32.94	47.71	54.61	36.46	67.94
Total	12,462.81	10,507.77	8,718.74	7,635.83	6,703.88
Assets					
Non Current Assets					
Fixed Assets					
Tangible assets	6,809.79	4,170.90	3,919.96	3,769.91	2,731.67
Intangible assets	2.81	2.45	3.26	3.53	4.27
Capital work-in-progress	1,279.19	1,957.79	1,189.74	778.21	1,412.91
Non Current Investments	1,687.29	1,371.96	770.63	597.86	551.08
Long term loans and advances	860.97	1,051.43	1,491.64	1,124.01	549.81
Other Non Current Assets	1,034.84	859.45	625.78	695.97	392.01
Current assets					
Current Investments	-	326.65	-	135.45	-
Trade receivables	269.91	264.46	213.58	190.19	260.45
Cash and bank balances	46.77	74.88	177.36	103.83	499.99
Short-term loans and advances	199.40	188.38	166.81	100.83	215.10
Other current assets	271.84	239.42	159.98	136.04	86.59
Total	12,462.81	10,507.77	8,718.74	7,635.83	6,703.88

Restated Standalone Financial Statement of Profits and Losses

(₹ in million)

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue					
Revenue from operations	2,768.67	2,289.48	2,039.85	2,207.25	2,306.96
Other income	45.13	77.99	57.65	61.82	39.74
Total revenue (A)	2,813.80	2,367.47	2,097.50	2,269.07	2,346.70
Expenses					
Employee benefits expense	183.35	169.77	134.40	135.91	106.75
Finance costs	246.43	109.95	125.03	170.67	153.32
Depreciation and amortization expense	136.67	113.71	104.13	83.22	57.12
Other expenses	1,795.50	1,336.89	1,204.27	1,361.26	1,468.99
Total expenses (B)	2,361.95	1,730.32	1,567.83	1,751.06	1,786.18
Profit before Tax, Exceptional items and Material Adjustment (C)	451.85	637.15	529.67	518.01	560.52
Exceptional items (D)	-	137.50	-	-	-
Profit before taxation (C-D) (E)	451.85	499.65	529.67	518.01	560.52
Tax expenses (F)					
Current tax	100.34	109.50	112.44	104.65	113.75
MAT credit entitlement	(592.09)	(55.83)	-	(53.95)	-
Deferred tax charge/(benefit)	47.88	9.27	15.28	28.21	20.21
Total (F)	(443.87)	62.94	127.72	78.91	133.96
Net profit after taxation (E-F)	895.72	436.71	401.95	439.10	426.56
Net profit before restatement adjustments	895.72	436.71	401.95	439.10	426.56
Restatement adjustments:					
Material adjustments relating to previous years					
Material restatement adjustments	(483.19)	35.16	102.72	49.95	103.25
Less: Deferred tax on above adjustment	4.46	(4.64)	(2.12)	0.76	(0.21)
Net Profit before the adjustments on account of changes in accounting policies	408.07	476.51	506.79	488.29	530.02
Adjustments on account of changes in accounting policies	-	-	-	-	-
Net Profit as restated	408.07	476.51	506.79	488.29	530.02

Restated Standalone Financial Statement of Cash Flows

(₹ in million)

Particulars	For year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A Cash Flow from Operating Activities:					
Restated Net Profit/(loss) before exceptional items, tax, after restatement adjustments	464.98	623.50	523.43	520.24	559.91
Adjustments for:					
Depreciation and amortisation	136.67	113.71	104.13	83.22	57.12
Finance cost	246.43	109.95	125.03	170.67	153.32
Interest income	(20.32)	(64.01)	(47.17)	(46.05)	(15.51)
Interest income on loan	-	-	-	-	-
Loss on sale/discard of assets (net)	1.54	1.67	3.54	0.05	0.91
Dividend income from current investment	0.00	0.00	0.00	0.00	(0.40)
Net gain on sale of current investment	(13.77)	(2.78)	(3.27)	(7.41)	(20.36)
Operating Profit/ (Loss) before Working Capital Changes	815.53	782.04	705.69	720.72	734.99
Adjusted for:					
Increase / (Decrease) in other current liability	95.03	(0.53)	(51.35)	76.86	12.78
Increase / (Decrease) in trade payable	23.13	12.70	(26.71)	(28.64)	61.98
Increase / (Decrease) in Short term and Long term provisions	5.61	8.49	1.53	0.62	3.14
(Increase) / Decrease in Other Non-Current assets	(79.63)	(129.03)	179.16	(177.30)	(9.03)
(Increase) / Decrease in Other Current assets	(23.28)	(63.09)	(32.42)	(58.21)	19.46
(Increase) in Trade Receivable	(5.45)	(50.88)	(23.39)	70.26	(76.25)
(Increase)/ Decrease in Short term loans and advances	(11.02)	(21.57)	(65.98)	114.27	(177.39)
(Increase)/ Decrease in long term loans and advances	(280.02)	123.97	(126.98)	(345.94)	(338.30)
Cash generated from/ (used in) operations	(275.63)	(119.94)	(146.14)	(348.08)	(503.61)
Taxes (paid) / refunded (net)	539.90	662.10	559.55	372.64	231.38
Net cash generated from/ (used in) Operating Activities (A)	(115.27)	(118.29)	(94.40)	(159.92)	(131.43)
B Cash Flow from Investing Activities:					
Purchase of Tangible, Intangible and Intangible assets under development	424.63	543.81	465.15	212.72	99.95
Proceeds from sale of tangible					
	1.52	0.55	4.79	10.46	0.32

Particulars	For year ended				
and intangible fixed assets					
Proceeds from sale of Mutual Fund units	877.92	366.13	289.17	811.91	1,816.93
Purchase of Mutual Fund units	(537.50)	(690.00)	(150.45)	(939.95)	(1,796.57)
Dividend income from current investment	-	-	-	-	0.40
Investment in Subsidiaries	0.10	-	(172.77)	(46.78)	(416.08)
Interest Income	20.32	66.02	47.90	43.31	15.67
Net Cash generated from/ (used in) Investing Activities (B)	(1,437.40)	(1,617.22)	(803.83)	(811.51)	(1,452.36)
C Cash Flow from Financing Activities:					
Proceeds/Repayment of shares in Subsidiaries					
Proceeds from fresh issue of equity	245.00	80.00	172.58	675.00	1,724.00
Share Issue expenses	(0.49)	(0.08)	(0.95)	(2.26)	(38.37)
Proceeds from Short term and long term Borrowings (Net)	1,140.33	1,213.31	440.40	(269.17)	208.33
Interest paid on Bank Loan and others	(391.04)	(303.94)	(207.57)	(212.44)	(165.21)
Net Cash generated from/ (used in) in Financing Activities (C)	993.80	989.29	404.46	191.13	1,728.75
Net increase/(decrease) in Cash and Cash equivalents (A)+(B)+(C)	(18.97)	(84.12)	65.78	(407.66)	376.34
Cash and cash equivalents (Opening Balance)	65.74	149.86	84.08	491.74	115.40
Cash and cash equivalents (Closing Balance)	46.77	65.74	149.86	84.08	491.74
Cash and cash equivalents comprise of: (Refer Note - 10)					
Cash on hand	0.93	0.68	0.97	0.31	0.67
Cheques on Hand	19.95	6.18	9.16	2.18	11.56
Balances with Banks	-	-	-	-	-
In Current Accounts	22.03	58.88	39.73	81.51	472.13
In Fixed Deposit Accounts	3.86	-	100.00	0.08	7.38
Total	46.77	65.74	149.86	84.08	491.74

Companies (Auditor's Report) Order, 2015 and Emphasis of Matter

The Auditor has made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013 for Financial Year 2015-2016 and 2014-2015 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act, 1956 of India for Financial Year 2013-14, 2012-13 and 2011-12:

Sr No.	Remarks																									
Financial Year 2016																										
1	The title deeds of immovable properties, as disclosed in Note 12 (A) on fixed assets to the financial statements, are held in the name of the Company, except for in case of land of 15.28 acres situated at Khopta village ,Taluka Uran , having gross and net block value of Rs.141.64 million whose title deeds is held by chairman and managing director on behalf of the Company and is in the process being transferred in the name of the Company.																									
2	<p>According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees’ state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2016, for a period of more than six months from the date they became payable are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Due date</th><th>Date of Payment</th></tr><tr><td>The Income Tax Act,1961</td><td>Advance tax</td><td>9.263</td><td>A.Y.2016-17</td><td>September 15,2015</td><td>Not yet paid</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment	The Income Tax Act,1961	Advance tax	9.263	A.Y.2016-17	September 15,2015	Not yet paid													
Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment																					
The Income Tax Act,1961	Advance tax	9.263	A.Y.2016-17	September 15,2015	Not yet paid																					
3	<p>According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>24.14</td><td>AY 2008-2009</td><td>Hon’ble Supreme Court</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>85.37</td><td>AY 2012-2013</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>59.38</td><td>AY 2013-2014</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending	The Income Tax Act 1961	Income Tax	24.14	AY 2008-2009	Hon’ble Supreme Court	The Income Tax Act 1961	Income Tax	85.37	AY 2012-2013	Commissioner of Income Tax (Appeals) Thane	The Income Tax Act 1961	Income Tax	59.38	AY 2013-2014	Commissioner of Income Tax (Appeals) Thane					
Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending																						
The Income Tax Act 1961	Income Tax	24.14	AY 2008-2009	Hon’ble Supreme Court																						
The Income Tax Act 1961	Income Tax	85.37	AY 2012-2013	Commissioner of Income Tax (Appeals) Thane																						
The Income Tax Act 1961	Income Tax	59.38	AY 2013-2014	Commissioner of Income Tax (Appeals) Thane																						
Financial Year 2015																										
1	<p>According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees’ state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2015, for a period of more than six months from the date they became payable are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Due date</th><th>Date of Payment</th></tr><tr><td>The Income Tax Act 1961</td><td>Advance Tax</td><td>13.91</td><td>AY15-16</td><td>September 15, 2014</td><td>Unpaid</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment	The Income Tax Act 1961	Advance Tax	13.91	AY15-16	September 15, 2014	Unpaid													
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2	<p>According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, duty of customs, duty of excise, value added tax, which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>55.99</td><td>AY 2009-2010</td><td>ITAT Pune</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>99.94</td><td>AY 2010-2011</td><td>Commissioner of Income Tax (Appeals) Thane*</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>68.42</td><td>AY 2011-2012</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>85.37</td><td>AY 2012-2013</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending	The Income Tax Act 1961	Income Tax	55.99	AY 2009-2010	ITAT Pune	The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals) Thane*	The Income Tax Act 1961	Income Tax	68.42	AY 2011-2012	Commissioner of Income Tax (Appeals) Thane	The Income Tax Act 1961	Income Tax	85.37	AY 2012-2013	Commissioner of Income Tax (Appeals) Thane
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Financial Year 2014																										

1	The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. <i>However, no physical verification was carried out by the Management during the year at stevedoring business and the Container Freight Stations and Bonded warehouse located at Chennai, Redhills, Poochi and Tuticorin. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account at the above locations.</i>																				
2	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of shortfall in payment of advance tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees’ state insurance, excise duty, sales tax, investor education and protection fund, service tax, wealth tax, customs duty and other material statutory dues, as applicable, with the appropriate authorities.																				
3	According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows: <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>55.99</td><td>AY 2009-2010</td><td>ITAT Pune</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>99.94</td><td>AY 2010-2011</td><td>Commissioner of Income Tax (Appeals)</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>68.42</td><td>AY 2011-2012</td><td>Commissioner of Income Tax (Appeals)</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending	The Income Tax Act 1961	Income Tax	55.99	AY 2009-2010	ITAT Pune	The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals)	The Income Tax Act 1961	Income Tax	68.42	AY 2011-2012	Commissioner of Income Tax (Appeals)
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2	Except that the scope of the internal audit does not include the stevedoring business and Bonded warehouse located at Kaveripet and Poochi, in our opinion, the internal audit system of the Company is commensurate with its size and nature of business																				
3	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of shortfall in payment of advance tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees’ state insurance, income tax, sales tax, service tax, customs duty, and other material statutory dues, as applicable, with the appropriate authorities.																				
4	According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2013 which have not been deposited on account of a dispute, are as follows: <div>(in ₹ million)</div> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>₹ in million</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>99.94</td><td>AY 2010-2011</td><td>Commissioner of Income Tax (Appeals)</td></tr></table>	Name of the statute	Nature of dues	₹ in million	Period to which the amount relates	Forum where the dispute is pending	The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals)										
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2	Except that the scope of the internal audit does not include the Stevedoring business and the Container Freight Stations and Bonded warehouses located at Chennai, Kaverpeth and Tuticorin, in our opinion, the internal audit system of the Company is commensurate with its size and nature of business																				
3	According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Service Tax and shortfall in payment of advance tax, the Company is																				

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4	According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, wealth tax, excise duty and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2012 which have not been deposited on account of a dispute, are as follows												
Emphasis of Matter													
Financial Year 2016													
1	Note No. 45 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the year ended March 31, 2014 to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.												
Financial Year 2015													
1	Note 44 to Financial Statement, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.												
2	We draw attention to Note No. 45 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the previous year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter.												
Financial Year 2014													
1	We draw attention to Note No. 46 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the current year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act,1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter.												

The Auditor has made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013 for Financial Year 2014-2015:

Sr No.	Remarks
1	<p>In our opinion, and according to the information and explanations given to us and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiary and the nature of their respective businesses for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.</p> <p>In case of one of the subsidiary company, according to the information and explanations given to us and based on the reports of the other auditors on the subsidiary as furnished to us, generally there is an internal control commensurate with the size of the subsidiary company and the nature of its business with regard to purchase of fixed assets and sale of services. However during the year as mentioned in Note 45 to the financial statements, there were missing stocks worth Rs.17.00 million due to wrong delivery by one of the employee. The internal control is not adequate and to correct the major weakness in the internal control system, the Management of subsidiary company has taken steps to strengthen the same.</p>
2	a) In our opinion and according to the information and explanations given to us and the records of the Holding Company as examined by us, and based on the reports of the other auditors of the Holding company's subsidiary company except for dues in respect of income tax, the aforesaid Holding Company and its subsidiary company are regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax,

	wealth tax, service tax, duty of customs , duty of excise and value added tax and other material statutory dues, as applicable, with the appropriate authorities.																																													
3	In case of a subsidiary company, based on the reports of the other auditors of the subsidiary company , undisputed statutory dues including income-tax, service tax, provident fund, employees' state insurance and professional tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases																																													
4	<p>The extent of the arrears of statutory dues outstanding as at March 31, 2015, for a period of more than six months from the date they became payable are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Due date</th><th>Date of Payment</th></tr><tr><td>The Income Tax Act 1961</td><td>Advance Tax</td><td>22.56</td><td>A Y 15-16</td><td>September 15,2014</td><td>Not yet paid</td></tr><tr><td>The Finance Act, 1994</td><td>Interest on service tax</td><td>2.45</td><td>April 2014 to September 2014</td><td>Various</td><td>Unpaid</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment	The Income Tax Act 1961	Advance Tax	22.56	A Y 15-16	September 15,2014	Not yet paid	The Finance Act, 1994	Interest on service tax	2.45	April 2014 to September 2014	Various	Unpaid																											
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5	<p>(b) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiaries, there are no dues of sales-tax, wealth-tax, duty of custom, duty of excise and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, as at March 31, 2015 which have not been deposited on account of a dispute, are as follows:</p> <table><tr><th>Name of the statute</th><th>Nature of dues</th><th>Amount</th><th>Period to which the amount relates</th><th>Forum where the dispute is pending</th></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>55.99</td><td>A.Y 2009-10</td><td>ITAT Pune</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>99.94</td><td>A.Y 2010-11</td><td>Commissioner of Income Tax (Appeals) Thane*</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>68.42</td><td>A.Y.2011-12</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr><tr><td>The Income Tax Act 1961</td><td>Income Tax</td><td>85.37</td><td>A.Y 2012-13</td><td>Commissioner of Income Tax (Appeals) Thane</td></tr><tr><td>The Finance Act, 1994</td><td>Service tax (including interest and penalty)</td><td>9.67</td><td>January 2003 to March 2004</td><td>CESTAT</td></tr><tr><td>The Finance Act, 1994</td><td>Service tax (including interest and penalty)</td><td>6.90</td><td>November 2007 to December 2007</td><td>Commissioner (Appeals)</td></tr><tr><td>The Finance Act, 1994</td><td>Service tax (including interest and penalty)</td><td>1.38</td><td>October 2008 to December 2008</td><td>Madras High Court</td></tr><tr><td>The Finance Act, 1994</td><td>Service tax (including interest and penalty)</td><td>42.65</td><td>February 2009 to December 2009</td><td>Commissioner (Appeals)</td></tr></table>	Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending	The Income Tax Act 1961	Income Tax	55.99	A.Y 2009-10	ITAT Pune	The Income Tax Act 1961	Income Tax	99.94	A.Y 2010-11	Commissioner of Income Tax (Appeals) Thane*	The Income Tax Act 1961	Income Tax	68.42	A.Y.2011-12	Commissioner of Income Tax (Appeals) Thane	The Income Tax Act 1961	Income Tax	85.37	A.Y 2012-13	Commissioner of Income Tax (Appeals) Thane	The Finance Act, 1994	Service tax (including interest and penalty)	9.67	January 2003 to March 2004	CESTAT	The Finance Act, 1994	Service tax (including interest and penalty)	6.90	November 2007 to December 2007	Commissioner (Appeals)	The Finance Act, 1994	Service tax (including interest and penalty)	1.38	October 2008 to December 2008	Madras High Court	The Finance Act, 1994	Service tax (including interest and penalty)	42.65	February 2009 to December 2009	Commissioner (Appeals)
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6	According to the records of the Holding Company, examined by us and the information and explanations given to us and based on the reports of the other auditors furnished to us, except for dues to its bankers amounting to Rs.7.51 million by way of repayment of interest for the period February 2015 and March 2015 and dues to financial institution and bank for the period from April 01, 2014 to March 31, 2015 aggregating Rs. 10.13 million, with respect to various commercial vehicle loans by the subsidiary companies, the Holding Company and its subsidiaries have not defaulted in repayment of dues to any financial institution or bank. The Holding Company and its subsidiaries have not borrowed by issue of debentures during the year and accordingly there are no debentures holders as at the balance sheet date.																																													
7	During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we/the other auditors have neither come across any instance of material fraud on or by the Holding Company and its subsidiaries noticed or reported during the year, nor have we/the other auditors been informed of any such case by the respective Managements of the aforesaid Holding Company and its subsidiaries except in case of one of the subsidiary company as mentioned in Note No.45 to Consolidated Financial Statement , it was found that stock worth Rs.17.00 million stored by the various customers were missing from the warehouse due to wrong delivery by one of the employee. On a complaint made, a case has been registered and on investigation, goods worth Rs. 15.10 million have been recovered. Provision for loss has been made for the balance Rs.1.90 million.																																													
Emphasis of Matter																																														
Financial year 2016																																														
1	Note No. 46 to the Financial Statements, regarding loans granted by the Holding Company, aggregating Rs 118.00 million during the year ended March 31, 2014 to another company in which a Director of the Holding Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Holding Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.																																													
Financial year 2015																																														
1	Note No.43 (a) to the Consolidated Financial Statements, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment																																													

	and Remuneration of Managerial Personnel) Rules, 2014 with regard to the holding Company.
2	Note No.43 (b) to the Consolidated Financial Statements, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to a subsidiary company.
3	Note No. 45 to the Consolidated Financial Statements in respect of missing stocks due to wrong delivery by an employee of goods stored in the warehouse is estimated at Rs. 17.00 million of which goods valued Rs. 15.10 million were since recovered and the balance Rs. 1.9 million has been provided for.
4	Note No. 44 to the Consolidated Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the previous year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.
Financial year 2012, 2013 and 2014	
1	Note 2(A)(i) to the special purpose consolidated financial statements, which describes the basis of its preparation. The special purpose consolidated financial statements are not the statutory financial statements of the Holding Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 1956/Companies Act, 2013, as those are considered irrelevant by the Management and the intended users of the special purpose consolidated financial statements for the purposes for which those have been prepared. Our opinion is not qualified in respect of this matter.
2	Note 48 to the special purpose consolidated financial statements with respect to the loans granted by Holding Company aggregating to Rs. 1,180 lakhs during the year ended March 31, 2013 and March 31, 2014 to another company in which a director of the Holding Company holds more than 25% of the total voting power, without obtaining prior approval of the Central Government as required under section 295 of the Companies Act, 1956. The Holding Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter

THE OFFER

The following table summarizes the Offer details:

Equity Shares Offered	
Offer of Equity Shares ⁽¹⁾⁽²⁾	Up to [●] Equity Shares aggregating up to ₹ [●] million
<i>Of which:</i>	
(i) Fresh Issue ⁽¹⁾	Up to [●] Equity Shares aggregating up to ₹ 4,188.00 million
(ii) Offer for Sale ⁽²⁾	Up to 13,676,820 Equity Shares aggregating up to ₹ [●] million
<i>Of which:</i>	
(i) Offer for sale by AOIOF	Up to 798,603 Equity Shares
(ii) Offer for sale by ASAF	Up to 2,505,018 Equity Shares
(iii) Offer for sale by Bridgeview	Up to 10,000,000 Equity Shares
(iv) Offer for sale by IOF	Up to 373,199 Equity Shares
<i>Of which</i>	
Employee Reservation Portion ⁽³⁾⁽⁴⁾	Up to [●] Equity Shares aggregating up to ₹ [●] million
Net Offer to the Public	Up to [●] Equity Shares aggregating up to ₹ [●] million
A) QIB Portion ⁽³⁾⁽⁵⁾	Not more than [●] Equity Shares
<i>of which</i>	
Anchor Investor Portion	Not more than [●] Equity Shares
Balance available for allocation to QIBs other than Anchor Investors (assuming Anchor Investor Portion is fully subscribed)	[●] Equity Shares
<i>of which:</i>	
Available for allocation to Mutual Funds only (5% of the QIB Portion (excluding the Anchor Investor Portion))	[●] Equity Shares
Balance of QIB Portion for all QIBs including Mutual Funds	[●] Equity Shares
B) Non-Institutional Portion ⁽³⁾	Not less than [●] Equity Shares
C) Retail Portion ⁽³⁾	Not less than [●] Equity Shares
Pre and post Offer Equity Shares	
Equity Shares outstanding prior to the Offer	81,701,209 Equity Shares
Equity Shares outstanding after the Offer	[●] Equity Shares
Utilisation of Net Proceeds	See “Objects of the Offer” on page 88 Our Company will not receive any proceeds from the Offer for Sale

Allocation to Bidders in all categories, except the Retail Portion and the Anchor Investor Portion, if any, shall be made on a proportionate basis. For further details, see “Offer Procedure - Basis of Allotment” on page 447.

- ⁽¹⁾ The Fresh Issue has been authorised by our Board pursuant to its resolution passed at its meeting held on September 27, 2016 and the Shareholders pursuant to the resolution passed at their meeting held on September 29, 2016.
- ⁽²⁾ The Equity Shares offered by each Selling Shareholder in the Offer have been held by it for a period of at least one year prior to the date of this Draft Red Herring Prospectus calculated in the manner as set out under Regulation 26(6) of SEBI Regulations and are eligible for being offered for sale in the Offer. The Offer for Sale has been authorised pursuant to a resolution passed by the board of directors of AOIOF, ASAF, Bridgeview and IOF at the meetings held on September 29, 2016, September 29, 2016, September 28, 2016, and September 29, 2016, respectively.
- ⁽³⁾ Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in any category (including the Employee Reservation Portion), except in the QIB Portion, would be allowed to be met with spill over from any other

category or combination of categories of Bidders at the discretion of our Company, in consultation the BRLMs, and the Designated Stock Exchange subject to applicable law. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be first met through such number of Equity Shares offered by the Abraaj Selling Shareholders which amount to 50% of the Offer for Sale, subsequent to which any balance subscription will be allocated towards the Equity Shares being offered by Bridgeview, and thereafter by the remaining Equity Shares being allotted by the Company in the Fresh Issue.

- (4) Retail Discount and Employee Discount, if any, will be offered to the Retail Individual Bidders and the Eligible Employees bidding in the Employee Reservation Portion, as applicable, at the time of making a Bid. Retail Individual Bidders and Eligible Employees bidding at a price within the Price Band can make payment at the Bid Amount (which will be less Retail Discount or Employee Discount, as applicable), at the time of making a Bid. Retail Individual Bidders and Eligible Employees bidding at the Cut-Off Price have to ensure payment at the Cap Price, less Retail Discount or Employee Discount, as applicable at the time of making a Bid. Retail Individual Bidders and Eligible Employees must ensure that the Bid Amount, does not exceed ₹ 200,000. Retail Individual Bidders and Eligible Employees should note that while filling the “SCSB/Payment Details” block in the Bid cum Application Form, Retail Individual Bidders and Eligible Employees must mention the Bid Amount.
- (5) Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis. 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. In the event of under-subscription in the Anchor Investor Portion, the remaining Equity Shares shall be added to the QIB Portion. 5% of the QIB Portion (excluding Anchor Investor Portion) shall be available for allocation on 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, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. However, if aggregate demand from Mutual Funds is less than [●] Equity Shares, the balance Equity Shares available for allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionally to the QIB Bidders (other than Anchor Investors) in proportion to their Bids. For details, see “Offer Procedure” beginning on page 404.

GENERAL INFORMATION

Registered Office of our Company

405, Windfall, Sahar Complex Plaza
Andheri Kurla Road
J.B. Nagar, Andheri (East)
Mumbai 400 059
Tel: (91 22) 6111 6999
Fax: (91 22) 6111 6910
Website: <http://www.cwcnsi.com/index.html>

For further details in relation to change of Registered Office, see “History and Certain Corporate Matters” on page 146.

Corporate Office of our Company

D No. 1088, Khopta Village
Uran Taluka
Raigad district
Navi Mumbai 400 702

Tel: (91 22) 6793 7777
Fax: (91 22) 6793 7788

Corporate Identity Number and Registration Number

Corporate Identity Number: U63090MH1997PLC108197
Registration Number: 108197

Address of the RoC

Our Company is registered with the Registrar of Companies, Mumbai, Maharashtra situated at the following address:

Registrar of Companies

100, Everest
Marine Drive
Mumbai 400 002

Board of Directors

Our Board comprises the following Directors as on the date of this Draft Red Herring Prospectus:

Name	Designation	DIN	Address
N. Adikesavulu Reddy	Chairman and Managing Director	00169754	No. 13/A, 7 th Street, Asthalakshmi Nagar, Valasaravakkam, Chennai 600 087
N. Amrutesh Reddy	Whole-time Director	00898556	No. 13/A, 7 th Street, Asthalakshmi Nagar, Valasaravakkam, Chennai 600 087
Darayush K. Jalnawalla	Whole-time Director	01224198	203, Garden View, 2 nd Floor, Somnath Lane Off Hill Road, Bandra (West), Mumbai 400 050
Viraj Sawhney	Nominee Director	02227110	Flat No. 182-B, Maker Towers B, 18 th floor, Cuffe Parade, Mumbai 400 005
M. S. Sundara Rajan	Independent Director	00169775	Flat 11, 248, Aswarooda, T.T.K. Salai, Alwarpet, Chennai 600 018
B. Ravindranath	Independent Director	02156076	6 C, Sukhi Apartments, 17 Rhenius Street, Richmond Town, Bengaluru 560 025
Brinda Jagirdar	Independent Director	06979864	1104, Eleven Floor, Serenity Heights, A-Wing, Mindspace, Off New Link Road, Malad (West), Mumbai 400 064
G.K. Ravishankar	Independent Director	07624219	2H, Coral Bay Apartments, 23B, 3 rd Seaward Road, Valmiki Nagar, Chennai 600 041

For further details of our Directors, see “Our Management” on page 156.

Company Secretary and Compliance Officer

A.T. Shah is the Company Secretary and Compliance Officer of our Company. His contact details are as follows:

A. T. Shah

405, Windfall, Sahar Plaza Complex
Andheri Kurla Road
J.B. Nagar, Andheri (East)
Mumbai 400 059

Tel: (91 22) 6111 6999
Fax: (91 22) 6111 6910
Email: investor@cwcnsl.com

Chief Financial Officer

R. Ramdas is the Chief Financial Officer of our Company. His contact details are as follows:

R. Ramdas

405, Windfall, Sahar Plaza Complex
Andheri Kurla Road
J.B. Nagar, Andheri (East)
Mumbai 400 059

Tel: (91 22) 6111 6999
Fax: (91 22) 6111 6910
Email: cfo@cwcnsl.com

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

For all Offer related queries and for redressal of complaints, investors may also write to the BRLMs.

All grievances in relation to the Bidding process may be addressed to the Registrar to the Offer 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, Bid cum Application Form number, Bidder 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 Bidders shall also enclose the Acknowledgment Slip duly received from the Designated Intermediary in addition to the documents/information mentioned hereinabove.

Book Running Lead Managers

Edelweiss Financial Services Limited

14th Floor, Edelweiss House
Off CST Road, Kalina
Mumbai 400 098

Tel: (91 22) 4009 4400
Fax: (91 22) 4086 3610
E-mail: cwcnsl.ipo@edelweissfin.com
Investor grievance e-mail:
customerservice.mb@edelweissfin.com
Website: www.edelweissfin.com
Contact Person: Sandeep Maheshwari/Mohit Kapoor
SEBI Registration No.: INM0000010650

Axis Capital Limited

1st floor, Axis House
C-2, Wadia International Centre
P.B. Marg, Worli
Mumbai 400 025

Tel.: (91 22) 4325 1199
Fax: (91 22) 4325 3000
E-mail: cwcnsl.ipo@axiscap.in
Investor grievance e-mail: complaints@axiscap.in
Website: www.axiscapital.co.in
Contact Person: Ankit Bhatia
SEBI Registration No.: INM000012029

Ambit Private Limited⁽¹⁾

Ambit House
449, Senapati Bapat Marg
Lower Parel
Mumbai 400 013

ICICI Securities Limited

ICICI Center, H.T. Parekh Marg
Churchgate
Mumbai 400 020
Tel: (91 22) 2288 2460

Tel: (91 22) 3982 1819
Fax: (91 22) 3982 3020
E-mail: cwcipo@ambit.co
Investor grievance e-mail:
customerservice@ambit.co
Website: www.ambit.co
Contact Person: Sundeep Parate
SEBI Registration Number: INM000010585
⁽¹⁾Formerly Ambit Corporate Finance Private Limited.

Fax: (91 22) 2282 6580
E-mail: cwc.ipo@icicisecurities.com
Website: www.icicisecurities.com
Investor Grievance E-mail:
customercare@icicisecurities.com
Contact Person: Payal Kulkarni
SEBI Registration No.: INM000011179

Syndicate Members

[•]

Legal Advisors to the Offer

Legal Counsel to our Company as to Indian Law

Cyril Amarchand Mangaldas

5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013

Tel: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Legal Counsel to the BRLMs as to Indian Law

Luthra & Luthra Law Offices

Indiabulls Finance Centre
Tower 2, Unit A2, 20th Floor
Elphinstone Road, Senapati Bapat Marg
Mumbai 400 013

Tel: (91 22) 6630 3600
Fax: (91 22) 6630 3700

International Legal Counsel to the BRLMs

Sidley Austin LLP

Level 31, Six Battery Road
Singapore 049909

Tel: (00 65) 6230 3900
Fax: (00 65) 6230 3939

Legal Counsel to Abraaj as to Indian Law

Cyril Amarchand Mangaldas

201, Midford House, Midford Garden
Off MG Road
Bengaluru 560 001

Tel: (91 80) 2558 4870
Fax: (91 80) 2558 4266

Legal Counsel to Bridgeview as to Indian Law

AZB & Partners

AZB House
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013

Tel: (91 22) 6639 6880
Fax: (91 22) 6639 6888

Statutory Auditor to our Company

Price Waterhouse Chartered Accountants LLP

252, Veer Sawarkar Marg
Shivaji Park, Dadar (West)
Mumbai 400 028

Tel: (91 22) 6669 1000
Fax: (91 22) 6654 7804
E-mail: ipo.ft@in.pwc.in
Firm Registration No.: 12754N/N500016
Peer Review No.: PU0504003309(S1/4/C2)

Registrar to the Offer

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound
L.B.S. Marg, Bhandup (West)
Mumbai 400078

Tel: (91 22) 6171 5400
Fax: (91 22) 2596 0329
E-mail: cwcl.ipo@linkintime.co.in
Investor grievance e-mail: cwcl.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact person: Shanti Gopalkrishnan
SEBI registration number: INR000004058

Bankers to the Offer and Escrow Collection Banks

[•]

Refund Bank

[•]

Bankers to our Company

IndusInd Bank Limited

New No. 34, (Old No. 115 – 116)
4th Floor, G N Chetty Road
T Nagar
Chennai 600 017
Tel: (91 44) 2834 6066
Fax: (91 44) 2834 6305
E-mail: madhan.sankaranarayanan@indusind.com
Website: www.indusind.com
Contact Person: Madhan Sankaranarayanan

Axis Bank Limited

Shop No. 14.15, Shanti Vaibhav CHS
Plot No. 11A, Section 42A, Nerul (W)
Mumbai 400 706
Tel: + 919022592856 / +9167103861
Fax: Not available
E-mail: nerul.branchhead@axisbank.com
Website: www.axisbank.com
Contact Person: Surajit Ghosh Roy

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/home/list/5/33/0/0/Recognised-Intermediaries>, as updated from time to time. For list of the branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, please refer to the abovementioned link.

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 BSE and the NSE at http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=3 and http://www.nseindia.com/products/content/equities/ipos/ipo_mem_terminal.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 <http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6> and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm, respectively, 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 websites of 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, respectively, as updated from time to time.

Monitoring Agency

In terms of Regulation 16 of the SEBI Regulations, we are not required to appoint a monitoring agency as the Fresh Issue size is not in excess of ₹ 5,000 million.

Appraising Entity

None of the objects for which the Net Proceeds will be utilised have been appraised by any agency.

Credit Rating

As this is an issue of equity shares, there is no credit rating required for the Offer.

IPO Grading

No IPO grading agency registered with SEBI has been appointed for grading the Offer.

Trustees

As this is an issue of Equity Shares, the appointment of trustees is not required for the Offer.

Experts

Our Company has received written consent from the Statutory Auditors, namely, Price Waterhouse Chartered Accountants LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated September 29, 2016 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Our Company has received written consent dated September 29, 2016 from H A Y and Associates, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the statement of tax benefits dated September 29, 2016 included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

SNG & Partners, Advocates & Solicitors have given their written consent to be named as an expert to our Company for the Offer, under Section 26 of the Companies Act, 2013, in relation to the land and/or rights in respect thereof that we own and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for filing with SEBI.

Inter-se allocation of responsibilities:

Sr. No.	Activity	Responsibility	Coordinator
1.	Capital structuring with the relative components and formalities such as composition of debt and equity, type of instruments, and positioning strategy	Edelweiss, Axis, Ambit, I-Sec	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, Axis, Ambit, I-Sec	Edelweiss
3.	Drafting and approval of all statutory advertisements	Edelweiss, Axis, Ambit, I-Sec	I-Sec
4.	Drafting and approval of all publicity material other than statutory advertisements, including corporate advertising, brochures, etc.	Edelweiss, Axis, Ambit, I-Sec	Ambit
5.	Appointment of Registrar to the Offer, Printers, Banker(s) to the Offer, Advertising agency (including coordinating all agreements to be entered with such parties)	Edelweiss, Axis, Ambit, I-Sec	Axis
6.	Preparation of road show presentation and FAQs for the road show team	Edelweiss, Axis, Ambit, I-Sec	Edelweiss
7.	International institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> • Institutional marketing strategy • Finalizing the list and division of international investors for one-to-one meetings • Finalizing international road show and investor meeting schedules 	Edelweiss, Axis, Ambit, I-Sec	Edelweiss
8.	Domestic institutional marketing of the Offer, which will cover, <i>inter alia</i> : <ul style="list-style-type: none"> • Finalizing the list and division of domestic investors for one-to-one meetings • Finalizing domestic road show and investor meeting schedules 	Edelweiss, Axis, Ambit, I-Sec	Axis
9.	Conduct non-institutional and retail marketing of the Offer, which will cover, <i>inter-alia</i> : <ul style="list-style-type: none"> • Finalising media, marketing, public relations strategy and publicity budget • Finalising collection centres • Finalising centres for holding conferences for brokers etc. • Follow-up on distribution of publicity and Offer material including form, RHP/Prospectus and deciding on the quantum of the Offer material 	Edelweiss, Axis, Ambit, I-Sec	Edelweiss
10.	Coordination with Stock Exchanges for book building software, bidding terminals and mock trading	Edelweiss, Axis, Ambit, I-Sec	I-Sec
11.	Coordination with Stock Exchanges for deposit of 1% security deposit	Edelweiss, Axis, Ambit, I-Sec	Ambit
12.	Managing the book and finalization of pricing in consultation with the Company	Edelweiss, Axis, Ambit, I-Sec	Edelweiss
13.	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 non-institutional allocation, 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 and media compliance report	Edelweiss, Axis, Ambit, I-Sec	Axis

Book Building Process

The book building, in the context of the Offer, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band, which will be decided by our Company and Bridgeview in consultation with the BRLMs, and advertised in [●] edition of an English national newspaper [●], [●] edition of a Hindi national newspaper [●] and [●] edition of a Marathi newspaper [●] (Marathi being the regional language of Maharashtra, 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 upload on their website. The Offer Price shall be determined by our Company in consultation with the BRLMs after the Bid/ Offer Closing Date.

All Bidders, except Anchor Investors, are required to mandatorily use the ASBA process.

In accordance with the SEBI Regulations, QIBs Bidding in the 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 and Eligible Employees bidding in the Employee Reservation Portion can revise their Bids during the Bid/ Offer Period and withdraw their Bids on or before 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. For further details, see “Offer Structure” and “Offer Procedure” on pages 411 and 414, respectively.

The process of Book Building under the SEBI Regulations and the Bidding process are subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to submitting a Bid 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 details on the method and procedure for Bidding, see “Offer Procedure” beginning on page 414.

Illustration of Book Building 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 Book Building Process and Price Discovery Process” on page 443.

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 intend to enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Offer. The Underwriting Agreement is dated [●]. Pursuant to the terms of the Underwriting Agreement, the obligations of each 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 filled in before filing of the Prospectus with the RoC.)

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

The above-mentioned underwriting commitments are indicative and will be finalised after pricing of the Offer and actual allocation in accordance with the SEBI Regulations.

In the opinion of our Board, the resources of the abovementioned Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. The abovementioned Underwriters are registered with the SEBI under Section 12(1) of the SEBI Act or registered as brokers with the Stock Exchanges. The IPO Committee, at its meeting held on [●], has approved the draft of 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, the Underwriters shall be severally responsible for ensuring payment with respect to Equity Shares allocated to investors respectively procured by them in accordance with the Underwriting Agreement. 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 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 the filing of the Prospectus with the RoC.

CAPITAL STRUCTURE

The Equity Share capital of our Company as at the date of this Draft Red Herring Prospectus is set forth below:

		(in ₹, except share data)	
		Aggregate value at face value	Aggregate value at Offer Price
A	AUTHORIZED SHARE CAPITAL⁽¹⁾		
	100,000,000 Equity Shares of face value of ₹ 10 each	1,000,000,000	
B	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE OFFER		
	81,701,209 Equity Shares of face value of ₹ 10 each	817,012,090	
C	PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS		
	[●] Equity Shares aggregating up to ₹ [●] million		
	of which		
	Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,188.00 million ⁽²⁾	[●]	[●]
	Offer for Sale of up to 13,676,820 Equity Shares ⁽³⁾	[●]	[●]
	Employee Reservation Portion up to [●] Equity Shares ⁽⁴⁾	[●]	[●]
E	SECURITIES PREMIUM ACCOUNT		
	Before the Offer	4,852,380,000	
	After the Offer	[●]	
F	ISSUED, SUBSCRIBED AND PAID-UP CAPITAL AFTER THE OFFER		
	[●] Equity Shares (assuming full subscription in the Offer)	[●]	

- (1) For details in relation to change in the authorised share capital of our Company, see "History and Certain Corporate Matters - Amendments to our MoA" on page 147.
- (2) The Fresh Issue has been authorised by our Board pursuant to a resolution passed at its meeting held on September 27, 2016 and by the Shareholders pursuant to a resolution passed at their meeting held on September 29, 2016.
- (3) The Equity Shares offered by each Selling Shareholder in the Offer have been held by it for a period of at least one year prior to the date of this Draft Red Herring Prospectus calculated in the manner as set out under Regulation 26(6) of SEBI Regulations and are eligible for being offered for sale in the Offer. The Offer for Sale has been authorised pursuant to a resolution passed by the board of directors of AOIOF, ASAF, Bridgeview and IOF at the meetings held on September 29, 2016, September 29, 2016, September 28, 2016, and September 29, 2016, respectively.
- (4) Eligible Employees bidding in the Employee Reservation Portion must ensure that the Bid Amount does not exceed ₹ 200,000.

Notes to the Capital Structure

1. Share Capital History of our Company

- (a) The history of the Equity Shares of our Company is provided in the following table:

Date of allotment	No. of Equity Shares allotted	Face Value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
June 20, 1997	700	10	10.00	Cash	700	7,000
December 1, 1998	427,844	10	10.00	Cash	428,544	4,285,440
February 28, 2000	11,500	10	10.00	Cash	440,044	4,400,440
March 25, 2006 ⁽¹⁾	2,067,245	10	-	Other than cash	2,507,289	25,072,890
March 25, 2006 ⁽¹⁾	350,877	10	47.00	Cash	2,858,166	28,581,660
March 25, 2006 ⁽¹⁾	3,050,000	10	10.00	Cash	5,908,166	59,081,660
March 25, 2006 ⁽¹⁾	31,816,656	10	-	Other than cash	37,724,822	377,248,220
April 11, 2011 ⁽²⁾	8,434,431	10	-	Other than cash	46,159,253	461,592,530
April 11,	13,283,405	10	129.79	Cash	59,442,658	594,426,580

Date of allotment	No. of Equity Shares allotted	Face Value (₹)	Issue price per Equity Share (₹)	Consideration	Cumulative Number of Equity Shares	Cumulative Paid-up Equity Share Capital (₹)
2011						
February 8, 2012	3,545,640	10	-	Other than cash	62,988,298	629,882,980
November 21, 2012	5,320,842	10	100.55	Cash	68,309,140	683,091,400
March 26, 2013	1,392,370	10	100.55	Cash	69,701,510	697,015,100
March 28, 2014	1,475,000	10	-	Other than cash	71,176,510	711,765,100
August 27, 2014	683,761	10	117.00	Cash	71,860,271	718,602,710
April 10, 2015	1,887,723	10	129.79	Cash	73,747,994	737,479,940
September 14, 2016	7,953,215	10	207.46	Cash	81,701,209	817,012,090

⁽¹⁾ The form filings made by our Company with the RoC in relation to this allotment are unavailable. For further details, see “Risk Factors – Few forms filed by us with the RoC had factual inaccuracies and certain documents are not available in our records and while we have applied to the RoC for re-filing of such forms and conducted RoC searches for the unavailability of such forms, we cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future or such forms will be available at all or any time in the future” on page 34.

⁽²⁾ Our Company had issued 100 equity shares of face value of ₹ 10 with differential voting rights on July 30, 2009. These equity shares with differential voting rights have been subsequently reclassified into 100 Equity Shares of ₹ 10 each on April 11, 2011 and they rank pari passu with other Equity Shares.

- (b) The history of the CCPS of our Company is provided in the following table:

Date of allotment	No. of CCPS allotted	Face Value (₹)	Issue price per CCPS (₹)	Consideration	Cumulative Number of CCPS	Cumulative Paid-up Preference Share Capital (₹)
July 15, 2009 ⁽¹⁾	3,720,000	10	-	Other than cash	3,720,000	37,200,000
July 30, 2009	20,714,287	10	35	Cash	24,434,287	244,342,870

⁽¹⁾ The form 5 filed by our Company with the RoC in relation to the allotment states an incorrect date of allotment. For further details, see “Risk Factors – Few forms filed by us with the RoC had factual inaccuracies and certain documents are not available in our records and while we have applied to the RoC for re-filing of such forms and conducted RoC searches for the unavailability of such forms, we cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future or such forms will be available at all or any time in the future” on page 34.

All the CCPS were converted to 8,434,331 Equity Shares and 3,545,640 Equity Shares on April 11, 2011 and February 8, 2012 respectively. As on the date of this Draft Red Herring Prospectus our Company does not have any outstanding CCPS.

- (c) The history of the OCPS of our Company is provided in the following table:

Date of Allotment	No. of OCPS Allotted	Face Value (₹)	Issue price per OCPS (₹)	Consideration	Cumulative Number of OCPS	Cumulative Paid-up Preference Share Capital (₹)
April 13, 2006 ⁽¹⁾	20,870,000	10	10	Cash	20,870,000	208,700,000
April 15, 2006 ⁽¹⁾	350,000	10	10	Cash	21,220,000	212,200,000

⁽¹⁾ The form filed by our Company with the RoC in relation to the OCPS allotment is unavailable. For further, details, see “Risk Factors – Few forms filed by us with the RoC had factual inaccuracies and certain documents are not available in our records and while we have applied to the RoC for re-filing of such forms and conducted RoC searches for the unavailability of such forms, we cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future or such forms will be available at all or any time in the future” on page 34.”

17,500,000 OCPS were redeemed on July 30, 2009 and 3,720,000 OCPS were converted to 3,720,000 CCPS on July 15, 2009. As on the date of this Draft Red Herring Prospectus our Company does not have any outstanding OCPS. The form 5 filed by our Company for the redemption of OCPS states an incorrect date of allotment. For further details, see “Risk Factors – Few forms filed by us with the RoC had factual inaccuracies and certain documents are not available in our records and while we have applied to the RoC for re-filing of such forms and conducted RoC searches for the unavailability of such forms, we cannot assure you that we will be in a position to re-file the rectified forms at all or any time in the future or such forms will be available at all or any time in the future” on page 34.

- (d) The table sets forth the details of the Equity Shares issued by our Company at a price which may be lower than the Offer Price during a period of one year preceding the date of this Draft Red Herring Prospectus:

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Nature of consideration	Reasons of allotment	Allottees
September 14,	7,953,215	10	207.46	Cash	Allotment pursuant to the share	IFC

Date of Allotment	No. of Equity Shares	Face Value (₹)	Issue price (₹)	Nature of consideration	Reasons of allotment	Allottees
2016					subscription agreement dated March 31, 2016	

2. Issue of Equity Shares for consideration other than cash

Except as set out below, we have not issued shares for consideration other than cash:

Date of allotment of the Equity Shares	Name of the allottee	Number of the Equity Shares	Face value (₹)	Issue price per Equity Share (₹)	Reasons for allotment and benefits accrued to our Company
March 25, 2006	Saastha	2,067,245	10	-	Purchase of land from Saastha
March 25, 2006	CWCL	31,816,656	10	-	Purchase of land from CWCL and incurring expenditure towards development of the said land, including purchase of materials, labour and some construction materials in stock
April 11, 2011	Bridgeview	2,437,002	10	-	Conversion of Series A CCPS to Equity Shares
April 11, 2011	Abraaj	3,676,145	10	-	Conversion of Series A CCPS to Equity Shares
April 11, 2011	Bridgeview	2,321,184	10	-	Conversion of Series B CCPS to Equity Shares
April 11, 2011	Bridgeview	72	10	-	Reclassification of equity shares with differential voting rights to Equity Shares
April 11, 2011	ePlanet	28	10	-	Reclassification of equity shares with differential voting rights to Equity Shares
February 8, 2012	Bridgeview	3,545,640	10	-	Conversion of Series A CCPS to Equity Shares
March 28, 2014	N. Adikesavulu Reddy and N. Kamakshamma	1,475,000	10	-	Allotment pursuant to discharge of obligation of our Company to pay an aggregate consideration of ₹ 172,575,000 for acquisition of 23,577,323 equity shares of CMTL from Adikesavulu Reddy and N. Kamakshamma in terms of the CMTL SPA

3. History of the Equity Share Capital held by our Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters hold 36,851,038 Equity Shares, constituting 45.1% of the 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 incorporation of our Company:

Name of the Promoter	Date of allotment/ Transfer and when made fully paid-up	Nature of allotment / transfer	No. of Equity Shares	Nature of consideration	Face value per Equity Share (₹)	Issue price /Transfer Price per Equity Share (₹)	Percentage of the pre- Offer capital (%)	Percentage of the post- Offer capital (%)
N. Adikesavulu Reddy	June 20, 1997	Initial subscriber to the Memorandum of Association	100	Cash	10	10	Negligible	[●]
	December 1, 1998	Allotment	185,784	Cash	10	10	0.2	[●]
	February 28, 2000	Allotment	11,500	Cash	10	10	Negligible	[●]
	June 25, 2009	Purchase	23,609,716	Cash	10	12.00	28.9	[●]
	July 21, 2009	Purchase	3,816,138	Cash	10	12.00	4.7	[●]
	March 28, 2014	Allotment	1,284,836*	Other than cash	10	-	1.6	[●]
Sub-Total (A)			28,908,074				35.4	[●]
N. Amrutesh Reddy	July 21, 2009	Purchase	3,513,693	Cash	10	12.00	4.3	[●]
	March 11, 2011	Sale	675	Cash	10	53.57	Negligible	[●]
Sub-Total (B)			3,513,018				4.3	[●]
N.D.R.	March 25, 2006	Allotment	3,050,000	Cash	10	10	3.7	[●]
	March 26, 2013	Allotment	696,185	Cash	10	100.55	0.9	[●]
	August 27, 2014	Allotment	683,761	Cash	10	117.00	0.8	[●]
Sub-Total (C)			4,429,946				5.4	[●]
Total (A+B+C)			36,851,038				45.1	[●]

*This particular allotment has been made pursuant to CMTL SPA for sale of land and the effective price for such sale was at ₹117.00 per Equity Share.

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

(b) Shareholding of our Promoters, directors of N.D.R. (our corporate Promoter) and members of the Promoter Group:

Sr. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage of Equity Shares (%)
Promoters			
1.	N. Adikesavulu Reddy	28,908,074	35.4
2.	N. Amrutesh Reddy*	3,513,018	4.3
3.	N.D.R.	4,429,946	5.4
Sub-total (A)		36,851,038	45.1
Promoter group			
4.	Saastha	42,000	0.1
5.	N. Kamakshamma**	190,164	0.2
Sub-total (B)		232,164	0.3
Total (A+B)		37,083,202	45.4

*N. Amrutesh Reddy is also a director of N.D.R

** N. Kamakshamma is also a director of N.D.R

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

Pursuant to Regulation 32 and 36 of the SEBI Regulations, an aggregate of 20.0% of the fully diluted 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 20.0% shall be locked in for a period of one year from the date of Allotment.

Details of the Equity Shares to be locked-in for three years from the date of Allotment are as follows:

Name	Date of Allotment / Transfer and when made fully paid-up	Nature of Transaction	No. of Equity Shares	Face Value (₹)	Issue /acquisition price per Equity Share (₹)	No. of Equity Shares locked-in	Percentage of post-Offer paid-up capital (%)	Date up to which the Equity shares are subject to lock-in
N. Adikesavulu Reddy	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
N. Amrutesh Reddy	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
N.D.R.	[•]	[•]	[•]	[•]	[•]	[•]	[•]	[•]
Total						[•]	[•]	[•]

Our Promoters have confirmed to our Company and the BRLMs that acquisition of the Equity Shares held by our Promoters and which will be locked in as promoters' contribution have been financed from their personal funds, its internal accruals and no loans or financial assistance from any bank or financial institution has been availed for such purpose.

The minimum Promoters' contribution has been brought in to the extent of not less than the specified minimum lot and from the persons defined as 'promoter' under the SEBI Regulations. Our Company undertakes that the Equity Shares that are being locked-in are not ineligible for computation of Promoters' contribution in terms of Regulation 33 of the SEBI Regulations. In this connection, we confirm the following:

The Equity Shares offered for minimum Promoters' contribution (a) have not been acquired in the last three years for consideration other than cash and revaluation of assets or capitalisation of intangible assets; or (b) bonus shares out of revaluation reserves or unrealised profits of our Company or bonus shares issued against Equity Shares which are otherwise ineligible for computation of minimum Promoter's contribution:

- The minimum Promoter's contribution does not include any Equity Shares acquired during the preceding one year and at a price lower than the price at which the Equity Shares are being offered to the public in the Offer;
- The Company has not been formed by the conversion of a partnership firm into a Company;
- The Equity Shares offered for minimum Promoter's contribution are not subject to any pledge; and
- All the Equity Shares of our Company held by the Promoters are held in dematerialised form.

Other requirements in respect of lock-in:

In addition to 20.0% 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 (a) the Equity Shares subscribed to and Allotted pursuant to the Offer for Sale; and (b) the Equity Shares held by AOIOF and ASAF, being registered FVCIs and Equity Shares held by IOF, being a registered VCF, will be locked-in for a period of one year from the date of Allotment.

Pursuant to Regulation 39 of the SEBI 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. None of our Promoters have pledged any of the Equity Shares that they hold in our Company as on the date of this Draft Red Herring Prospectus.

The Equity Shares held by our Promoters which are locked-in may be transferred to and among the Promoter Group 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.

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

4. Details of the equity share capital held by the Selling Shareholders in our Company

As on the date of this Draft Red Herring Prospectus, the Selling Shareholders hold 36,664,392 Equity Shares, constituting 44.9% of the issued, subscribed and paid-up Equity Share capital of our Company.

The total number of Equity Shares held by the Selling Shareholders in our Company as on the date of this Draft Red Herring Prospectus is as follows:

Name of the Selling Shareholder	No. of Equity Shares	Percentage of the pre-Offer capital (%)
ASAF	2,505,018	3.1
AOIOF	798,603	1.0
IOF	373,199	0.5
Bridgeview	32,987,572	40.4
Total	36,664,392	44.9

5. Shareholding Pattern of our Company

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

Category (I)	Category of shareholder (II)	Nos. of shareholders (III)	No. of fully paid up Equity Shares held (IV)	No. of Partly paid-up Equity Shares held (V)	No. of shares underlying depository receipts (VI)	Total nos. of Equity Shares held (VII) =(IV)+(V)+ (VI)	Shareholding as a % of total no. of Equity Sshares (calculated as per SCRR, 1957) (VIII) As a % of (A+B+C2)	Number of voting rights held in each class of securities (IX)				No. of 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			Total as a % of (A+B+ C)			No. (a)	As a % of total Equity Shares held (b)	No. (a)	As a % of total Equity Shares held (b)	
								Class eg: Equity	Class eg: N/A	Total								
(A)	Promoter & Promoter Group	5	3,70,83,202	-	-	3,70,83,202	45.39%	NA	NA	NA	NA	-	45.39%	-	-	-	-	3,68,93,038
(B)	Public	9	4,46,18,007	-	-	4,46,18,007	54.61%	NA	NA	NA	NA	-	54.61%	-	-	-	-	3,62,91,868
(C)	Non Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	14	8,17,01,209	-	-	8,17,01,209	100.00%	-	-	-	-	-	100.00%	-	-	-	-	73,184,906

6. The list of top 10 shareholders of our Company and the number of Equity Shares held by them as on the date of filing, 10 days before the date of filing and two years prior the date of filing of this Draft Red Herring Prospectus are set forth below:

- (a) The top 10 shareholders of our Company as on the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Bridgeview	32,987,572	40.4
2.	N. Adikesvalu Reddy	28,908,074	35.4
3.	IFC	7,953,215	9.7
4.	N.D.R.	4,429,946	5.4
5.	N. Amrutesh Reddy	3,513,018	4.3
6.	ASAF	2,505,018	3.1
7.	AOIOF	798,603	1.0
8.	IOF	373,199	0.5
9.	N. Kamakshamma	190,164	0.2
10.	Saastha	42,000	Negligible
Total		81,700,809	99.9

- (b) The top 10 shareholders of our Company 10 days prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Bridgeview	32,987,572	40.4
2.	N. Adikesvalu Reddy	28,908,074	35.4
3.	IFC	7,953,215	9.7
4.	N.D.R.	4,429,946	5.4
5.	N. Amrutesh Reddy	3,513,018	4.3
6.	ASAF	2,505,018	3.1
7.	AOIOF	798,603	1.0
8.	IOF	373,199	0.5
9.	N. Kamakshamma	190,164	0.2
10.	Saastha	42,000	Negligible
Total		81,700,809	99.9

- (c) The top 10 shareholders of our Company two years prior to the date of filing of this Draft Red Herring Prospectus are as follows:

S. No.	Name of the Shareholder	Pre-Offer	
		No. of Equity Shares	Percentage (%)
1.	Bridgeview	31,099,849	43.3
2.	N. Adikesvalu Reddy	28,908,074	40.2
3.	N.D.R.	4,429,946	6.2
4.	N. Amrutesh Reddy	3,513,018	4.9
5.	ASAF	2,505,018	3.5
6.	AOIOF	798,603	1.1
7.	IOF	373,199	0.5
8.	N. Kamakshamma	190,164	0.3
9.	Saastha	42,000	Negligible
10.	Mosali Hemalathamma	100	Negligible
	D. Ramaniah	100	Negligible
	M. Easwariah	100	Negligible
	M. Venu Reddy	100	Negligible
Total		71,860,271	100.0

7. Details of the Equity Shares held by our Directors and Key Management Personnel

Other than as set out below none of our Directors and Key Management hold Equity Shares as of the date of this Draft Red Herring Prospectus:

S. No.	Name	No. of Equity Shares	Pre-Offer (%)	Post-Offer (%)
1.	N. Adikesavulu Reddy	28,908,074	35.4	[●]
2.	N. Amrutesh Reddy	3,513,018	4.3	[●]

8. As of the date of this Draft Red Herring Prospectus, our Company does not have any employee stock option plan.
9. As on the date of this Draft Red Herring Prospectus, the BRLMs and their respective associates do not hold any Equity Shares in our Company.
10. All Equity Shares were fully paid up as on the date of allotment.
11. None of our Promoters, Promoter Group and Directors, directors of N.D.R. (our corporate Promoter), their immediate relatives have purchased or sold any Equity Shares of our Company or the equity shares of any of our Subsidiaries, during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus.
12. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956.
13. As on the date of filing of this Draft Red Herring Prospectus, the total number of Shareholders of our Company is 14.
14. Neither our Company nor any of our Directors have entered into any buy-back arrangements or any safety net facility for purchase of Equity Shares from any person. Further, the BRLMs have not made any buy-back and/or standby arrangements or any safety net facility for purchase of Equity Shares from any person.
15. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation.
16. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments into the Equity Shares 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.
17. The Offer is being made through the Book Building Process, in compliance with Regulation 26(1) of SEBI Regulations, wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category 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 Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price.
18. Subject to valid Bids being received at or above the Offer Price, under subscription, if any, in any category (including the Employee Reservation Portion), 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 in consultation with the BRLMs and the Designated Stock Exchange. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under-subscription shall be permitted from the Employee Reservation Portion.
19. The Promoters and Promoter Group of our Company will not participate in the Offer.
20. All potential investors, other than Anchor Investors, are mandatorily required to utilise the ASBA process, providing details of their respective bank accounts which will be blocked by the SCSBs, to participate in this Offer. For further details, see "Offer Procedure" beginning on page 414.
21. Our Company has not issued any Equity Shares out of revaluation reserves.
22. All Equity Shares issued 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.
23. Any oversubscription to the extent of 10.0% 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.

24. There have been no financing arrangements whereby our Promoters, Promoter Group, Directors and their relatives, directors of N.D.R. (our corporate Promoter) 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 a period of six months preceding the date of filing of this Draft Red Herring Prospectus.
25. Our Company presently 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.
26. Only Eligible Employees would be eligible to apply in the Offer under the Employee Reservation Portion on a competitive basis. Bids by Eligible Employees can also be made in the Net Offer and such Bids shall not be treated as multiple Bids. If the aggregate demand in the Employee Reservation Portion is greater than [●] Equity Shares at or above the Offer Price, allocation shall be made on a proportionate basis. The Employee Reservation Portion will not exceed 5% of the post-Offer capital of our Company.
27. 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 filing of this Draft Red Herring Prospectus with SEBI until the Equity Shares have been listed on the Stock Exchanges.
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 payment, direct or indirect in the nature of discount, commission, and allowance or otherwise shall be made either by us or our Promoters or the Selling Shareholders to the persons who are Allotted Equity Shares pursuant to the Offer.
30. Our Company shall ensure that the transactions in securities by the Promoters and the 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 twenty four hours of the transactions.
31. No person connected with the Offer, 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.

OBJECTS OF THE OFFER

The Offer comprises a Fresh Issue and an Offer for Sale.

Offer for Sale

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

The Fresh Issue

The Net Proceeds from the Fresh Issue will be utilised towards the following objects:

1. Purchase of cranes and ancillary equipments (the “**Equipment**”);
2. Construction of warehouses at our PFT facilities located at Ahmedabad and Panipat;
3. Part repayment/pre-payment of certain loans availed by our Company and our wholly-owned Subsidiary, Delex; and
4. General corporate purposes.

In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Stock Exchanges, enhancement of our Company’s brand name and creation of a public market for our Equity Shares in India.

The main objects and objects incidental and ancillary to the main objects set out in our MoA enable us to undertake our existing business activities and the activities for which funds are being raised by us through the Fresh Issue.

Net Proceeds

The details of the Net Proceeds are set forth in the table below:

Particulars	Estimated Amount (In ₹ million) ⁽¹⁾
Gross proceeds of the Fresh Issue	Up to 4,188.00
Less: Fresh issue related expenses	[●]
Net Proceeds	[●]

⁽¹⁾ To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC

Means of Finance

The fund requirements are proposed to be entirely funded from the Net Proceeds. Accordingly, our Company confirms that there is no requirement to make firm arrangements of finance through verifiable means towards at least 75.0% of the stated means of finance, excluding the amount to be raised from the Fresh Issue and existing identifiable internal accruals.

Requirement of Funds and Utilisation of Net Proceeds

The Net Proceeds are proposed to be used in accordance with the details provided in the following table:

Particulars	Amount (In ₹ million)
Purchase of Equipment	635.28
Construction of warehouses at our PFT facilities located at Ahmedabad and Panipat	639.12
Part repayment/pre-payment of certain loans availed by our Company and our wholly-owned Subsidiary, Delex	2,103.00
General corporate purposes*	[●]
Total	[●]

* To be finalised upon determination of the Offer Price

Schedule of Deployment

We propose to deploy the Net Proceeds for the aforesaid purposes in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below:

(In ₹ million)						
Sr. No.	Particulars	Total estimated costs	Amount to be financed from Net Proceeds	Estimated Schedule of deployment of Net Proceeds		
				Financial Year 2018	Financial Year 2019	Total
1.	Purchase of Equipment	635.28*	635.28	635.28	-	635.28

Sr. No.	Particulars	Total estimated costs	Amount to be financed from Net Proceeds	Estimated Schedule of deployment of Net Proceeds		
				Financial Year 2018	Financial Year 2019	Total
2.	Construction of warehouses at our PFT facilities at Ahmedabad and Panipat	639.12**	639.12	511.00	128.12	639.12
3.	Part repayment/pre-payment of certain loans availed by our Company and our wholly-owned Subsidiary, Delex	2,103.00	2,103.00	2,103.00	-	2,103.00
4.	General corporate purposes***	[●]	[●]	[●]	[●]	[●]
Total			[●]	[●]	[●]	[●]

* Quotation issued by a vendor and certificate dated September 29, 2016 issued by H A Y and Associates, Chartered Accountants

**BMT Report and certificate dated September 29, 2016 issued by H A Y and Associates, Chartered Accountants

***To be finalised upon determination of the Offer Price

As indicated above, our Company proposes to deploy the entire Net Proceeds towards the objects as described herein by Financial Year 2019. However, if the Net Proceeds are not completely utilised for the objects stated above by Financial Year 2019 the same would be utilised (in part or full) in subsequent periods as determined by our Company, in accordance with applicable law.

The fund requirements and deployment proceeds for the object of purchasing Equipment are based on quotations from the vendor and certificate dated September 29, 2016 issued by H A Y and Associates, Chartered Accountants, which are subject to change in the future. The fund requirements and deployment proceeds for the object of construction of warehouses at our PFT facilities at Ahmedabad and Panipat are based on the BMT Report and the certificate dated September 29, 2016 issued by H A Y and Associates, Chartered Accountants, which are subject to change in the future. The fund requirements and deployment proceeds for the aforementioned objects have not been appraised by any bank or financial institution. The fund requirements and deployment proceeds for part repayment/pre-payment of certain loans are based on our internal management estimates and have not been appraised by any bank, financial institution or any other external agency. We may have to revise our funding requirements and deployment on account of a variety of factors such as our financial condition, business and strategy, including external factors which may not be within the control of our management. This may entail rescheduling and revising the planned funding requirements and deployment and increasing or decreasing the funding requirements from the planned funding requirements at the discretion of our management. For further details, see “Risk Factors – Our management will have broad discretion in how we apply the Net Proceeds and there is no assurance that the Objects of the Offer will be achieved within the time frame expected, or at all, or that the deployment of the Net Proceeds in the manner intended by us will result in any increase in the value of your investment.” on page 24.

Details of the Objects of the Offer

The details in relation to the objects of the Fresh Issue are set forth below:

1. Purchase of Equipment

We use an array of equipment and machinery such as trailers, mobile and hydra cranes, reach stackers, gantries, coil lifters, heavy duty and high reach forklifts, amongst others, to assist us with our business operations. For further details on the equipment and machinery currently used by us, see “Our Business” on page 138.

In order to increase our operational efficiency at our CFS facilities and PFT facilities, we propose to purchase 13 gantry cranes and ancillary equipment. Gantry cranes are bridge cranes mounted on legs that run along a set of fixed rails or similar track. They are often used in bulk cargo loading operations and are a prominent feature of most container terminals, used to load and unload intermodal containers utilised for loading and unloading cargo and containers.

We propose to utilise ₹ 635.28 million from the Net Proceeds towards purchase of Equipment. We will incur capital expenditure of approximately ₹ 635.28 million. The break-down of such estimated costs are set forth below:

(in ₹ million)

Particulars	Total estimated cost	
	Supply portion (ex-works Pirangut) (A)	Erection and commissioning (B)
42 m. x 30 m. span x 12.5 m. height of lift DGEOT	123.00	4.8

Particulars	Total estimated cost	
	Supply portion (ex-works Pirangut) (A)	Erection and commissioning (B)
gantry cranes (total six number of cranes)		
42 m. x 30 m. span x 20 m. height of lift DGEOT gantry cranes (total seven number of cranes)	168.00	6.65
CR-80 rails for 3000 m. bay length	45.00	3.00
Shrouded bus bars for 3000 m. bay length	15.60	1.50
DSL support structure for three sites (3000 m. bus bar length)	11.40	1.20
Spreader beam attachment under the hook (total 12 number of spreader beam attachments)	78.00	2.40
Civil work required for 3000 m. bay length	34.50	-
Sub-total	475.50	19.55
Total with transportation (without taxes and duties) (A+B)	495.05	
Tax		
Excise duty		62.63
VAT		74.77
Service tax		2.84
Total (A+B+C)	635.28	

We have received a quotation from a vendor which is valid as on the date of this Draft Red Herring Prospectus in relation to the purchase of Equipment. However, we have not entered into any definitive agreements with this vendor and there can be no assurance that the same vendor would be engaged to eventually supply the equipment or at the same costs. The quantity of Equipment to be purchased is based on the estimates of our management. We do not propose to purchase any second-hand equipment.

Our Company shall have the flexibility to deploy such Equipment at our existing and future facilities (including facilities set up or being set up by our Subsidiaries), according to the business requirements of such facilities and based on the estimates of our management. To the extent, any such Equipment will be utilised by our Subsidiaries, our Company shall lease the Equipment to the Subsidiaries.

Our Promoters, Group Companies or Directors have no interest in the proposed procurements, as stated above.

2. *Capital expenditure for construction of warehouses*

We provide warehousing facilities for the storage of domestic and EXIM cargo, bonded warehouses, reefer points, cold storage facilities and specialised as well as customised warehousing facilities at our PFT facilities at Ahmedabad and Panipat. For further details, see “Business” beginning on page 129.

We have engaged BMT to prepare a report on the technical aspects of certain of our existing facilities, including the PFT facilities at Ahmedabad and Panipat and feasibility and cost of future expansion.

We propose to utilise an aggregate amount of ₹ 639.12 million from the Net Proceeds for construction of additional warehouses at our PFT facilities at Ahmedabad and Panipat during the Financial Years 2018 and 2019 based on BMT Report and certificate dated September 29, 2016 issued by H A Y and Associates, Chartered Accountant as stated below:

(in ₹ million)

Particulars	Total Estimated cost	Amount to be financed from Net Proceeds in Financial Year 2018	Amount to be financed from Net Proceeds in Financial Year 2019
PFT facility at Ahmedabad	321.93	257.00	64.93
PFT facility at Panipat	317.19	254.00	63.19

Ahmedabad

Based on the BMT Report, the general cargo traffic is estimated to be around 485,300 Mtpa in the year 2020 out of which 80.0% will be stored for 15 days at general cargo warehouse and 20.0% will be stored for three days at the PFT warehouse. The storage area requirement in Ahmedabad is around 34,000 m² in the year 2020. Accordingly, we propose to set up an additional warehouse at our PFT facility at Ahmedabad, spread across an area of 34,000.00 m² for general cargo which includes fertilizer, cement and food grains to cater to the additional storage requirement. The cost of setting up the warehouse at our PFT facility at Ahmedabad is estimated to be ₹ 321.93 million.

The rate estimated towards construction of general cargo warehouse of 34,000 m² is ₹ 8,500.00 / m².

The detailed break-up of these estimated costs is set forth below:

Particulars	Unit	Rate per unit	Quantity	Total estimated cost (₹ in million)
Earth work (depth 0 to 3 m.)	m ³	289	10,232	2.96
PCC 1:4:8	m ³	5,987	595	3.56
Concrete M40 (1:1.5:3)	m ³	9,359	2,061	19.29
Backfilling (labour only)	m ³	161	7,576	1.22
Anchor bolt	nr	3,000	1,530	4.59
Reinforcement	kg	67	199,250	13.35
Structural steel	kg	250	508,150	127.04
Galvolium sheet top	m ²	1,350	28,857	38.96
Galvolium sheet side cladding (top)	m ²	650	1,031	0.67
Galvolium sheet all around side	m ²	425	46,750	19.87
Galvolium sheet ridge pair	m	150	861	0.13
Flooring concrete PCC 1:3:6	m ³	5,987	3,825	22.90
Flooring concrete PCC 1:2:4	m ³	6,286	2,550	16.03
Backfilling (material and labour)	m ³	1,482	5,100	7.56
Sub-total (A)				278.12
Contingency (B)	%	-	4%	11.12
Total (A+B)*				289.24
Tax (C)				
Service tax @ 6.0%				17.35
VAT @ 5.0%				15.33
Total (A+B+C)				321.93

* BMT has estimated an approximate cost of ₹ 289.24 million excluding the cost of land, mechanical equipment, electrical works and taxes, but including all the foundation work and structural steel works.

Note: Dimension of warehouse will be 213 m. x. 40 m. of four numbers. Anchor bolt rates can vary between locations by over 15.0 %. However, GST implementation will mitigate this risk in price fluctuation. Forces considered for design is approximately 100 kg/m² (structural steel thickness varies if wind force is more). Raw material costs are 2016 rates.

Further, we have not entered into any definitive agreements with any of the contractors/ vendors.

Our Promoter, Group Companies or Directors have no interest in the proposed procurements.

Panipat

Based on the BMT Report, the general cargo traffic is estimated to be around 485,300 Mtpa in the year 2020 out of which 80.0% will be stored for 15 days at general cargo warehouse and 20.0% will be stored for three days at a PFT warehouse. The storage requirement in Panipat is around 33,500 m² in the year 2020. Accordingly, we propose to set up an additional warehouse at our PFT facility at Panipat, spread across an area of 33,500.00 m² for general cargo which includes fertilizers, cement and food grains to cater to the additional storage requirement. The cost of setting up the warehouse at our PFT facility at Panipat is estimated to be ₹ 317.19 million.

The rate estimated towards construction of general cargo warehouse of 33,500 m² is ₹ 8,500.00 / m².

The detailed break-up of these estimated costs is set forth below:

Particulars	Unit	Rate per unit	Quantity	Total estimated cost (₹ in million)
Earth work (depth 0 to 3 m.)	m ³	289	10,081	2.91
PCC 1:4:8	m ³	5,987	586	3.51
Concrete M40 (1:1.5:3)	m ³	9,359	2,031	19.01
Backfilling (labour only)	m ³	161	7,464	1.20
Anchor bolt	nr	3,000	1,507	4.52
Reinforcement	kg	67	196,320	13.15
Structural steel	kg	250	500,677	125.17
Galvolium sheet top	m ²	1,350	28,433	38.38
Galvolium sheet side cladding (top)	m ²	650	1,015	0.66
Galvolium sheet all around side	m ²	425	46,062	19.58
Galvolium sheet ridge pair	m	150	848	0.13
Flooring concrete PCC 1:3:6	m ³	5,987	3,769	22.56

Particulars	Unit	Rate per unit	Quantity	Total estimated cost (₹ in million)
Flooring concrete PCC 1:2:4	m ³	6,286	2,512	15.79
Backfilling (material and labour)	m ³	1,482	5,025	7.45
Sub-total (A)				274.03
Contingency (B)	%	-	4	10.96
Total (A+B)*				284.99
Tax (C)				
Service tax @ 6.0%				17.10
VAT @ 5.0%				15.10
Total (A+B+C)				317.19

* BMT has estimated an approximate cost of ₹ 284.99 million excluding the cost of land, mechanical equipment, electrical works and taxes, but including all the foundation work and structural steel works.

Note: Dimension of warehouse will be 209 m. x 40 m. of four numbers. Anchor bolt rates can vary between locations by over 15.0%. However, GST implementation will mitigate this risk in price fluctuation. Forces considered for design is approximately 100 kg/m² (structural steel thickness varies if wind force is more). Raw material costs are 2016 rates.

Further, we have not entered into any definitive agreements with any of the contractors/ vendors.

Our Promoter or Directors or Group Companies have no interest in the proposed procurements.

3. **Part repayment / pre-payment of certain loans availed by our Company and Delex**

Our Company and our wholly-owned Subsidiary, Delex have entered into certain financing arrangements with various banks/ financial institutions. For details of our debt financing arrangements, see “Financial Indebtedness” on page 367. As on August 31, 2016, the amounts outstanding from the financing arrangements with various banks / financial institutions on a consolidated basis is ₹ 5,899.06 million.

Our Company proposes to utilize an estimated amount of ₹ 2,103.00 million from the Net Proceeds towards part repayment / pre-payment, of certain borrowings availed by our Company and Delex. We believe that such repayment / pre-payment will help reduce our outstanding indebtedness and debt servicing costs and enable utilization of our accruals for further investment in our business growth and expansion. In addition, we believe that this would improve our ability to raise further resources in the future to fund our potential business development opportunities.

The selection of borrowings proposed to be repaid or pre-paid amongst our facilities availed will be based on various factors, including (i) provisions of any laws, rules and regulations governing such borrowings, and (ii) commercial considerations including , among others, the interest rate on the loan facility, the amount of loan outstanding and the remaining tenor of the loan and (iii) covenants specified in the loan related documents. For details, see “Risk Factors – Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations” on page 25.

Some of our loan agreements require us to provide notice to some of our lenders prior to repayment / pre-payment. Our Company has not approached any of its lenders for prepayment of the loan at this stage.

The details of the outstanding loans proposed to be repaid/pre-paid from the Net Proceeds are set out below:

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Sr. No.	Name of the lender	Particulars of documentation ¹	Amount sanctioned (in ₹ million)	Amount outstanding as on August 31, 2016 (in ₹ million)	Interest rate (%) per annum as on August 31, 2016	Purpose for availing the borrowing ³	Repayment Schedule	Pre-payment Penalty/ Conditions					
Company													
1.	Yes Bank ² , IndusInd Bank and IDFC (collectively, the “Lenders 1”)	Common loan agreement dated September 27, 2011	758.40	43.80	Yes Bank: -	Refinancing the existing debt of our Company	22 structured quarterly instalments payable on the first business day of every fiscal quarter commencing from January 1, 2012	No prepayment premium shall be payable by our Company if the prepayment is made from, <i>inter alia</i> , fresh equity capital issued by our Company provided that our Company has given prior notice of 15 calendar days to the Lenders 1.					
			350.00	283.70	IndusInd Bank: 12.35%								
					IDFC: 12.0%								
2.	IDFC, Axis Bank and ABFL (collectively, the “Lenders 2”)	Rupee term loan agreement dated March 28, 2012	1,050.00 ⁴	955.50	Yes Bank: -	Financing of capital and operational expenditure of our Company	31 structured quarterly instalments payable on the first business day of every fiscal quarter commencing from October 1, 2013						
					IndusInd: 12.35%								
					IDFC: 12.0%								
3.	Axis Bank, ABFL and J&K Bank (collectively, the “Lenders 3”)	Rupee term loan agreement dated July 4, 2014	1,712.40 ⁵	1,661.00 ⁵	Axis Bank: 11.85%	Part-financing the designing, construction and development of ICDs and PFTs at Ahmedabad and Panipat	39 structured quarterly instalments payable on the first business day of every fiscal quarter commencing from July 1, 2014	No prepayment premium shall be payable by our Company if the prepayment is made from, <i>inter alia</i> , fresh equity capital issued by our Company, provided that our Company has given prior notice of 30 calendar days to the Lenders 2.					
					ABFL: 12.25%								
					ABFL: 12.25%								
4.	Indostar ⁶	Rupee loan agreement dated May 18, 2015	800.00 ⁷	800.00	Axis Bank: 11.85%	Part-refinancing the existing debt of our Company and meeting the capital expenditure towards designing, construction and development of ICDs and PFTs at Ahmedabad and Panipat	37 structured quarterly instalments payable on the first business day of every fiscal quarter commencing from January 1, 2016		No prepayment premium shall be payable by our Company if the prepayment is made from, <i>inter alia</i> , fresh equity capital issued by our Company, provided that our Company has given prior notice of 30 calendar days to the Lenders 3.				
					ABFL: 12.25%								
					J&K Bank: 12.0%								
5.	Indostar ⁶	Rupee loan agreement dated May 18, 2015	800.00 ⁷	800.00	12.70%	Pre-payment of outgoing facilities to the outgoing lenders of CMTL and general corporate purposes	The loan shall be repaid in 36 monthly instalments upon the expiry of 24 months after the first draw down date	A right to prepay the loan, in whole or part, at any time without any payment of prepayment premium, is granted, subject to : (a) prior written notice of at least 45 days being provided to Indostar; and (b) a minimum of ₹ 150.00 million being prepaid and in multiples of ₹10.00 million thereafter. Except as permitted above, prior written approval of Indostar will be required for pre-payment of the loan.					
					180.00 ⁸					142.69 ⁸	Axis Bank: 11.85% ⁹	Financing working capital requirements	Repayable on demand
											IndusInd Bank: 12.35%		
Total (A)			4,850.80	3,886.69									
Delex													
1.	Axis Bank	Sanction letter dated November 23, 2015	660.00	662.06 ¹⁰	11.85%	Financing the working capital requirements	Repayable on demand		-				

Given the nature of these borrowings and the terms of repayment / pre-payment, the aggregate outstanding loan amounts may vary from time to time. In addition to the above, we may, from time to time, enter into further financing arrangements and draw funds thereunder. In such cases or in case of any of the above loans are repaid / pre-paid or further drawn-down prior to the completion of the Offer, we may utilize Net Proceeds towards repayment / pre-payment of such additional indebtedness.

To the extent the Net Proceeds are utilized to repay / pre-pay any of the loans availed by Delex, we shall be deploying the Net Proceeds in Delex in the form of debt or equity in any other manner as may be mutually decided. The actual mode of such deployment has not been finalised as on the date of this Draft Red Herring Prospectus.

4. *General corporate purposes*

Our Company proposes to deploy the balance Net Proceeds aggregating to ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25.0% of the Net Proceeds, in compliance with the SEBI Regulations. The general corporate purposes for which our Company proposes to utilise Net Proceeds include meeting exigencies and expenses incurred, by our Company in the ordinary course of business. In addition to the above, our Company may utilise the Net Proceeds towards other expenditure (in the ordinary course of business) considered expedient and as approved periodically by our Board or a duly constituted committee thereof, subject to compliance with necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of our Board, shall have flexibility in utilising surplus amounts, if any.

5. *Offer Expenses*

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The break-up for the Offer expenses is as follows:

Activity	Estimated expenses^{(1)*} (in ₹ million)	As a % of the total estimated Offer expenses^{(1)*}	As a % of the total Offer size^{(1)*}
Fees payable to BRLMs	[●]	[●]	[●]
Selling commission and processing fees for SCSBs ⁽²⁾			
Selling commission and bidding charges for the Syndicate Members, Registered Brokers, RTAs and CDPs ⁽³⁾⁽⁴⁾			
Fees payable to Registrar to the Offer	[●]	[●]	[●]
Printing and stationary expenses	[●]	[●]	[●]
Advertising and marketing expenses	[●]	[●]	[●]
Others: i. Listing fees; ii. SEBI, BSE and NSE processing fees; iii. Fees payable to Legal Counsels; and iv. Miscellaneous.	[●]	[●]	[●]
Total estimated Offer expenses	[●]	[●]	[●]

* All expenses in relation to the Offer shall be shared amongst our Company and Selling Shareholders as mutually agreed, in accordance with applicable law.

⁽¹⁾ Amounts will be finalized at the time of filing the Prospectus and on determination of Offer Price and other details.

⁽²⁾ SCSBs will be entitled to a processing fee of ₹ [●] per valid ASBA Form for processing the ASBA Forms procured by the Syndicate, Brokers, sub-Syndicate/agents, the Registered Brokers, RTAs or CDPs and submitted to the SCSBs.

⁽³⁾ Registered Brokers will be entitled to a commission of ₹ [●] per valid ASBA Form submitted to them and uploaded on the electronic bidding system of the Stock Exchanges.

⁽⁴⁾ The RTAs, CDPs and SCSBs (for the ASBA Forms directly processed by them) will be entitled to selling commission below:

- *Portion for Retail Individual Bidders: [●]% of the Amount Allotted***
- *Portion for Non-Institutional Bidders: [●]% of the Amount Allotted***

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

Interim use of Net Proceeds

Our Company, in accordance with the policies established by our Board from time to time, will have flexibility to deploy the Net Proceeds. Pending utilisation for the purposes described above, our Company will deposit the Net Proceeds only with scheduled commercial banks included in second schedule of Reserve Bank of India Act, 1934. In accordance with Section 27 of the Companies Act, 2013, our Company confirms that it shall not use the Net Proceeds for buying, trading or otherwise dealing in the equity shares of any other listed company.

Bridge Financing Facilities

Our Company has not raised any bridge loans from any bank or financial institution as on the date of this Draft Red Herring Prospectus, which are proposed to be repaid from the Net Proceeds.

Monitoring of Utilisation of Funds

Since the proceeds from the Fresh Issue do not exceed ₹ 5,000 million, in terms of Regulation 16 of the SEBI Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Offer. Our Board will monitor the utilisation of the proceeds of the Offer. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Net Proceeds in the balance sheet of our Company for the relevant Fiscals subsequent to receipt of listing and trading approvals from the Stock Exchanges.

Pursuant to the Listing Regulations, our Company shall disclose to the Audit Committee of our Board the uses and applications of the Net Proceeds. Our Company shall prepare a statement of funds utilised for purposes other than those stated in this Draft Red Herring Prospectus and place it before the Audit Committee of our Board. Such disclosure shall be made only until such time that all the Net Proceeds have been utilised in full. The statement shall be certified by the statutory auditor of our Company. Furthermore, in accordance with Regulation 32(1) of the Listing Regulations, our Company shall furnish to the Stock Exchanges on a quarterly basis, a statement indicating (i) deviations, if any, in the utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above; and (ii) details of category wise variations in the utilisation of the proceeds of the Fresh Issue from the objects of the Fresh Issue as stated above. This information will also be published in newspapers simultaneously with the interim or annual financial results, after placing the same before the Audit Committee of our Board.

Variation in Objects

In accordance with Sections 13(8) and 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Offer without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot in accordance with the terms contained in Section 27 of the Companies Act, 2013.

Appraising Entity

None of the objects of the Offer for which the Net Proceeds will be utilized have been appraised.

Other Confirmations

No part of the proceeds of the Fresh Issue will be paid by us to the Promoters and Group Companies, the Directors, or Key Management Personnel, except in the normal course of business and in compliance with applicable law.

Our Company has not entered into and is not planning to enter into any arrangement/ agreements with Directors, Group Companies, key management personnel in relation to the utilization of the Net Proceeds.

BASIS FOR OFFER PRICE

The Offer Price will be determined by our Company in consultation 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 Offer Price is [●] times the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Investors should also see “Our Business”, “Risk Factors”, “Financial Statements” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 129, 17, 181 and 369, respectively, to have an informed view before making an investment decision.

Qualitative Factors

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

- A. Difficult to Replicate the Scale and Connectivity of our Facilities
- B. Strategically Located Network of Facilities
- C. Dedicated Infrastructure, Ability to Handle Cargo and Service Client Needs
- D. Integrated Logistics Service Provider with Pan India Network
- E. Diversified Service Offerings
- F. Well Established Relationships with Trade Partners
- G. Experienced Senior Management and Qualified Operational Personnel

For further details, see “Our Business – Our Competitive Strengths” on page 130.

Quantitative Factors

The information presented below relating to our Company is based on the Restated Financial Information. For details, see “Financial Statements” on page 181.

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 adjusted for changes in capital⁽¹⁾:

On a standalone basis:

Financial Year Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2014	7.27	7.27	1
March 31, 2015	6.66	6.66	2
March 31, 2016	5.54	5.54	3
Weighted Average*	6.20	6.20	

**Derived by multiplication of weight with their respective EPS divided by sum of weights*

On a consolidated basis:

Financial Year Ended	Basic EPS (in ₹)	Diluted EPS (in ₹)	Weight
March 31, 2014	9.15	9.15	1
March 31, 2015	7.58	7.58	2
March 31, 2016	7.00	7.00	3
Weighted Average*	7.55	7.55	

**Derived by multiplication of weight with their respective EPS divided by sum of weights*

Basic and diluted earnings per share (₹) = Net Profit available to Equity Shareholders / Weighted average number of Equity Shares outstanding during the year

The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

(1) During the Financial Year ended March 31, 2016, our Company has entered into a Share Subscription Agreement dated March 31, 2016 with IFC and our Promoters, wherein IFC would subscribe to 7,953,215 Equity Shares based on the terms and subject to the conditions of the Share Subscription Agreement. The Equity Shares would be subscribed at a price of ₹ 207.46 per Equity Share. Further, on September 14, 2016, Equity Shares were allotted to IFC for a total consideration of ₹ 1,649.97 million under the Share Subscription Agreement. The impact of the same on the accounting ratios would be updated in the Red Herring Prospectus.

2. Price/Earning (“P/E”) ratio in relation to Price Band of ₹ [●] to ₹ [●] per Equity Share:

Particulars	P/E at the lower end of Price Band (no. of times)	P/E at the higher end of Price band (no. of times)
Basic EPS - for the year ended March 31, 2016 on a standalone basis	[●]	[●]
Basic EPS - for the year ended March 31, 2016 on an consolidated basis	[●]	[●]
Diluted EPS - for the year ended March 31, 2016 on a standalone basis	[●]	[●]
Diluted EPS - for the year ended March 31, 2016 on an consolidated basis	[●]	[●]

Industry P/E ratio

Particulars	P/E
Highest	33.69
Lowest	24.53
Average	27.89

Notes: The highest and lowest Industry P/E shown above is based on the Industry peer set provided below under “Comparison with Listed Industry Peers”. The Industry composite has been calculated as the arithmetic average P/E of the Industry peer set provided below, based on consolidated EPS numbers.

3. Average Return on Net Worth (“RoNW”)

As per Restated Standalone Financial Information of our Company:

Particulars	RoNW %	Weight
Year ended March 31, 2014	7.79	1
Year ended March 31, 2015	6.75	2
Year ended March 31, 2016	5.29	3
Weighted Average*	6.19	

*Derived by multiplication of weight with their respective Return on Net Worth divided by sum of weights

As per Restated Consolidated Financial Information of our Company:

Particulars	RoNW %	Weight
Year ended March 31, 2014	9.39	1
Year ended March 31, 2015	7.32	2
Year ended March 31, 2016	6.32	3
Weighted Average*	7.17	

*Derived by multiplication of weight with their respective Return on Net Worth divided by sum of weights

Return on net worth (%) = Net Profit available to Equity Shareholders/ Net Worth for Equity Shareholders

Net Worth for Equity Shareholders = Equity share capital + Reserves and surplus / deficit (Capital Redemption Reserve, Securities Premium and Surplus)

4. Minimum Return on Increased Net Worth after the Offer needed to maintain Pre-Offer EPS for the year ended March 31, 2016:

Particulars	At Floor Price	At Cap Price
To maintain pre-Offer basic EPS		
On a standalone basis	[●]%	[●]%
On a consolidated basis	[●]%	[●]%
To maintain pre-Offer diluted EPS		
On a standalone basis	[●]%	[●]%
On a consolidated basis	[●]%	[●]%

5. Net Asset Value per Equity Share of face value of ₹ 10 each

- i. Net asset value per Equity Share as on March 31, 2016 on a standalone basis is ₹ 104.55 .
- ii. Net asset value per Equity Share as on March 31, 2016 on a consolidated basis is ₹ 110.76 .
- iii. After the Offer on a standalone basis:
 - a. At the Floor Price: ₹ [●]
 - b. At the Cap Price: ₹ [●]
- iv. After the Offer on the consolidated basis:
 - a. At the Floor Price: ₹ [●]
 - b. At the Cap Price: ₹ [●]
- v. Offer Price: ₹ [●]

6. Comparison with Listed Industry Peers

Name of the company	Unconsolidated/ Consolidated	Face Value (₹ per share)	EPS (₹)		NAV (₹ per share)	P/E	RoNW (%)
			Basic	Diluted			
Continental Warehousing Corporation (Nhava Seva) Limited	Consolidated	10	7.00	7.00	110.76	[●]	6.32
	Standalone	10	5.54	5.54	104.55	[●]	5.29
Peer Group							
Container Corporation of India Limited	Consolidated	10	40.10	40.10	409.04	33.69	9.80%
Gateway Distriparks Limited	Consolidated	10	10.08	10.08	86.58	25.45	11.65%
Navkar Corporation Limited	Consolidated	10	7.40	7.40	91.14	24.53	7.20%

Note:

- 1) Financials for Container Corp of India are for the year ending March 31, 2016 and sourced from its annual report for the year ended March 31, 2016.
- 2) Financials for Gateway Distriparks are for the year ending March 31, 2016 and sourced from its Audited Financial statements for the year ended March 31, 2016.
- 3) Financials for Navkar Corporation Limited are for the year ending March 31, 2016 and sourced from its annual report for the year ended March 31, 2016.
- 4) Net worth for the companies has been computed as sum of share capital and reserves. Minority interest and share application money pending allotment not included as part of Net Worth.
- 5) RoNW has been computed as net profit after tax divided by the net worth for the year ending March 31, 2016
- 6) Basic and Diluted EPS refer to basic and diluted EPS sourced from the company filings as described in Notes 1 -3.
- 7) P/E Ratio has been computed based on the closing market prices of the companies as on 29th September 2016 sourced from the BSE website divided by the Basic EPS as described in Note 6.
- 8) NAV per share has been computed as Net Worth for Equity Shareholders / Number of Equity Shares outstanding at the end of the year including Preference Shares.

The Offer Price of ₹ [●] has been determined by our Company 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.

The trading price of Equity Shares could decline due to factors mentioned in “Risks Factors” beginning on page 17 and investors may lose all or part of their investment. Investors should read the above mentioned information along with “Risk Factors”, “Financial Statements”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 17, 181 and 369, respectively, to have a more informed view.

STATEMENT OF TAX BENEFITS

Date: September 29, 2016

To,

The Board of Directors

Continental Warehousing Corporation (Nhava Seva) Limited

405, 4th Floor, Sahar Plaza Windfall,
Andheri Kurla Road,
J.B. Nagar, Andheri East,
Mumbai – 400 059, India.

Edelweiss Financial Services Limited

14th Floor, Edelweiss House
Off CST Road, Kalina
Mumbai – 400098, India

Axis Capital Limited

1st floor, Axis House,
C-2 Wadia International Centre,
P.B. Marg, Worli,
Mumbai- 400025, India

Ambit Private Limited

Ambit House
449, Senapati Bapat Marg
Lower Parel
Mumbai 400 013, India.

ICICI Securities Limited

ICICI Centre, H. T. Parekh Marg,
Churchgate,
Mumbai – 400 020, India.

(Edelweiss Financial Services Limited, Axis Capital Limited, Ambit Private Limited and ICICI Securities Limited shall be collectively referred to as the “Book Running Lead Managers” / “BRLMs”)

Sub: Proposed initial public offering of equity shares of face value ` 10 each (the “Equity Shares”) of Continental Warehousing Corporation (Nhava Seva) Limited (the “Company” and such an offering, the “Offer”)

We report that the enclosed statement in Annexure A, states the possible direct tax benefits available to the Company and to its shareholders under the Income-tax Act, 1961 presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the statute. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon their fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed in the enclosed annexure are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. Neither we are suggesting nor advising the investor to invest money based on this statement.

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

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

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

We also consent to the references to us as “Experts” under section 26 of the Companies Act to the extent of the certification provided hereunder and included in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus of the Company or in any other documents in connection with the Offer.

We hereby give consent to include this statement of tax benefits in the draft red herring prospectus, red herring prospectus, the prospectus and in any other material used in connection with the Offer.

Sincerely,

For **H A Y and Associates**
Chartered Accountants
Firm Registration No.: 104106W

Jayesh N. Chawla
Partner
Membership No.: 137833
Place: Mumbai

Enclosed as above

Annexure A

Statement of possible tax benefits available to Continental Warehousing Corporation (Nhava Seva) Limited and to its shareholders

TAXATION

The following is based on the provisions of the Income-tax Act, 1961 ("the Act") as of the date hereof. The Act is amended every fiscal year.

1. Levy of Income Tax

Tax implications under the Act are dependent on the residential status of the tax payer. We summarize herein below the provisions relevant for determination of residential status of a tax payer.

1.1. Residential status of an Individual

As per the provisions of the Act, an individual is considered to be a resident in India during any FY if he or she is present in India for:

a) a period or periods aggregating to 182 days or more in that FY; or

b) a period or periods aggregating to 60 days or more in that FY and for a period or periods aggregating to 365 days or more within the four preceding years; or

In the case of a citizen of India or a person of Indian origin living outside India who comes on a visit to India in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days. In the case of a citizen of India who leaves India as member of the crew of an Indian ship or for the purposes of employment outside India in any previous year, the limit of 60 days under point (b) above, shall be read as 182 days.

Subject to complying with certain prescribed conditions, individuals may be regarded as 'Resident but not ordinarily resident'.

1.2. Residential status of a company

A company is resident in India if it is formed and incorporated under the Companies Act, 1956/ the Companies Act, 2013 or the control and management of its affairs is situated wholly in India.

1.3. Residential status of a Hindu undivided family or AOP

A HUF, firm or other association of persons or every other person is resident in India except when the control and management of its affairs is situated wholly outside India. A person who is not a resident in India would be regarded as 'Non-Resident'.

1.4. Residential status of every other person

Every other person is resident in India in a FY in every case except when the control and management of his affairs is situated wholly outside India.

1.5. Scope of taxation

In general, a person who is "resident" in India in a FY is subject to tax in India on its global income. In the case of a person who is "non-resident" in India, only the income that is received or deemed to be received or that accrues or is deemed to accrue or arise to such person in India is subject to tax in India. In the instant case, the income from the equity shares of the Company would be considered to accrue or arise in India, and would be taxable in the hands of all categories of tax payers irrespective of their residential status unless specifically exempt (e.g. Dividend). However, a relief may be available under applicable Double Taxation Avoidance Agreement ('DTAA') to certain non-residents/ investors.

Tax Considerations

As per the taxation laws in force, the tax benefits / consequences as applicable, to the Company and the perspective shareholders are stated as under. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant Tax Laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon the fulfilling such conditions:

2. Benefits available to the Company

2.1. Special tax benefits

Deduction under section 80-IA of the Act:

The Company is engaged in providing Container Freight Station (“CFS”) facilities. Based on an opinion taken by the Company, the profits and gains derived by the Company from such undertakings are eligible for deduction under section 80-IA of the Act, subject to conditions specified in the said section. The deduction, at the option of the assessee, is available for any ten consecutive assessment years out of fifteen years beginning from the year in which the undertaking or the enterprise develops and begins to operate any infrastructure facility. The Company has availed and has claimed such ten-year tax exemption from the financial year 2008.

Further based on an opinion taken by the Company, the Company is entitled to avail tax exemptions for its PFT operations under Section 80-IA (4)(i) of the Income tax Act, 1961, with an option to choose any ten consecutive years, out of a slab of fifteen years.

2.2. General tax benefits

The general tax benefits those are available to all registered companies have not been enumerated here. Those statutory provisions would be applicable as per the prevailing laws in the respective circumstances.

3. Benefits available to shareholders of Continental Warehousing Corporation (Nhava Seva) Limited

There are no special tax benefits available to any of the shareholders of the Company (Individuals – resident or non resident, Foreign Institutional Investors, Mutual Funds, Provident Funds, QIBs, etc.). The general tax benefits those are available to all the persons above have not been enumerated here. Those statutory provisions would be applicable as per the prevailing laws in the respective circumstances.

SECTION IV: ABOUT OUR COMPANY

INDUSTRY

The information contained in this section is derived from the CRISIL report titled 'Study on selected verticals within Indian logistics industry with focus on container trade' published in September 2016 (the "**CRISIL Report**"), which was commissioned by our Company and other publicly available sources. Unless specified otherwise, all information in this section has been derived from the CRISIL Report. Neither we, nor any other person connected with the Issue 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 that 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.

Overview of the Indian Economy

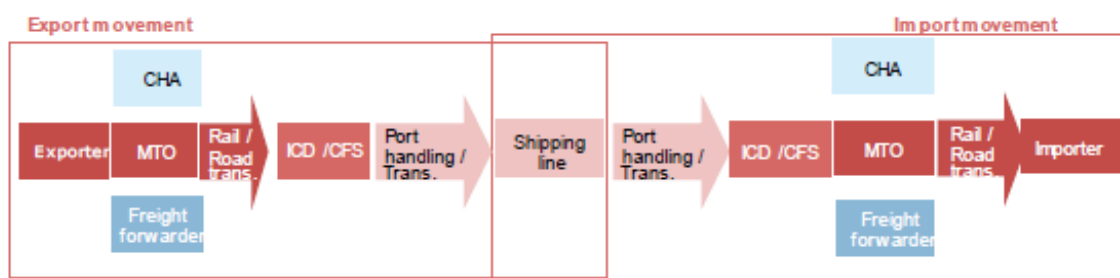
The Indian economy is the fourth largest economy in the world by purchasing power parity (Source: <https://www.cia.gov/library/publications/the-world-factbook/geos/in.html>). The services sector has emerged as the most dynamic sector globally and remains the key driver of India's economic growth. The sector has remained the most vibrant sector in terms of contribution to national and state incomes, trade flows, foreign direct investment inflows, and employment. India's services sector covers a wide variety of activities such as trade, hotels and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction. The growth in the services sector in India accelerated to 10.3% for the financial year 2015 from 7.8% for the financial year 2014 (Source: *Economic Survey 2015-16*, available at indiabudget.nic.in).

Container Freight Station and Inland Container Depot Industry

Container freight stations ("CFSs") and inland container depots ("ICDs") are a common user facility with public authority status, equipped with fixed installations. They offer a wide range of services, including custom clearance and handling and temporary storage of both import and export-laden and empty containers. The emergence of CFSs near ports and ICDs in the hinterland have eased congestion at ports, boosting their capacity. CFS and ICDs are also critical as they are appointed the custodians of imported goods by the Commissioner of Customs under Section 45 of the Customs Act, 1962. Imported goods remain in the custody of a CFS or ICD until cleared for consumption, warehousing or transshipment to another location.

The key participants in a container logistics chain include importers and exporters, customs house agents, multi-modal transport operators, freight forwarders, shipping lines and consolidators.

The following chart sets forth the various stages on port-based logistics value chain and the participants involved at each stage:

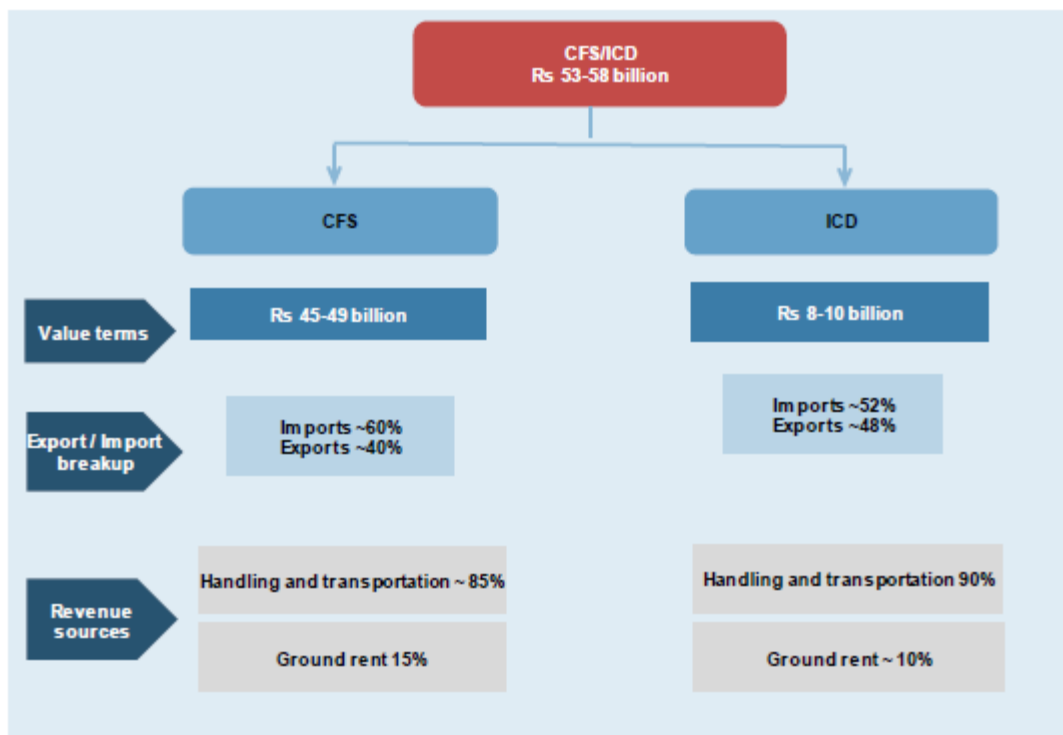


(Source: CRISIL Research)

The CFS segment occupies a major share of approximately 85% of the overall CFS and ICD industry (excluding rail transportation). Of the estimated ₹ 53 to 58 billion size of the CFS and ICD industry for the financial year 2016, the CFS segment's share is estimated to be ₹ 45 to 49 billion. Further, during the financial year 2016, CFSs will serve approximately 52% of container traffic (imports and exports), ICDs will serve approximately 25%, while the remainder will be catered to by direct customs clearance at the respective ports.

Of the total traffic estimated to be handled by CFSs, imports are estimated to account for approximately 60% and exports approximately 40%, while in the case of ICDs, imports are estimated to account for approximately 52% and exports approximately 48%. For the financial year 2016, the share of CFSs in overall imports is estimated to be 60%, with ICDs comprising 25%.

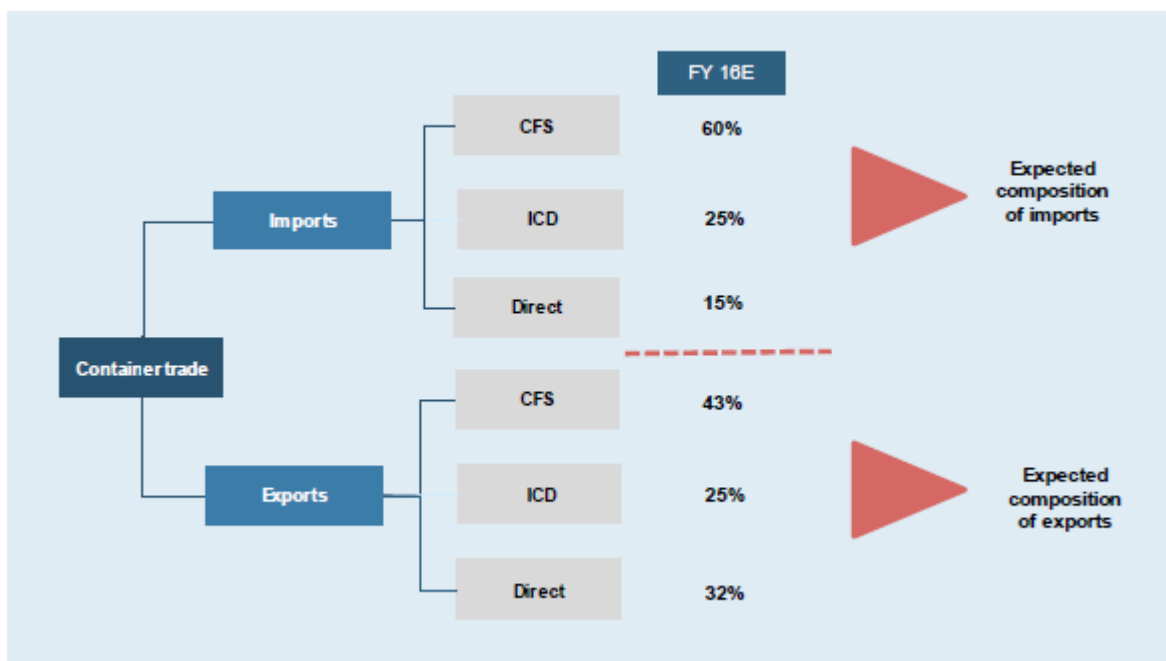
The following chart sets forth the estimated segment-wise market size and revenue distribution for the financial year 2016:



(Source: CRISIL Research)

CFSs derive between 80 to 85% of their revenue from handling and transportation charges and 15 to 20% from ground rent. The share of ground rent has been curtailed since the average storage duration (dwell time) of imported containers has been reducing since the financial year 2014. Dwell time for imports for the financial year 2016 is estimated to be seven to eight days and that for exports to be about four days. In case of containers, particularly operating on western corridors, transit accounts for a significant portion in the total time between container loading and unloading at ICD and handling at gateway ports. As the transit times decrease due to higher average speeds, the dwell time for containers at ICDs can potentially increase, translating into incremental operating profits for ICDs, by way of higher ground rent.

The CFS and ICD segments would be benefitted by growth in export and import trade led by improved economic activity, container capacity additions, containerisation as well as shift of container traffic from road to rail due to commissioning of western DFC. The CFS and ICD growth profile is thus dependent on export and import trade, rather than driven by domestic cargo growth. The following chart sets forth the projected import-export container traffic share for the financial year 2016 at CFSs and ICDs:



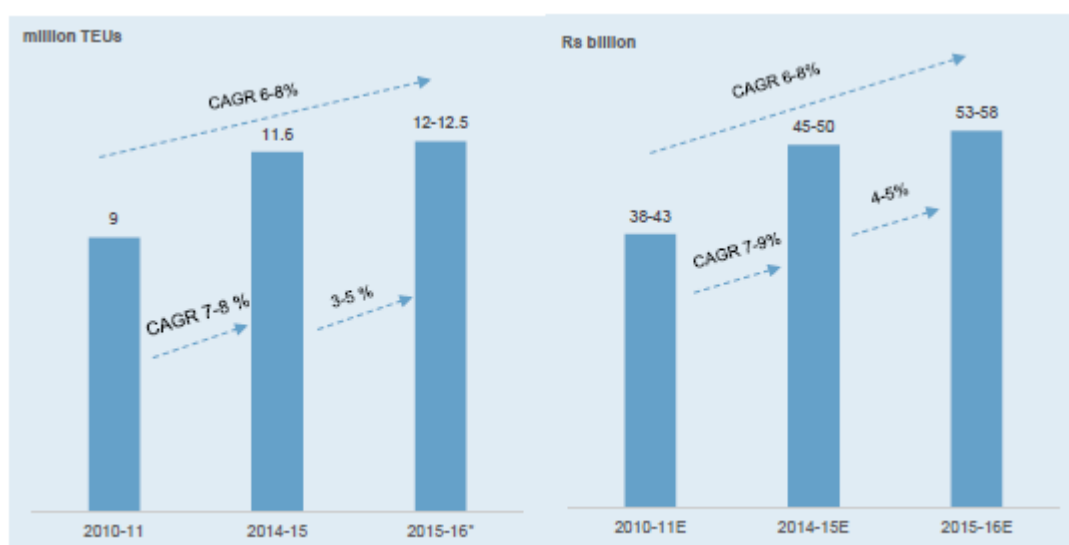
(Source: CRISIL Research)

While historically ICDs have had the advantage of adequate rail connectivity and lower cost on long-haul distances, they have encountered issues such as longer turn around times and lack of efficient custom clearance services and ancillary services. Further, there have been regular hikes in the tariff of containerized freight by the Indian railways as against a decrease in diesel prices that has lowered road freight rates. For instance, the Indian Railways raised tariffs of containers moving on privately-owned wagons by 25 to 40% in March 2015. A separate congestion surcharge of approximately 10% on the base rate was also introduced in November 2014 for import cargo.

Evolution of the CFS and ICD Market

Container traffic in Indian ports grew at a CAGR of 6 to 8% between the financial years 2011 and 2016. During the financial year 2016, traffic was estimated to grow at 3% year-on-year due to the weak trade scenario prevalent in India, with exports and imports declining for two to three quarters, despite a GDP growth of approximately 7%. The CFS and ICD industry (value terms) is estimated to have risen by 12 to 13% year-on-year during the financial year 2015, driven by an improvement in containerized trade of 10 to 11% year-on-year. However, with an estimated growth of 3 to 5% year-on-year in container trade during the financial year 2016 and a tariff hike of 2 to 3%, it is estimated that the CFS and ICD industry in value terms will grow at 4 to 6% year-on-year during the financial year 2016 to reach ₹ 53 to 58 billion.

The following chart sets forth the estimated growth in container traffic at Indian ports along with the estimated increase in the market size of the CFS and ICD industry:



Note: E-Estimated, Data for major ports are estimates for 2015-16

(Source: CRISIL Research)

Major Hubs across the CFS and ICD Industry

There were 163 CFSs and 58 ICDs operational in India as per an inter-ministerial committee report dated January 2016, with the states of Tamil Nadu, Maharashtra, Gujarat and Uttar Pradesh accounting for approximately 65% of the total CFSs and ICDs. There are more CFS clusters in the southern and western regions of India, while export-import container handling terminals in the Indian hinterland are concentrated in the northern and central regions.

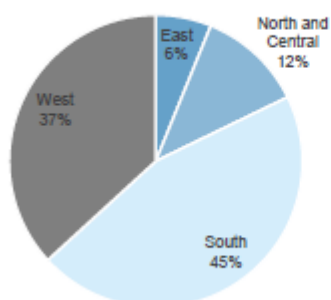
The following table sets forth the relative sizes of CFSs and ICDs in India:

CFS/ICD	Less than 30 acres	Between 30 to 50 acres	Over 50 acres
CFS	80% - 90%	5% to 15%	5% to 15%
ICD	70% - 80%	5% to 15%	15% to 25%

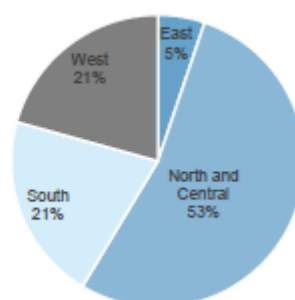
(Source: CRISIL Research)

The following chart sets forth the region wise presence of CFSs and ICDs in India:

Region-wise presence of CFS (in %)



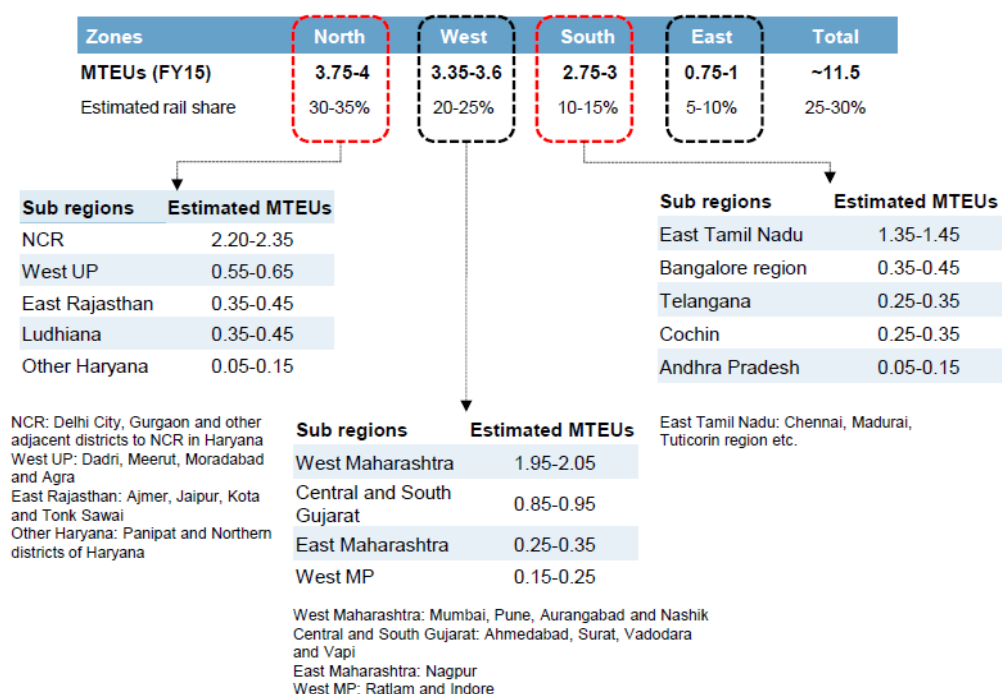
Region-wise presence of ICD (in %)



(Source: CRISIL Research)

Note: North and Central region includes Chandigarh, Chhattisgarh, Haryana, Jharkhand, Jammu & Kashmir, Madhya Pradesh, Punjab, Uttar Pradesh and Rajasthan; East consists of Orissa and West Bengal; South consists of Goa, Pondicherry, Andhra Pradesh, Karnataka, Kerala and Tamil Nadu; and West consists of Gujarat and Maharashtra.

The following chart sets forth the estimated container traffic generated from different zones for financial year 2015:



(Source: CRISIL Research)

The JN Port Region

The JN Port region is the largest CFS cluster in India with approximately 31 CFSs in the region with an estimated capacity of 3 million TEUs. The JN Port handled 4.5 million TEUs during the financial year 2016, with 45 to 50% of the port's container traffic being handled by CFSs. However, with an increasing number of CFS operators and a slower than anticipated growth of traffic, the extent of competition has risen significantly. Consequently, utilization rates have increased marginally and similarly realizations have risen slightly. However, since this is the largest cluster, the utilization levels remain high at 55 to 60%.

The JN Port region faces traffic congestion and evacuation bottlenecks. Also, the road infrastructure consists of mostly two lane roads to connect the CFS zones with the port, leading to road congestion and long waiting periods for clearance from the port to the CFS and vice versa.

Chennai and Eastern Region

In the eastern cluster, CFSs are located around the Visakhapatnam and Kolkata ports, while the Chennai cluster consists of

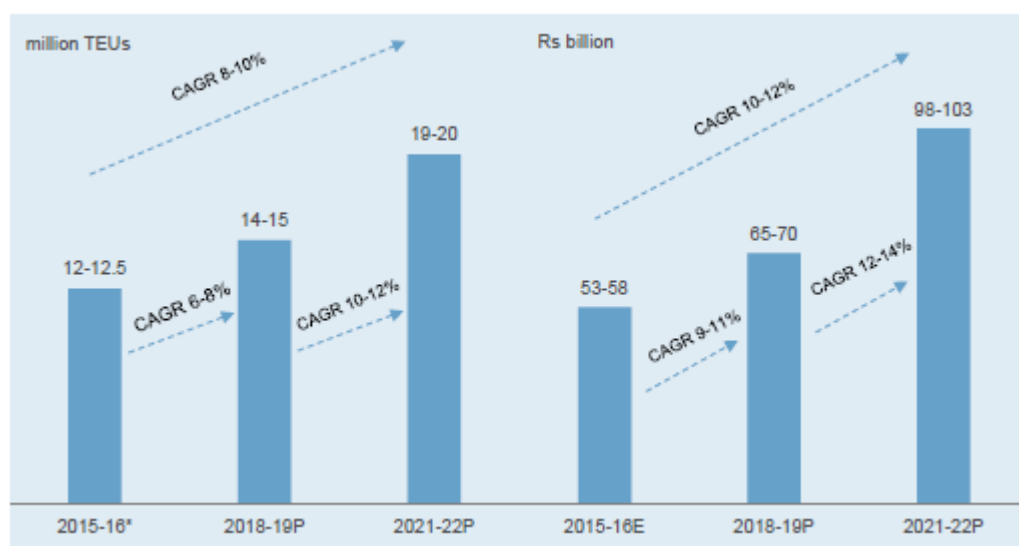
CFSs around Chennai, Ennore and Katupalli ports. Besides these, clusters are also present in and around VOC port, Krishnapatnam port and other ports along the east coast. Port policies and poor road infrastructure have led to challenging business conditions in the eastern region. The Chennai port suffers from infrastructure bottlenecks as poor road infrastructure leads to transportation delays. This, along with severe competition due to higher number of players in the adjoining region, has kept CFSs' capacity utilizations and operating margins under pressure. There are over 30 CFSs in the Chennai region with a total capacity of approximately 2 million TEUs, with a container traffic of around 1 million TEUs. The industry's capacity utilization in the Chennai region during the financial year 2009 was approximately 70%, which reduced to approximately 40 to 50% during the financial year 2016 due to oversupply of CFS facilities. Correspondingly, the average operating margins in the region hovered at low levels of approximately 20%.

CFS and ICD Industry Outlook

Healthy container growth. The CFS and ICD industry is dependant on the growth in container trade. Container traffic at Indian ports is expected to grow at a CAGR of 8 to 10% during the financial years 2017 and 2022, due to robust GDP growth, gradual recovery in non-oil trade, increase in the levels of containerization and significant addition in container capacities. Further, government initiatives such as 'Make in India' plan to double exports by 2020, which will be expected to lead to an incremental growth in manufacturing and consequently drive growth in containerization opportunities.

Led by the growth in container traffic, the CFS and ICD industry is expected to grow at a faster rate, after weaker container traffic growth during the financial year 2016. Increment in traffic and realizations for the same period is expected to be moderate at around 3 to 5% as expected capacity additions in the CFS and ICD sector will limit very high growth in utilization levels for CFSs and ICDs.

The following chart sets forth the container traffic outlook along with the expected increase in the CFS and ICD market size for the periods indicated:



(Source: CRISIL Research)

Container traffic to be higher in the western zone. Several capacity additions and infrastructure developments are expected to help sustain the western region's (consisting of the JN Port, Mundra and Pipavav) market share in India's container trade. The JN Port is expanding its capacity with a fourth container terminal being constructed, which will enhance the port's container handling capacity. An additional 1.3 million TEU container handling capacity is expected to become operational by the end of 2016 at the Mundra port. The expansion in capacities and development of planned evacuation infrastructure will allow CFS and ICDs in the region to increase utilization levels and improve realizations. However, till these projects are operational, non-major ports such as Mundra, Pipavav and Hazira will continue to attract incremental traffic, albeit at a slower pace. In the southern region, the Krishnapatnam and Kattupalli ports have shown healthy container traffic growth, while a container terminal at the Ennore port is under implementation. These developments would result in a redistribution of Chennai port's container traffic in coming years.

Dedicated freight corridors to help quicken evacuation of containers at ports. The ability of a port to handle cargo and manage turnaround time of vessels is dependent upon its capacity to unload cargo quickly and efficiently. The lack of quick evacuation directly affects the turnaround time of ships at major ports in India. Dedicated freight corridors ("DFCs") being constructed between Delhi and Kolkata and Delhi and Mumbai, are expected to ease congestion in Indian Railways. The 1,504 km double-track western corridor will run from the JN Port to Dadri, while a 1,409 km double track is being laid from Kolkata to Khurja along with a single track of 449 km between Ludhiana and Khurja in the eastern corridor. About half of the total containers sent to the JN Port come from Delhi – Tughlakabad sector. Hence, the western corridor will handle containers

from the west coast ports to ICDs in the north. It is expected that the DFCs will enable ports on the eastern and western coasts to service a larger market area quickly and more efficiently. The ports of Mundra, Pipavav, Dahej, Hazira in Gujarat and JN Port, Mumbai and Dighi in Maharashtra are expected to benefit from the western DFC. The eastern DFC is expected to benefit the ports of Paradip and Dhamra in Orissa and Kolkata in West Bengal.

Dwell time for containers. As the DFCs become fully operational and are linked with the Indian railway network, the average speed of trains is expected to increase. In case of containers, particularly operating on western corridors, transit accounts for a significant portion in the total time between container loading and unloading at ICDs and handling at gateway ports. As the transit times decrease due to higher average speeds, the dwell time for containers at ICDs can potentially increase, translating to incremental operating profits for ICDs, by way of higher ground rent.

Recent Notifications by the Indian Railways to increase traffic. The Indian Railways has decided to withdraw port congestion surcharge (“PCS”), which was a surcharge levied on basic rail freight. PCS was announced in financial year 2015, due to increased imports of thermal coal, iron ore, fertilizers and containers. Additionally, the Indian Railways decided to withdraw busy season charges (“BSC”) in April 2016, in line with the long term goal of rationalizing the tariff structure for freight business. The BSC will be withdrawn on all commodities loaded on covered stock for a period of two months. According to a press release issued by the Indian Railways, this would increase loading on Indian Railways by 6 to 7 million tons. Further, the Indian Railways has rationalized its merry-go-round (“MGR”) system for shorter leads, where terminals at both ends would be privately owned. The Indian Railways expects traffic under this scheme to be 4 to 5 million tons in financial year 2017.

Unit Economics model for CFS and ICD

Typically, revenue, cost structure and margin for companies varies based on utilization rates, location, asset heaviness and import-export mix. Presence across other segments of container logistics also has a bearing on their bargaining power and realizations. Subject to the above, the following is a sample unit economics model developed by CRISIL Research, with the key assumptions for a typical CFS:

Particulars	Unit	Value	Particulars	Unit	Value
General Assumptions			Volume break-up		
Land required	Acres	40	Export	%	40%
Land Cost	Rs million/Acre	15	Import	%	60%
Capacity	TEU	125,000			
CAPEX			Revenue/TEU	Rs/TEU	12,000
Land acquisition	Rs million	600	Operating Margin		
Civil cost	Rs million	300	1st year		20%
Equipment cost	Rs million	400	From 2nd year onwards		30%
Miscellaneous	Rs million	50	Capacity utilisation		
Total	Rs million	1,350	1st year		30%
Revenue			From 2nd year onwards		65%
Export	Rs/TEU	9,000	Tariff escalation		
Import	Rs/TEU	14,000	YoY increase		3%

Source: CRISIL Research

Note: The above model considers land parcels that have been acquired (project cost considers land cost as well). Equipment cost considers estimated cost for reach stackers, forklifts, empty container handlers, tractors trailers and other equipment (trolleys, ramps, and weighing scales) and utilities. Civil cost considers site development cost, construction, access roads, leveling, paving, warehouse construction etc.

According to CRISIL Research, a CFS’s typical capacity is considered to be 125,000 twenty-feet equivalent units (“TEUs”). Revenue per TEU is a function of import-export cargo; imports having a higher share as they are relatively profitable. Considering a utilization rate of 65% and operating margin of 30% (from the second year of operations), which represent typical operating margins and utilization levels as derived by CRISIL Research, the base case Project IRR for a greenfield CFS comes to 19.0%. However, the parameters such as land cost, equipment cost and overall revenue/unit vary significantly with locations of CFS.

Key Trends and Growth Drivers

Increase in container capacities at ports. Significant container capacities are being planned at key ports such as the JN Port, Mundra, Pipavav, Krishnapatnam and Vizhinjam. A new container terminal at the JN Port would help in de-congesting the port area. Similarly, capacity additions at Mundra, Pipavav and Krishnapatnam will be beneficial for nascent CFS clusters around them.

Suitable government support for external trade. Apart from logistics infrastructure, industrial development in the hinterland of a port directly affects container traffic growth in the region. The development of special economic zones, free trade and warehousing zones, direct freight corridors and special economic regions provides impetus to container traffic in the region.

Another important factor that affects growth of the CFS and ICD industry is the policy framework around exports and imports. Policy initiatives aimed at boosting industrial and infrastructure development act as catalysts for growth of cargo. Faster custom clearances and facilitative regulatory frameworks provide an edge against rival ports, making it more attractive for shipping lines, which leads to traffic growth in the region.

DFCs to improve containerized rail movement. DFCs would help in developing ICDs in the hinterland. ICDs would help in decongesting port areas by working as extension of ports, which are already congested by large clusters of CFSs and over-utilized road infrastructure.

ICD complexes with enabling logistics infrastructure. ICDs providing wide variety of warehousing services such as bonded warehouses, buffer storage warehouses, export-import transit warehouses and other services at large land banks in the hinterland can be developed at lower costs, compared to ports where land is scarce and costly. Apart from the wider range of services, the ICD complexes can also aid in development of adjoining hinterland regions.

Double stacked trains to reduce container shipping cost. In India, the Mundra and Pipavav ports currently operate with double stacked trains. The introduction of electrified double stacked trains on strategic routes, as envisaged across DFCs would reduce the per container shipping cost and it would also enhance the competitiveness of the ICDs and rail linked terminals.

Investment Outlook

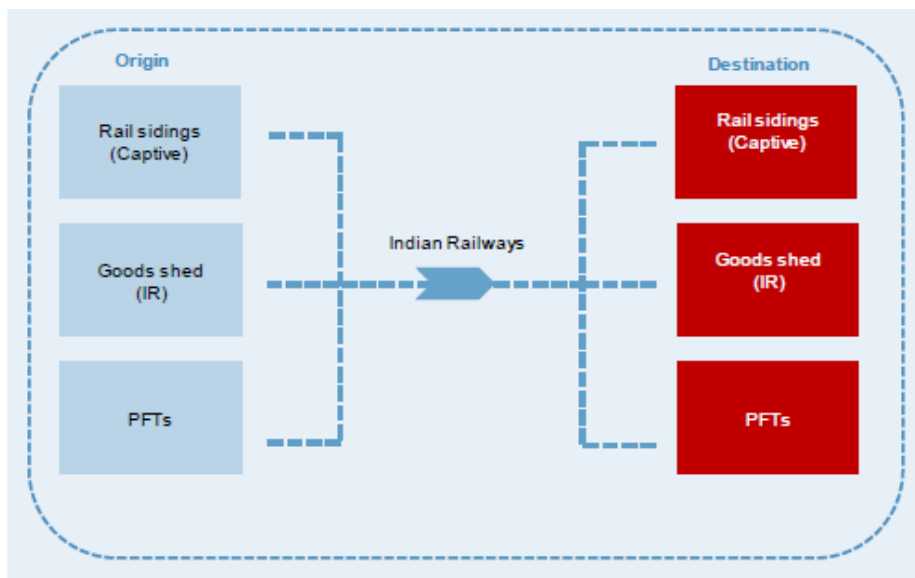
According to an inter-ministerial committee report, 25 new CFSs and ICDs are being established. While most of these CFSs are being planned in southern and western India, most ICDs are being set up in northern, central and western India. Of the 50 CFS and ICD projects that are currently being implemented, CRISIL research expects that 30 to 35 CFSs and ICDs will commence operations in the next three years. It is also estimated that the overall investment in CFS and ICD projects will be about ₹ 30 to 35 billion. An additional investment of ₹ 20 to 25 billion is expected till the financial year 2022, with an additional 20 to 25 facilities becoming operational. Thus, the overall investment in the CFS and ICD sector between the financial years 2016 and 2022 is expected to be ₹ 50 to 60 billion.

Barriers to Entry

The CFS and ICD industry is moderately capital intensive. With a typical capital requirement of ₹ 1 to 1.3 billion (including land cost), the threat of new entrants in this industry is moderate according to CRISIL Research. However, limited availability of land at strategic locations near the port acts as a barrier to entry due to the high land prices and difficulties in land acquisition. For example, land prices and availability near JN Port and Chennai ports act as high entry barriers. Familiarity with the container logistics industry, relationship with container terminal operators, shipping lines, consolidators, logistics services providers among others is also imperative for attracting market share. Further, the industry needs to comply with a host of guidelines of the Inter-Ministerial Committee such as land requirement, minimum equipment, among others, with regular monitoring, which may dissuade some from entering the industry.

Private Freight Terminal Industry

Access to rail connectivity is a key component of the logistics value chain, allowing for the movement of bulk cargo over long distances in a cost efficient manner. The Indian Railways facilitate the transport of goods via rakes, which can be loaded at originating rail freight terminals and unloaded at destination freight terminals. Rail freight terminals that do not facilitate customs clearances at their site can broadly be classified into captive rail sidings, goods shed (operated by the Indian Railways) and private freight terminals (“PFTs”). A goods shed is a rail freight terminal that facilitates loading, unloading and in-transit storage of commercial cargo transported by the Indian Railways. The diagram below shows the movement of goods across freight terminals (including rail sidings and goods sheds):



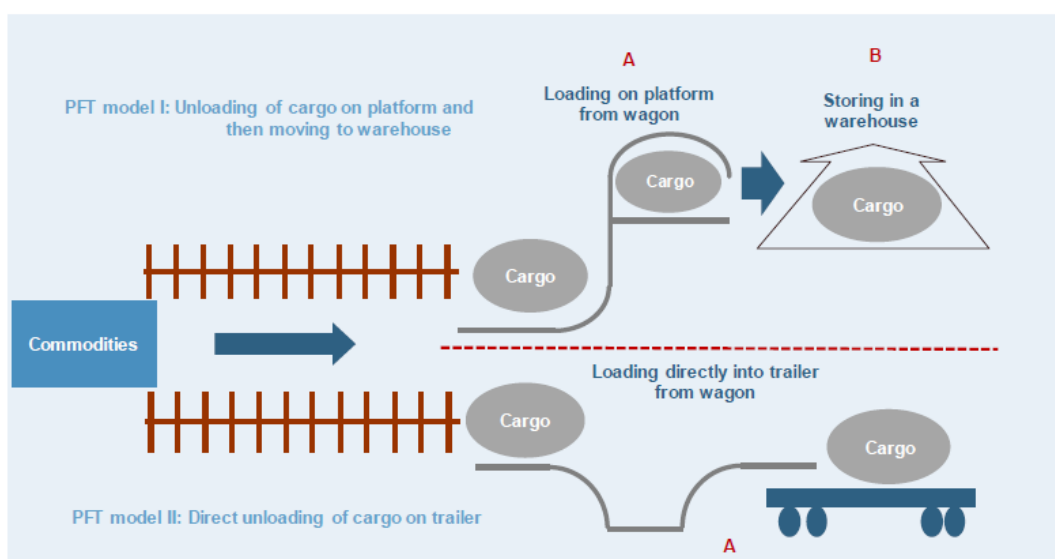
PFT: Private freight terminal

(Source: CRISIL Research)

Value Proposition and Advantages of PFTs

A PFT serves domestic cargo, primarily facilitating access to rail transport, and providing services including warehousing and transportation for incoming and outgoing cargo and last mile connectivity. A few PFTs also provide value added services including cargo aggregation and packaging. A PFT handles third-party cargo in accordance with the PFT policy of Ministry of Railways. The policy stipulates the facilities and equipment that a PFT needs to have to carry out operations. All types of commercial wagons that are permitted to operate on an Indian Railways network are permitted to transport goods to PFTs. As of January 2016, 20 to 25 PFTs have been set up and 45 proposals for new PFTs have been granted in-principle approval.

The primary advantage of PFTs is that these facilities are generally located in the outskirts of cities, thereby facilitating round-the-clock handling and subsequent transportation via road. Also, an integrated player can become a one-stop solution provider by providing warehousing and last mile distribution services. Large end-user industries also benefit from PFTs as they provide integrated solution for all rail-linked logistics, including end-to-end logistics, warehousing, inventory management services and last mile distribution services. Handling and warehousing at PFTs can be more cost competitive as compared to a goods shed for large volumes as they benefit from mechanization and efficient processes. A well connected secondary transportation to key locations enhances the competitiveness of PFTs. PFTs provide faster turnaround in cargo handling due to single point responsibility and better infrastructure, while the handling at a goods shed is slower due to constraints in handling and infrastructure as well as distributed involvement of various handling and transportation service providers. This provides a competitive advantage to PFTs for the handling of cargo. The diagram below describes cargo movement through handling and warehousing services in a PFT:

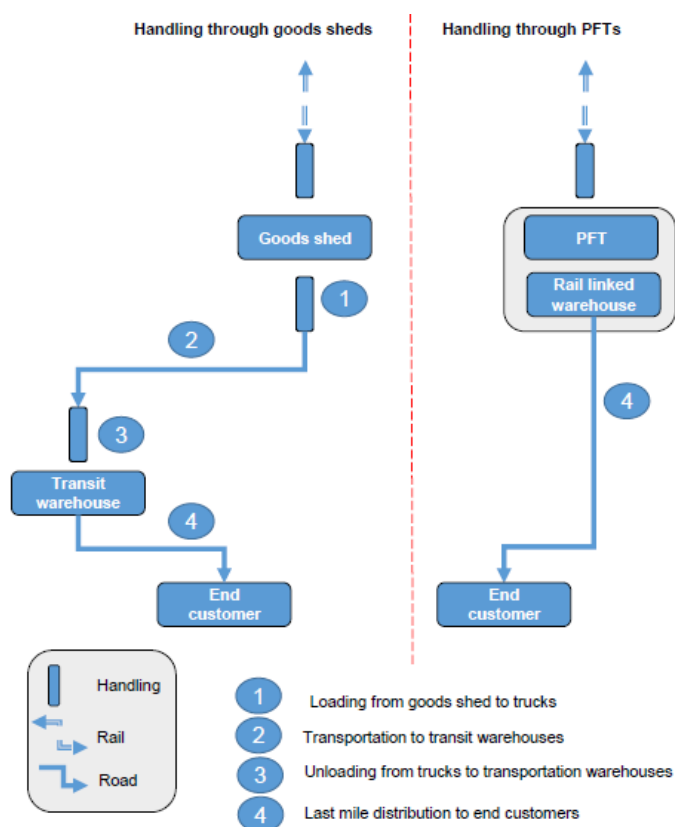


(Source: CRISIL Research)

Further, storage facilities at goods sheds are minimal or elementary and hence there are possibilities of pilferage and damage through unauthorized access, while PFTs are covered and protected zones where regular monitoring and computerized

weighing scales are used, ensuring minimum pilferage. Services rendered at goods sheds are limited to loading and unloading and often warehouses are located 10 to 15 kms away, which add to first-mile and last-mile costs. Multiple vendors handle different operations and hence customers do not have a single point of contact, while in case of PFTs, integrated services (including cargo aggregation and third party logistics) are provided as part of customized solutions for commodities.

Cargo handling at PFTs provide savings in two handling and one transportation cost vis-à-vis cargo handling at goods sheds. In case of goods shed, the cargo is first unloaded at rail platforms, from rail platforms, it is loaded to trucks for transportation to warehouses. At warehouses, cargo is again unloaded and stored. From the warehouses, cargo is again loaded to trucks for last mile distribution. In contrast, in PFTs, cargo is unloaded at rail terminals and directly stored at rail-linked warehouses. Cargo is then directly sent to end-consuming locations from rail-linked warehouses. Thus, the two handlings and one transportation involved while using goods sheds, i.e., loading to trucks from rail platforms and unloading at warehouses. Transport of cargo from rail platforms to warehouses is not required in case of PFTs, as cargo is directly loaded to trucks from rail-linked warehouses for last mile distribution. CRISIL Research estimates that handling cargo at PFTs would enable potential savings of ₹ 150-250 in last mile warehousing and distribution. The diagram below illustrates handling at PFTs which enables potential savings in handling and transportation costs:



(Source: CRISIL Research)

Growth drivers

Liberalization of PFT Policy. The Government has amended the PFT policy several times since its inception. In May 2015, the Railway Ministry announced major steps towards greater liberalization, such as lowering the application fee and security deposit from ₹ 10 million to ₹ 1 million. Also, the additional fee of ₹ 50 million for handling outward iron ore traffic has been done away with. It is expected that the Government will continue to further incentivize private participation through more liberalization measures.

The Government has announced plans to have 500 PFTs to be set up over the next three years. However, it is expected that land acquisition will act as a significant hurdle in acquiring parcels of land at suitable locations, thereby limiting a rapid surge in the number of operational PFTs. However, it is expected that 60 to 70 PFTs will be operational by the financial year 2022.

Increase in domestic trade. A PFT primarily handles bulk commodities. In the short term, demand for bulk commodities is expected to grow on account of a growth in manufacturing activities, which are expected to rise by 7.1% during the financial year 2017. Rising private and government consumption will also provide a boost to the manufacturing sector, with the two projected to grow on-year at 8.0% and 7.2% during the financial year 2017, respectively, at market prices. Further, domestic demand is supported by low inflation and increased transmission of the RBI's interest rate cuts. Over the longer term, favorable macroeconomic factors are expected to drive growth in domestic trade. Investments in rail supported by policy and regulatory developments can drive the PFT market. With the inherent advantages provided by PFTs for domestic cargo movement, the growth profile for PFTs would be dependent on the domestic cargo carried over Indian Railways network.

Increased adoption of PFTs and growth in bulk as well as non-bulk rail traffic is beneficial for the PFT market in India.

Government schemes. The Government's Make in India programme focuses on 25 sectors to enhance the country's capital goods competitiveness. It is expected that the Government will continue its reform process, which will also support a recovery in manufacturing. The Government has raised the outlay on roads, railways and highways. Projects such as the Delhi-Mumbai Industrial Corridor and other industrial corridors will further boost manufacturing.

Efficiency of operations. Handling equipment at PFTs are typically more advanced and efficient compared to those available at goods sheds. Faster and efficient handling of goods and use of better tracking technology will help quicken operations, thereby allowing PFTs to handle higher traffic. This will result in better efficiency of operations at PFTs.

Larger warehousing space for longer duration. A majority of the PFTs will be located in the outskirts of cities. This allows players to acquire sizeable land at economical prices. In contrast, goods sheds that are now in the middle of cities have limited room for expansion. This forces goods sheds to operate at low inventory days in order to efficiently handle incoming rakes. PFTs, adequately spaced with warehousing facilities, allow customers to store goods for longer duration and permit more chances of full rake and high volume shipments for better economies of scale.

Transition of traffic from road to rail. Rail traffic growth has been tepid during the last few years primarily on account of a decrease in diesel prices lowering road freight rates, in contrast with rising rail freight rates. Overall, rail freight tariffs increased approximately 11% on-year in 2015. However, going forward, the share of rail in overall freight traffic is expected to rise.

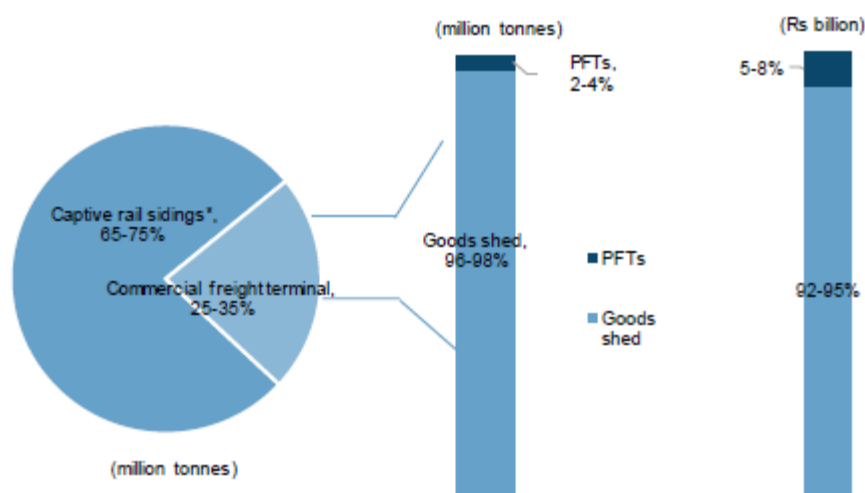
Integrated solution. Of the PFTs that are currently in operation, a majority provide last mile transportation services. It is estimated that, for an integrated service provider, transportation services can contribute 60 to 70% of total revenue. A one-stop solution provider is expected to be preferred by customers over a single service provider as it saves the hassle of dealing with different parties, while providing more flexibility and control.

Long haul and inter-state rail cargo. PFTs typically cater to long haul and inter-state cargo moved through rail. The captive rail sidings facilitate movement of cargo for large industries, while goods shed and PFTs serve as transit points for subsequent movement of cargo to end customers. States with higher inward and outward rail traffic are expected to have better potential for goods sheds and PFTs.

PFT Market Size and Outlook

The commercial freight terminal includes goods sheds and PFTs. Currently, there are approximately 1,000 goods sheds and 20 to 25 PFTs. It is estimated that commercial freight terminals handled 25 to 35% of overall rail traffic, which was approximately 980 million tonnes, excluding containers and other balance goods, during the financial year 2016. Within commercial freight traffic, the estimated volume share of PFTs was 2 to 4% (6 to 8 million tonnes) during the financial year 2016.

The following chart sets forth the estimated breakup of rail traffic among freight terminals during the financial year 2016:



Note: * Captive rail sidings include sidings at ports and mining areas
E: Estimated

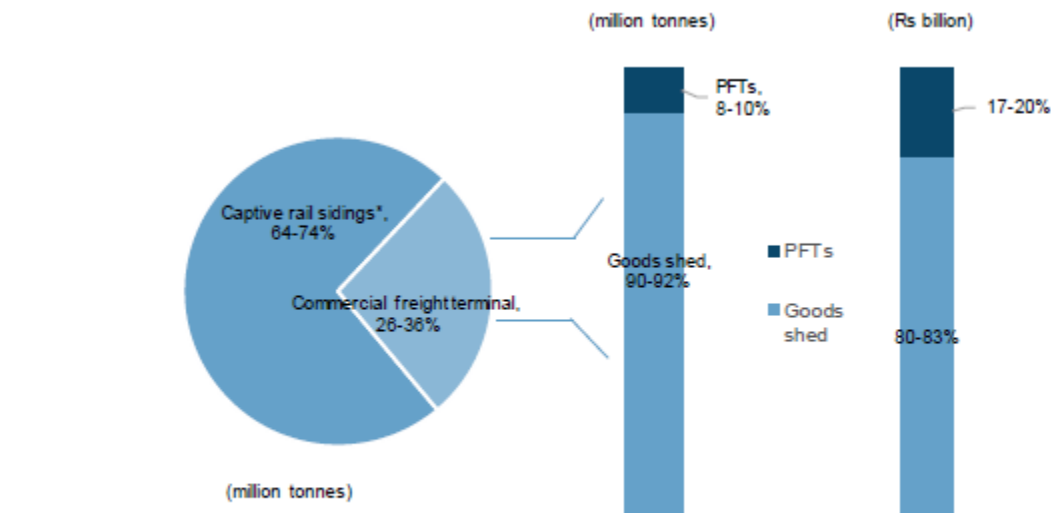
(Source: CRISIL Research)

It is estimated that, during the financial year 2016, the commercial freight terminal market size will be approximately ₹ 20 to

25 billion, of which PFTs will comprise ₹ 1 to 2 billion (excluding last mile transportation revenues). The market size of PFTs, inclusive of last mile transportation services, is estimated to be ₹ 2 to 4 billion during the financial year 2016.

Between the financial years 2017 and 2022, the traffic handled by commercial freight terminals is projected to grow at a CAGR of 8 to 10%, thereby translating into a share of 26 to 30% in the overall rail freight traffic. Within commercial freight traffic, it is forecasted that PFTs will comprise 8 to 10% (35 to 40 million tonnes), thus translating into a CAGR of 30 to 35% for the volumes handled by PFTs over six years.

The following chart sets forth the projected breakup of rail traffic among freight terminals for the financial year 2022:

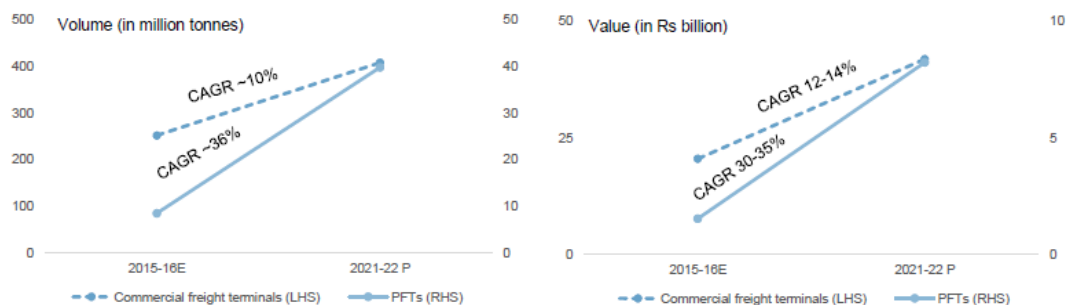


Note: * Captive rail sidings include sidings at ports and mining areas

P: Projected

(Source: CRISIL Research)

Between the financial years 2017 and 2022, the market size of the commercial freight terminal is projected to be ₹ 40 to 45 billion. Within this, PFTs are forecasted to comprise ₹ 8 to 10 billion. According to CRISIL Research, the PFT market is expected to grow from six to eight million tonnes in financial year 2016 to 35 to 40 million tonnes in financial year 2022 (in terms of volume). The market size of PFTs, inclusive of last mile transportation services, is expected to grow to ₹ 15 to 17 billion for the financial year 2022, as depicted in the chart below:



P: Projected

(Source: CRISIL Research)

Barriers to Entry

With a capital requirement of ₹ 1 to 1.5 billion (that can extend to even ₹ 2 billion near key cities), the threat of new entrants in the PFT industry is moderate, according to CRISIL Research. Limited availability of land at strategic locations at reasonable rates, contiguous land of 1 km for parking of a full rake, land free from obstructions such as electric poles, gas/oil pipelines, culverts/bridges among others, proximity to market, road connectivity and loop line at nearest station are all barriers to entry. Further, the PFT industry needs to comply with several guidelines of the zonal railways authorities such as facility requirement and minimum equipment among others. Additionally, there is significant time required in seeking and obtaining approvals from relevant governmental authorities.

Unit economics of PFT

PFT is infrastructure-intensive, wherein volumes handled are a key determinant of operating profitability, as a majority of the

cost are fixed, such as rent and equipment-related cost for reach stackers and cranes. The bargaining power and competitive advantage of a PFT also depends upon its proximity to markets, footprint in the logistics value chain, linkages with businesses, scale of operations, among others. Accordingly, revenue, cost structure and margin of PFTs vary as per utilization, location and capital employed.

Particulars	Unit	Value	Particulars	Unit	Value
General Assumptions			Volume break-up		
Land required	Acres	40	Handling	%	16%
Land Cost	Rs million/Acre	8	Warehousing	%	24%
Capacity	Million tonnes	2	Transport	%	60%
CAPEX			Revenue/Tonne	Rs/tonne	450
Land acquisition	Rs million	300	EBITDA		
Civil cost	Rs million	350	1st year	%	10%
Equipment cost	Rs million	350	2nd year onwards	%	20%
Miscellaneous	Rs million	50	Capacity utilisation		
Total	Rs million	1,050	1st year	%	35%
Revenue			From 2nd year onwards	%	70%
Handling	Rs/tonne	100	Tariff escalation		
Warehousing	Rs/tonne	80	YoY increase		3%
Transport	Rs/tonne	270			

(Source: CRISIL Research)

Note: The equipment cost comprises estimated cost for reach stackers, forklifts and other equipment such as trolleys, ramps, and weighing scales, and other utilities. Civil cost takes into account civil construction and other ancillary infrastructure such as access roads, rail loading facilities, site development, among others.

According to a CRISIL Research's analysis of a potential greenfield PFT with capacity of 4 million tons, revenue per ton is a mix of physical infrastructure (includes handling and warehousing) and last mile transportation services. Utilization rate of 35% is considered for first year of operations, while 70% is considered from the second year onwards and EBITDA from second year onwards is considered as 20%. The estimated base case Project IRR for the investment over a 15 year period is 20.4 per cent. In order to gauge the competitiveness of a PFT, sensitivity scenarios incorporating changes in utilization level from the second year onwards, capital expenditure, EBITDA margin and revenue per ton were considered by CRISIL Research for calculating pre-tax project IRR.

Concept of a Co-located ICD and PFT

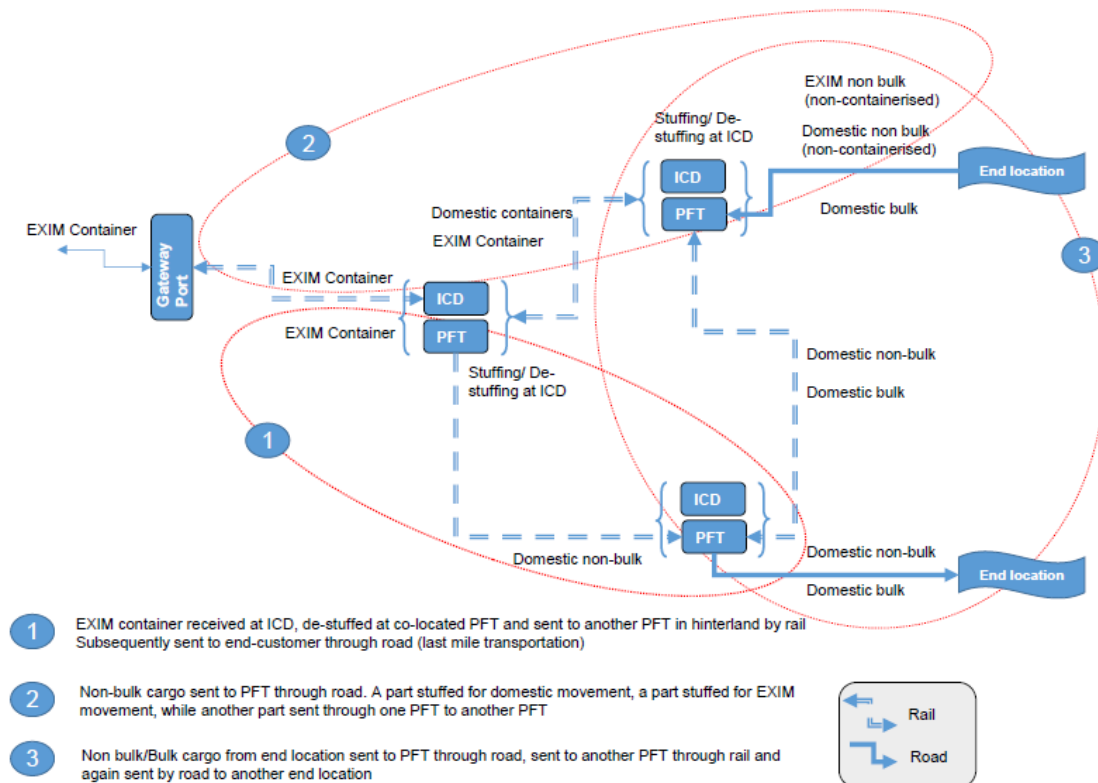
Typically, ICDs have rail infrastructure, with a custom notified area for handling EXIM containerized cargo and are located in the hinterland, whereas CFSs are located near ports. ICDs primarily send containerized cargo through rail, via container train operators ("CTOs") to gateway ports in the case of exports or vice-versa in case of imports. In case of exports, ICDs can either receive factory stuffed containers, or bulk cargo from the hinterland, which is containerized on site and then sent to gateway ports and vice versa in case of imports. Many ICD players also provide warehousing services, both custom bonded and non-bonded (domestic). Rail connectivity with gateway port gives ICDs an inherent advantage. However, some importers and exporters in the hinterland may not have rail connectivity to ICDs, in such cases, consignments will have to be transported by road. This may result in sub-optimal utilization of rail connectivity, as ICDs only route EXIM containerized cargo through their rail heads.

A PFT combined with an ICD, can use the rail infrastructure of the ICD, with loading and unloading points for custom-notified and domestic cargo. This concept is construed as a co-located ICD and PFT, where one co-located ICD and PFT can be linked to another one in the hinterland through rail and can handle the containerized cargo (domestic and EXIM) through CTOs and bulk cargo (domestic and EXIM) through Indian Railways. Thus, a co-located ICD and PFT complex can serve as a one-stop solution for both domestic as well as containerized cargo logistics. Rail connectivity of a co-located ICD and PFT facility with other co-located ICD and PFT facility, ICD or PFT to transport domestic as well as EXIM cargo provides a key advantage.

Network Effect of a Multi-Location Player

A multi-location player with operations across EXIM and domestic cargo based logistics for containers can obtain synergies by combining both facilities. In case of an ICD, existing rail infrastructure can be utilized by creating a PFT at the same location.

The different combinations of logistics verticals and their advantages are illustrated by the following chart:



(Source: CRISIL Research)

Players with multiple CFS and ICD facilities at different locations and co-located ICD and PFTs or PFTs at other locations have a competitive advantage. Customers can send both, domestic and EXIM bound cargo, to a co-located ICD and PFT, where it can be segregated and distributed accordingly. Every additional terminal will help widening route-network resulting in sharp rise in volume handled between those terminals. Rail freight services between the co-located ICD and PFT or PFTs located in the hinterland can be initiated and handling and warehousing revenues can be realized at both loading and unloading sites. With terminals located at strategic sites across the country, inter-connected services among terminals can aid in providing pan-India logistics capabilities. For large players with presence in EXIM as well as domestic supply chain, such integrated solution providers can act as one stop shop in synergistically addressing transportation and logistics challenges.

Examples of savings across supply chain

For a rice trader in hinterland, a co-located ICD and PFT can be used for exporting rice via containers through the ICD and for distribution in other land locked areas through the PFT via the Indian Railways. Similarly, a leather manufacturer can send shipments to a co-located ICD and PFT in bulk through the Indian Railways, and they can be containerized and sent to a gateway port for exports and partly distributed within the city. Given the ability to handle cargo both via road and rail, clients can source raw material in any form as may be required. Hence, both sourcing and distribution of containerized and non-containerized cargo (domestic or EXIM) via road and rail makes a co-located ICD and PFT a key participant in the logistics value chain.

PFTs equipped with large warehousing and logistics facilities can provide customized solutions, which can be beneficial for large companies in planning their distribution operations. For example, a fast moving consumer goods company, which regularly supplies finished goods to a high consumption area through a manufacturing plant, may find PFTs present at both locations very useful, along with the warehousing services, as it will aid in better inventory management and logistics cost savings.

Companies with operations in related logistics sectors will gain better synergies, as a player having co-located ICD and PFT, CFS and PFT network can initiate container train operations among its sites, which will provide better control over the entire network and increase customer loyalty. Players operating in other supply chains solutions can route their existing cargo through owned co-located ICD and PFTs, CFSs and PFTs and container train operations. Operations across inter-connected logistics offerings would ensure a wider reach, efficient logistics and reliable services across the complete logistics chain.

Further, cargo flows are generally geographically dispersed, and, even for a single customer, three or four locations might be required for sourcing and distribution. A network of interconnected co-located ICD and PFTs can help in supplying and distributing dispersed loads through optimally managing 'less than rake' loads and return cargo availability. This also helps in efficient utilization of the network assets, handling other non-bulk cargo and better reach to catchment areas. With a wider network and service base, players operating through networks can also command better bargaining power.

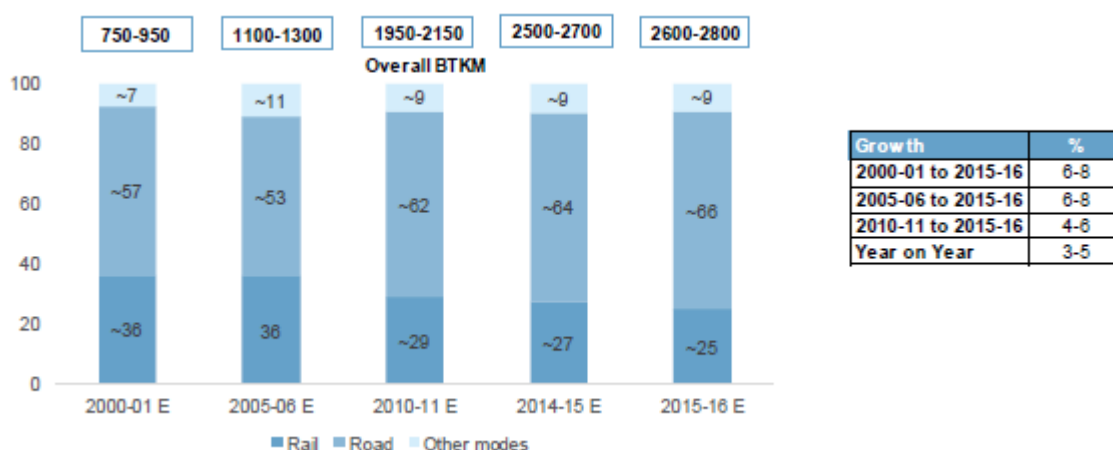
Domestic Freight Transportation

Primary freight movement deals with the movement of goods within the country across transportation modes such as trucking (road), railways, coastal shipping and pipelines. The demand for freight transportation services is dependent on the size, structure and demographic profile of the economy. Industrial and agricultural production, along with export-import trade mainly drives growth in the primary freight movement.

Overall primary freight movement (in billion tonne kilometers (“**BTKM**”) terms) grew at a 6 to 8% CAGR (across all transportation modes) between the financial years 2001 and 2016, with a marginally higher growth at 7 to 9% CAGR for the past 10 years (financial years 2006 to 2016). However, in the past 5 years, the overall primary freight has grown at a more moderated CAGR of 4 to 6% only, impacted by weakness in the economy and external trade. During the financial year 2016, overall BTKM grew 3 to 5% year-on-year due to the overall growth being hampered on account of a slowdown in several core sectors.

Ground freight (road and rail) comprises majority of the primary freight movement, consistently contributing over 90% share of the overall primary freight movement. Within ground freight, road freight is more dominant over rail and has steadily gained share over rail in the last 10 years. Other than ground freight, coastal and pipelines together have steadily contributed to around 9 to 10% share of primary freight movement over most of the previous 10 years.

The following chart sets forth the historic evolution in the share of transportation modes in total primary freight movement (in terms of BTKM):



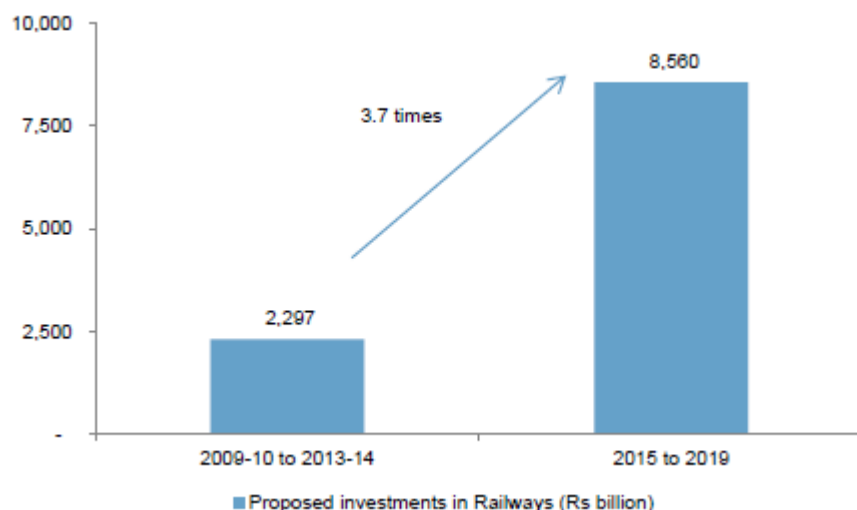
(Source: CRISIL Research)

The Indian Railways is one of the largest railway networks in the world and plays an important role in connecting remote regions and transporting both passengers and freight over the length and breadth of the country. As per a white paper released by Indian Railways in February 2015, the Indian Railways runs around 19,000 trains each day connecting around 8,000 stations. Of these, approximately 6,000 trains are freight trains. The Indian Railways is one of the largest freight carriers in the world. Further, the Government plans to increase track laying to 13 kms per day by the financial year 2018 and 19 kms per day by the financial year 2019. During the financial year 2016, it was estimated that 6.85 kms of tracks were laid per day, which was significantly higher than the average between the financial years 2010 and 2014, which was 4.1 kms per day.

Investments in Rail Freight Infrastructure

The Government has proposed investments worth ₹ 8.56 trillion in the Indian Railways over the next five years. Of the total investments, directly relevant to freight, about 23% will go towards network decongestion (including DFCs), electrification, doubling (including electrification and traffic facilities) and an equal amount will go towards network expansion. The proposed outlay until the calendar year 2019 is around 3.7 times higher than the planned investments as per railways budgets of past 5 years (financial years 2010 to 2014). While spending on the DFCs is expected to continue till the financial year 2019, the effect of the DFC investments would start flowing into the trade through the phased commissioning of the DFC, across the sections which would be commissioned and connected with the Indian Railway network. With increased outlay in comparison to the past, debottlenecking of key freight routes through improvements in signaling, telecom and safety, as well as locomotives and wagon procurement is expected. Accordingly, improvements are expected in the capabilities of the Indian Railways, whose competitiveness has historically been impacted by project delays and limited investments.

The following chart sets forth a comparison between the proposed investment in railways and the actual investment during the last five years:



(Source: CRISIL Research)

Investments in DFCs aligned and linked with the existing Indian Railways network

The DFC project involves the development of dedicated railway corridors for transporting freight across India (the current rail network is used for transporting both freight and passengers). The first phase will include the Western DFC, running from Mumbai to Dadri near Delhi, and the Eastern DFC, running from Dankuni in West Bengal to Ludhiana in Punjab. The western corridor will mainly cater to container traffic as 60% of the total container traffic originates from this region. The eastern corridor will cater primarily to dry bulk cargo.

The Western DFC has generally been aligned parallel to existing Indian Railways tracks except for certain detours at Diva, Surat, Ankleshwar, Bharuch, Vadodara, Anand, Ahmedabad, Palanpur, Phulera and Rewari. Further, between Rewari to Dadri, the Western DFC is on a different alignment from the existing Indian Railways tracks. Connectivity with the Indian Railways network is planned at Dadri in Uttar Pradesh, Prithala, Rewari and Ateli in Haryana, Phulera, Bangurgram and Marwar in Rajasthan, Palanpur, Chadotar, Mehsana, Sanand(N), Sanand(S), Makarpura and Udhna in Gujarat and Kharbao and JNPT stations in Maharashtra. The Eastern DFC is expected to bypass densely populated towns such as Mughalsarai, Allahabad, Kanpur, Etawah, Ferozabad, Tundla, Barhan, Hathras, Aligarh, Hapur, Meerut, and Saharanpur in UP and Ambala, Rajpura, Sirhind, Doraha and Sanahwal in Punjab.

The land for DFC is acquired under The Railways (Amendment) Act, 2008, which provides land acquisition power to the central government in India. Land acquisition for the Western DFC is 91% complete, while for Eastern DFC (except Sonnagar-Dankuni) is 86% complete. With phased commissioning of DFC across different route sections and connectivity with the existing Indian Railways network, the freight trains can utilize the completed DFC tracks, even prior to full commissioning of the DFC. This would aid in reducing the congestion arising through limited Indian Railways network capacity. The Western DFC and Eastern DFC are expected to be fully commissioned by financial year 2020, which subsequently would further enhance the overall freight carrying capacity.

The following table sets forth the timelines for commission of different route sections of the western and eastern DFC:

Route section	Length (Km)	Month	Financial Year
<i>Eastern DFC</i>			
Bhaupur - Khurja	342	March	2018
Bhaupur – Mughal Sarai	402	December	2019
Dadri – Khurja – Ludhiana	450	December	2020
Mughal Sarai – Sonnagar	123	December	2018
<i>Western DFC</i>			
Rewari - Iqbalgarh	625	June	2019
Iqbalgarh - Vadodara	325	March	2019
Vadodara – JNPT	425	October	2020
Rewari - Dadri	127	September	2020

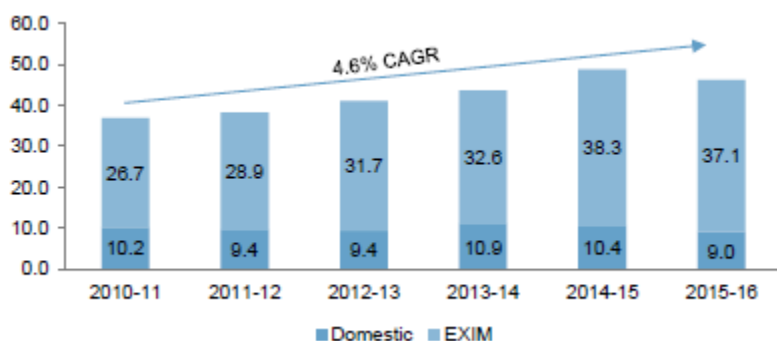
(Source: CRISIL Research)

Rail Containerization

Total rail container traffic in India has grown at around 4.6% CAGR (in million tonnes) over the past five years with export-import container cargo leading the growth at 6.8% CAGR over the same period. Domestic container traffic, however, has

reduced with a CAGR of approximately 2% between the financial years 2011 and 2016. In fact, during the financial years 2015 and 2016, domestic container traffic reduced by approximately 5% and 13%, respectively, due to an increase in rail freight tariff by Indian Railways in December 2014, followed by a hike in March 2015. This situation was further aggravated by a decrease in diesel prices, resulting in a fall in road transportation rates. This led to shifting of domestic cargo from rail to road during the latter part of the financial years 2015 and 2016.

The following chart sets forth the total rail container traffic in India (in million tonnes) for the periods indicated:



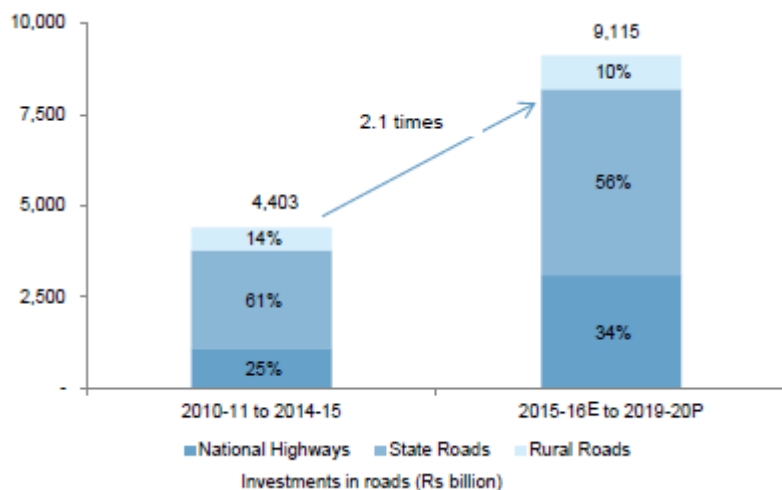
(Source: CRISIL Research)

Investments in Road Freight Infrastructure

Investments in road projects are expected to double to ₹ 9.1 trillion over the next five years. Investments in state roads are expected to grow steadily, while those in rural roads are expected to rise at a moderate pace as a result of higher budgetary allocation to Pradhan Mantri Gram Sadak Yojana during the financial year 2016.

The execution of national highway projects is expected to increase from the financial year 2016, aided by policy reforms, after having slowed down in the previous two financial years. Higher budgetary support to fund engineering, processing and construction projects will also drive investments in national highways, which has recently seen a significant drop in private interest.

The following chart sets forth the proposed investments in road freight infrastructure:



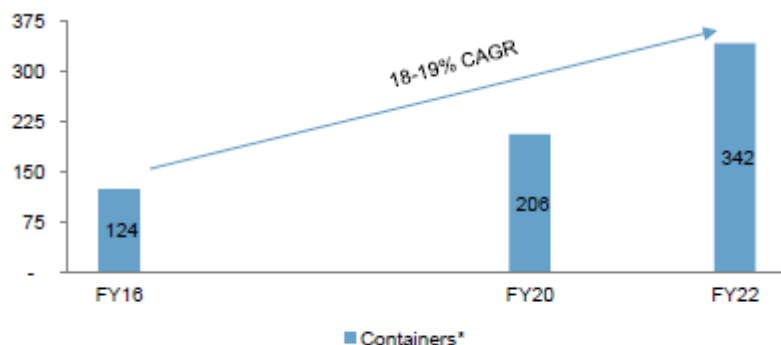
(Source: CRISIL Research)

Outlook

Domestic container traffic as well as EXIM container traffic by rail have been adversely affected during the last five years on account of tariff hikes by the Indian Railways and the falling diesel prices. During the financial year 2016, the volume of domestic, EXIM and overall containers carried by the Indian Railways (in tonnes), declined by 13%, 3% and 5 %, respectively. With a recovery in EXIM container growth, tariff rationalization by the Indian Railways, the phased commissioning of DFCs and additional activities in the sector, rail container traffic is expected to increase in the future. Further, container loading is allowed for majority of bulk commodities by the Indian Railways in the background of commissioning of newer private freight terminals (with synergies involving ICDs). Due to these factors, levels of containerization for domestic cargo would increase and modal shift from road to rail for long haul distances of EXIM as well as domestic containers would happen steadily with the commissioning of the DFCs.

Accordingly, it is expected that container and other balance goods will grow at a CAGR of 18 to 19% between the financial years 2017 and 2022. Domestic containers would benefit from increasing containerization levels of non-bulk traffic and EXIM container traffic is expected to grow at 8 to 10% during the same period. Thereby, modal share shift of non-bulk traffic over long haul and medium haul distances is envisaged due to increased competitiveness of the Indian Railways.

The following chart sets forth the growth in container traffic for Indian Railways (in million tonnes) for the periods indicated:



*Container traffic includes other balance goods as carried by IR, a significant portion of which is expected to be carried in containerised form

(Source: CRISIL Research)

Structural shift in Indian Railways to lead to incremental growth

CRISIL Research expects that the modal share of railways would grow with a higher rate, through an interplay of following transformational factors:

Steady tariff regime. With recent announcements withdrawing the BSC, withdrawing PCS, automatic freight rebate scheme, opening up of containers for bulk commodities among others, it is expected that outlook for freight rates would be stable.

Improvement in handling infrastructure. With liberalization in PFT/sidings policy, establishment of logistics park, two point loading, part loading, and increasing containerization, the loading/unloading times would be optimized and thus affect wagon utilization positively.

Wagon additions and Higher capacity wagons. Wagon addition is directly related to carrying capacity of the Indian Railways. Carrying capacity of Indian Railways could increase with usage of higher capacity wagons.

Wagon turnaround. Wagon turnaround is time taken by a wagon between two subsequent loadings. With improvement in efficiency and speed, the wagon turnaround can be improved, which in turn, would increase the carrying capacity of Indian Railways.

Increase in average speed of freight trains. Average speed is dependent on all the factors as increased track length, doubling, electrification, track renewal, gauge conversion, signaling and telecom and other debottlenecking initiatives. With faster transit speeds of freight trains, time taken to transfer cargo between two points would decrease and the wagon can do more trips within the same time. This will result in improved wagon utilization and thus improved carrying capacity.

Commissioning of DFCs. Phased commissioning of DFCs, with junction arrangements with Indian Railways network, would result in higher average speed for freight trains running on DFC tracks and would aid in de-congestion of overall route. With full commissioning of DFC, the wagon turnaround would improve significantly and freight carrying capacity would further increase.

A combination of the above factors would lead to additional freight carrying capacity of approximately 500 million tons, which would be in line with the Indian Railways' budget of financial year 2016 which states that the Indian Railways would increase carrying capacity of to 1.5 billion tons from the current capacity of 1 billion tons.

Overview of Rail-Road freight share Internationally

According to CRISIL Research, modal share of freight traffic in a country is a function of a number of geography or location related factors such as the land area covered, accessibility of coastlines, topography of land and water, navigability of water bodies etc. In addition, historic focus of government and evolution of private companies are key factors that impact modal share. Typically, countries with large geographical areas are characterized by stronger modal share of rail, while smaller countries have road as a major mode of freight. For instance, according to CRISIL Research, USA and China, larger countries than India in terms of geographical area, have rail as a major freight transport mode. On the other hand, countries in EU region that are smaller in land area as compared to India, have road as a major freight transport mode. This is presented below:

Country	Rail	Road
US*	48%	27%
China*	47%	22%
EU region^	~18.5%	~75%

Source: CRISIL research

Rebalancing of Rail-Road freight share in India












According to CRISIL Research, as part of a phased commissioning of Western and Eastern DFCs, selected stretches are expected to become operational from financial year 2018. Linkage of DFC tracks with existing Indian Railways tracks would give a fillip to rail originating traffic as well as rail BTKM growth. Originating traffic in the Indian Railways is expected to clock a CAGR of 8 to 10% during period between financial year 2017 and financial year 2022, due to incremental freight carrying capacity of the Indian Railways. During the same period, rail BTKM is expected grow at 9 to 11% CAGR.

Railways is expected to reach up to 31 to 32% (in modal share of ground freight BTKM) by financial year 2022 from approximately 28% in financial year 2016. On the other hand, road freight (in BTKM terms) is expected to grow at 7 to 9% in the period between financial year 2017 and financial year 2022, due to increased competitiveness of the Indian Railways over long haul routes. The share of roads in ground freight BTKM is also expected to decline from approximately 72% in financial year 2016 to 68 to 69% by financial year 2022. Year-wise summary of growth rates and modal share is provided in the table below:

	FY05	FY10	FY15	FY16	FY17	FY18	FY19	FY20	FY21	FY22
Road (%)	~61	~64	~69	~72	~72	~71	~71	~70	69-70	68-69
Rail (%)	~39	~36	~31	~28	~28	~29	~29	~30	30-31	31-32

Source: CRISIL Research estimates

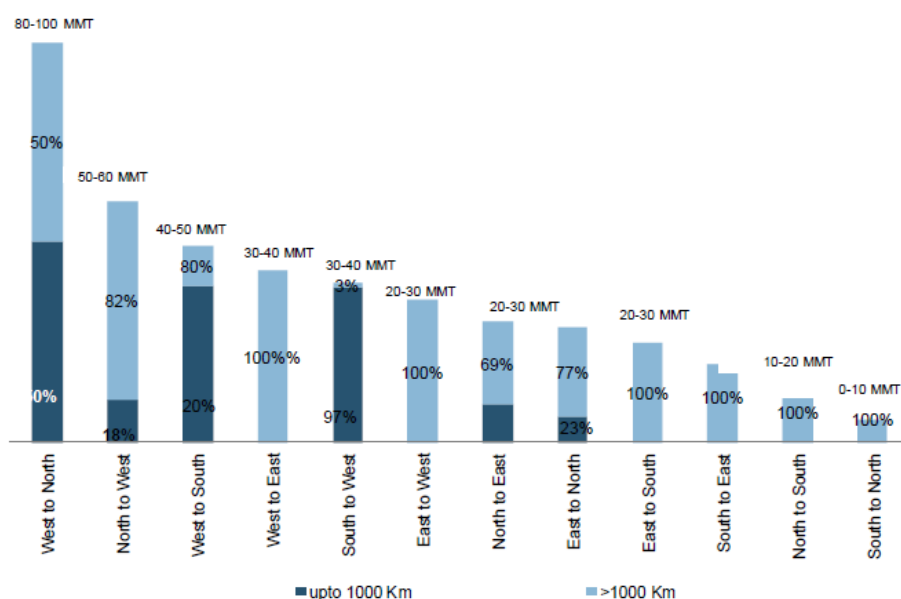
The following chart sets forth an analysis of rail freight and trucking:

	Fundamental merit dimensions	Events/ developments in the period 2016-17 to 2021-22	Impact on rail
Fundamental Merits of rail freight over trucking	Scalability for high volumes	Govt. has planned high investments in IR, including network decongestion and expansion. Also, there is a priority interest in capacity enhancement projects as signalling & telecom, track renewal, ROBs/RUBs, track laying, doubling and electrification, higher capacity wagons etc.	 (FY' 20 onwards)  (till FY'20)
	Cost economics for high volumes (and longer distances)	This along with phased commissioning of DFCs, efficiency through supporting infrastructure, freight terminals, stable tariff regime and focus of railways in increasing non-tariff revenue share, would aid in improving scalability and cost economics for higher volumes (and longer distances).	 (FY'20 onwards)  (till FY 2020)
	Fundamental demerit dimensions	Events/ developments in the period 2016-17 to 2021-22	Impact on rail
Fundamental Demerits of rail freight over trucking	Gaps in schedule reliability of rail freight	With better wagon turnaround time, increased carrying capacity of railways and improved speeds, the reliability of freight services of Indian Railways would gradually improve. By 2020, Indian Railways plans to run freight rail services with time tables also.	 (FY'20 onwards)  (till FY 2020)
	Limited flexibility for low volume shippers	Indian Railways has allowed containerisation of most of bulk commodities and it is constantly looking for expanding the freight basket. With these measures, along with phased commissioning of DFC, there is a potential for new business models in aggregating and providing rail express solutions that can slowly gain acceptance from non bulk and low volume shippers	 (FY' 20 onwards) NA till FY' 20
 Slightly negative impact on rail's share of freight movement  Slightly positive impact on rail's share of freight movement  Strongly negative impact on rail's share of freight movement  Strongly positive impact on rail's share of freight movement			

Inter-state flows of Rail and Road Freight

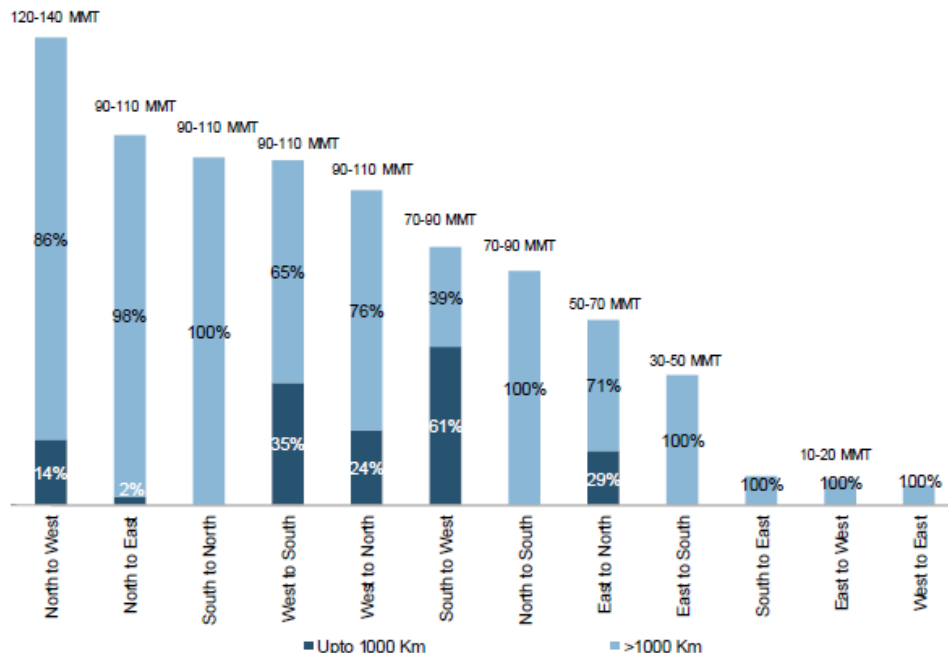
CRISIL Research estimates that in financial year 2015, 700 to 750 million tons of inter-state freight was transported via rail while 1400 to 1550 million ton of inter-state freight traffic was transported via road. Upon dividing India into four zones (North, East, West and South), of the total freight carried via rail, excluding intra-regional traffic, inter-regional freight accounted for 400 to 450 million tons. CRISIL Research's analysis shows that maximum rail freight traffic moved from the

West region to the North region in India at 80 to 100 million tons closely followed by freight traffic movement from the North region to the West region (at 50 to 60 million tons) and accounted for around 25 to 30% of the total inter-regional traffic movement in financial year 2015. The chart below depicts the inter-regional flow of rail freight:



Source: Indian Railways, Ministry of Commerce, Industry, CRISIL Research

Similarly, of the total freight carried via road, inter-regional freight accounted for 750 to 850 million ton. CRISIL Research's analysis shows that maximum road freight traffic is estimated to have moved from the North region to the West region in India (120 to 140 million tons) followed by traffic movement from the North region to the East region (90 to 110 million tons) and accounted for around 30 to 35% of the total inter-regional traffic movement in financial year 2015. The chart below depicts the inter-regional flow of road freight:



Source: CRISIL Research estimates

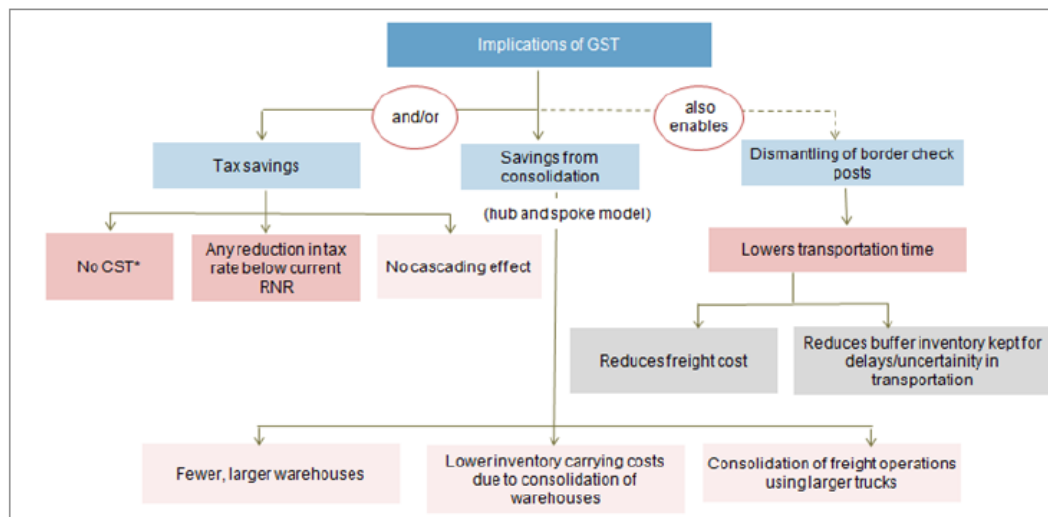
Impact of the implementation of Goods and Services Tax on Road and Rail Freight

The government of India proposes to implement a centralized Goods and Services Tax (“GST”) to replace the existing tax regime (excise, service tax and value-added tax). Currently, the central government levies a uniform tax (Central Sales Tax (“CST”)) on interstate sales in addition to the local value-added tax (“VAT”) paid to the state governments. Implementation of GST is important for growth in road freight as instead of logistics costs and customer service considerations, tax avoidance

currently plays a more important role in deciding how a company sets up its distribution network. In order to avoid interstate CST, companies are forced to maintain at least one warehouse in each state, leading to the creation of multiple inefficient warehouses in each state.

Implementation of the GST regime can bring much-wanted respite to Indian industry, struggling with high tax incidence and logistics costs. The unified tax will subsume most indirect taxes, including the excise duty and CST at the central level and VAT and local levies at the state level.

Expected benefits from the GST regime



Note: Dotted line denotes indirect impact

Source: CRISIL Research)

Introduction of GST would allow companies to aggregate state-based warehouses into one large, regional warehouse that offers cost and operational efficiencies in geographically large markets. As logistical inefficiencies and primary transport costs reduce, the hub-and-spoke model will proliferate, improving the service levels. Post GST implementation, the role of organized logistics players who provide end-to-end logistics solutions and have a pan-India presence, is expected to increase. Unorganized players will not be able to provide the required services unless they invest and transform themselves into organized players.

Improved efficiencies achieved through use of organized logistics partners, are expected to reduce freight costs and ensure timely delivery of goods. Implementation of GST is also expected to facilitate removal of check posts at state borders, which will reduce travel times and, in-turn, road freight rates further. Rail logistics would also get a boost from GST, as rail already provides linkages to different parts of the country without the factors like pilferage and check-posts, among others, affecting the movement. With investments in rail and implementation of DFCs post financial year 2020, the role of rail would increase, while roads would be more effective for short to medium haul distances and secondary transportation.

According to CRISIL Research, the implementation of the GST will render the network of 'tax-warehouses' across the country unproductive and companies will look to realign their warehousing network to eliminate wasteful costs. To avoid paying current taxes on interstate movement of goods, firms typically setup warehouses in every state, which drives up logistics costs in lieu of tax savings on CST. Such an approach is more inclined towards tax considerations and renders the supply chain network less efficient. Companies typically maintain buffer stocks at each warehouse, to counter uncertainty and volatility in demand and transit time. Thus, higher the number of warehouses a player has, higher the inventory.

Implementation of the GST would result in consolidation of smaller warehouses into larger, regional warehouses and consequently reduce inventory levels as it would bring in better synergies in terms of inventory planning. Excess stock held owing to an overestimation of stock requirements in one state can be used to service requirements in other states, thus avoiding an inventory pileup. Thus, while the size of regional warehouses will increase, the total warehousing space required is expected to reduce due to lower inventory requirement and lower non-storage area, office space, loading-unloading area, lunchrooms and restrooms etc, is reduced substantially. CRISIL Research estimates that overall logistics costs (as a percentage of sales) for Indian manufacturers would reduce by 1.5% to 2%.

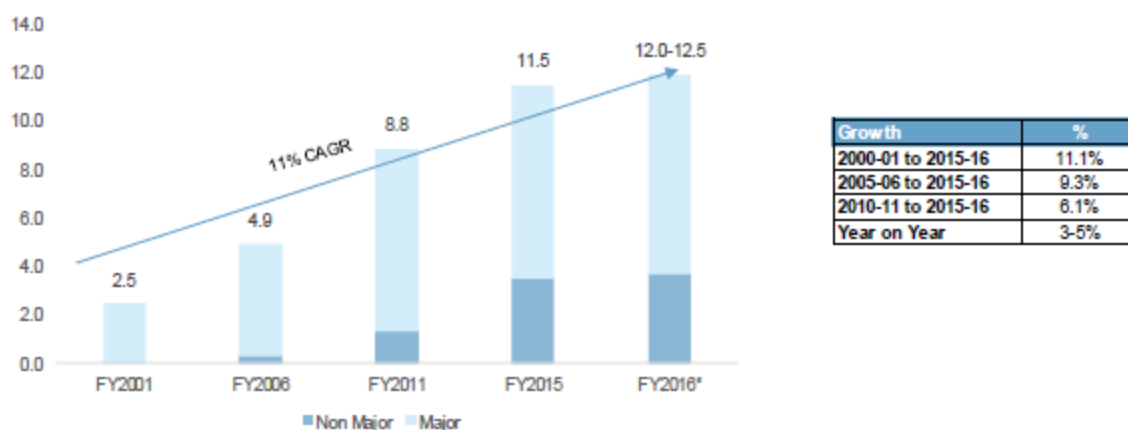
The implementation of GST will also alter primary transportation. As more cargo is transported through larger, regional warehouses, firms would be able to use higher tonnage vehicles as heavier loads will be transported on a daily basis. Trucks with larger tonnage capacity would be used to carry heavier loads owing to the consolidation of inventories. Consequently, the number of trips required to transport goods will decline, in turn bringing down transportation costs in the primary leg of

(hub-to-hub transportation). Overall, CRISIL Research expects total transportation costs to reduce marginally as the savings accrued in the primary leg of transportation are expected to be offset by the increase in costs in the secondary leg.

Seaports

The overall port traffic has grown at a CAGR of approximately 7.2% between the financial years 2001 and 2016, while, between the financial years 2006 and 2016 and the financial years 2011 and 2016, port traffic has grown at a CAGR of approximately 6.2% and 3.5%, respectively. Container traffic at Indian ports has grown at a CAGR of approximately 11% over the last 15 years, while for the past 5 years, the container traffic has grown at a CAGR of approximately 6%, as the growth was weighed down by a weaker performance during the financial year 2016. Container traffic (in TEU terms) at major ports increased at the rate of approximately 3% year-on-year during the financial year 2016, while the traffic at non-major ports is estimated to have grown at 5 to 7% during the same period. Overall, container traffic (in TEU terms), grew by approximately 4% year-on-year in financial year 2016. A weak demand in major markets such as the Eurozone, China and the Organization of Petroleum Exporting Countries and declining exports and imports during the financial year 2016, were responsible for a slow growth despite an approximate GDP growth of 7%.

The following chart sets forth the container traffic (in million TEUs) for the periods indicated:



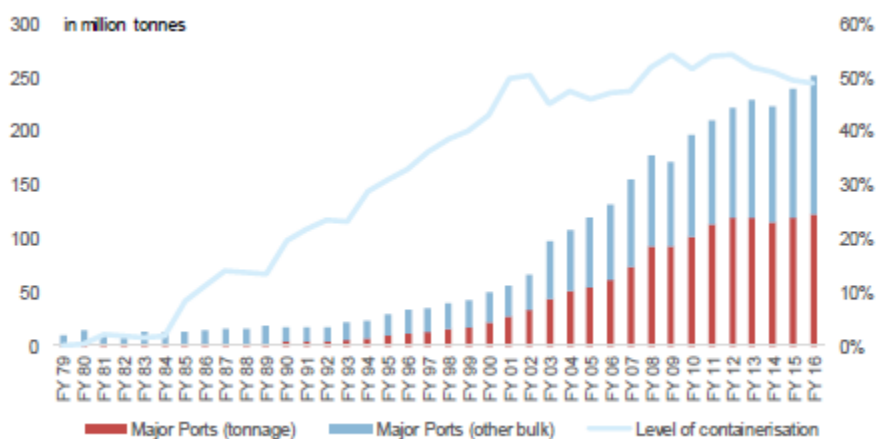
Data for 2015-16 includes estimates for non-major ports

(Source: CRISIL Research)

Traffic Outlook

Container growth is expected to increase between the financial years 2016 and 2022 at a CAGR of 8 to 10%, which would be led by growth in GDP, expected increase in global trade, rising levels of containerization, transshipment potential across ports and incremental container capacities at Indian ports. As against an estimated container capacity of approximately 18 million TEUs in the financial year 2016, across Indian ports, approximately 15 million TEUs is expected to be added by the financial year 2022.

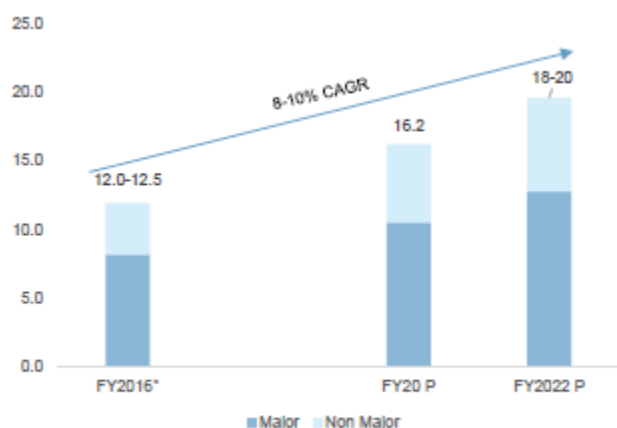
The following chart sets forth the level of containerization in EXIM cargo at major ports for the periods indicated:



Containerised cargo (in tonnage) / (Containerised cargo + General cargo), taken as a representative metric for level of containerisation

(Source: CRISIL Research)

The following chart sets forth the container traffic outlook (in million TEUs) for the periods indicated:



Data for 2015-16 includes estimates for non-major ports

(Source: CRISIL Research)

Warehousing

Warehouses refer to storage facilities where goods are stored until they are dispatched to customers and end-users. The time lag between production and consumption of goods necessitates the existence of warehouses for the temporary storage of goods. For instance, certain goods are produced only during a particular season but consumed throughout the year. Similarly, certain goods are produced throughout the year, but has demand only during a particular season. Thus, warehouses play an important role in maintaining the quality of products and minimizing wide fluctuations in the prices of goods. Additionally, value-added services such as packaging, sorting, grading, kitting, bar coding, and reverse logistics can be carried out at warehouses. Modern warehouses equipped with the modern IT systems can also track inventory and management of orders, product data and storage.

Agricultural warehousing

Agricultural warehousing involves storage of agricultural products such as food grains, cereals, oil seed, sugar, pulses, spices, and fruits and vegetables. In India, a significant share of agricultural warehousing is required to meet the needs of the public distribution system of the government. The other key users of agricultural warehousing space are traders, manufacturers and commodity exchanges. Activities carried out at the agri-warehouses include handling, sorting and grading of procured produce, disinfestations and fumigation services to maintain the quality of products and protect them from pests and rodents. Additionally, a number of agri-warehousing players provide value-added services such as agri-finance, collateral management, lab testing and certification, weighing, and information services.

Industrial warehousing

Industrial warehousing caters to the logistics requirement of sectors such as FMCG, consumer durables, organized retail, cement, automotive and pharmaceuticals. In India, industrial warehousing is largely unorganized in nature. However, organized warehousing is expected to gain ground on account of increase in third-party logistics (3PL) players' penetration and a step-up in outsourcing of logistics activities.

Modern industrial warehouses are equipped with the modern IT systems that help in improving productivity and efficiency. These warehouses effectively act as inventory control centers that, serve to maintain inventory in accordance with the demand for products. The inventory management systems deployed at the warehouses reduce inventory costs and also assist manufacturers in planning production in sync with available inventory.

Investments in warehousing

On account of an expected increase in demand for warehousing space, it is expected that investments worth ₹ 200 to 250 billion could flow into the agricultural and industrial warehousing sector over the next three years. Of the investments, the share of industrial warehousing would be over 85%. Investments in industrial warehousing are expected to be significantly driven by the organized segment, particularly 3PL players and multinational companies. The focus of investments would be for establishing logistics parks, multi-modal logistics parks and free-trade warehousing zones. A strong demand from e-commerce industries that is expected to grow at a CAGR of 40 to 45% between the financial years 2015 and 2018 and organized retail that is expected to grow at a CAGR of 20 to 22% between the financial years 2015 and 2020 would drive investments in the warehousing sector.

Cold Chain

A cold chain is a temperature-controlled supply chain that serves as a vital link between the production centre and the end-user market. Cold chains provide storage and transportation services for perishable goods, which involve storage and distribution at pre-determined temperatures depending on the nature of the product, thereby preserving and temporarily enhancing the product life. Cold chains can be broadly classified into two segments of temperature controlled warehousing (immovable infrastructure) and temperature controlled transportation (mobile infrastructure).

It is estimated that the cold chain industry, which is currently worth ₹ 195 to 200 billion, will increase at a five-year CAGR of 16 to 17%, to ₹ 400 to 450 billion until the financial year 2020, driven by proliferation of quick-service restaurants, organized retail and rising demand for processed foods. Support from government policies and schemes in the form of capital subsidy, grant of infrastructure status to the industry, and viability gap funding are expected to boost growth. The growth would be propelled by a 15 to 17% five-year CAGR in the temperature controlled warehousing segment that accounts for over 90% of the overall cold chain industry. The segment's revenue will be led by multipurpose cold storages with their share in total revenue pegged to rise from 77 to 79% during the financial year 2015 to 82 to 84% in the financial year 2020.

General Sales Agent Business

General sales agents are representatives of airlines appointed to market and sell their products and services in a particular geography. When they venture into new markets, airlines usually prefer to appoint general sales agents (“GSA”) instead of opening their own offices. GSAs with adequate expertise in those markets are generally hired, which also helps the airline in improving their cost-efficiency. The GSA will handle the airline’s entire operation in the allotted territory. A GSA’s functions and responsibilities include setting up offices, performing marketing and sales functions, advertising and communication, financial services, regulatory compliances and legal services and carrying out operational activities.

Growth drivers for the GSA industry

The growth in the GSA business is fully dependant on the growth of the air cargo industry.

Growth in time-definitive services. The boom in the e-commerce industry, which requires services such as express and door-to-door courier delivery, will continue to be one of the key contributors to domestic air freight. It is expected that the e-commerce industry will grow at a CAGR of 40 to 45% between the financial years 2015 and 2018, driven by rising penetration of the internet and increasing use of smart phones.

Entry of new airline players. The entry of new players into the domestic and international segments will also support the growth of the GSA industry. The reluctance of airlines to open offices in these markets is an opportunity for GSAs.

Improved cargo handling capacities. Increase in budget airlines and cargo carrier services as well as augmentation of cargo-handling capacities will drive growth of the air cargo industry. The extension of round-the-clock customs clearance facilities to 13 airports for all export goods is an added boost.

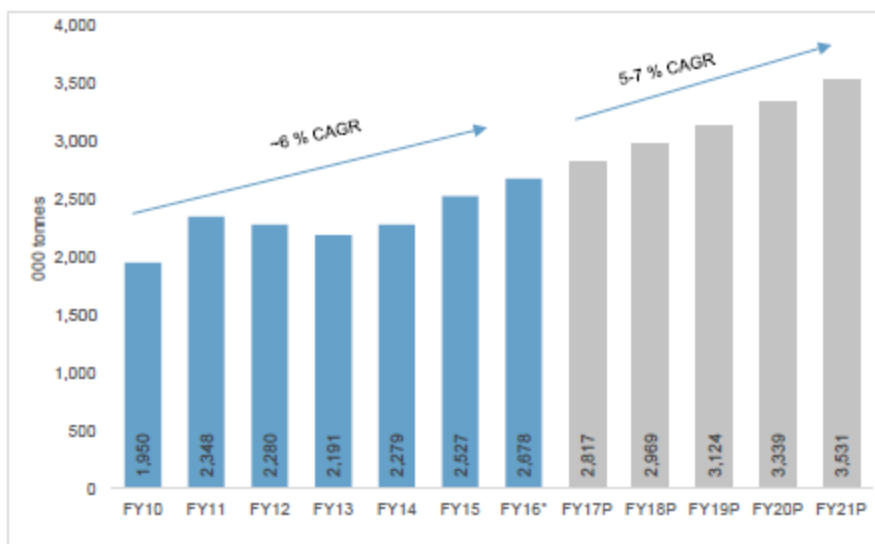
Economic recovery and growth in exports. Just-in-time manufacturing and the popularity of the outsourcing model have pushed up the demand for air cargo services. Efforts by companies to reduce their inventory levels and transport commodities faster will also support demand.

Policy support. The Government’s goal to increase the share of exports, enhance the share of manufacturing in GDP and India’s new free trade agreements with Japan, Malaysia and South Korea are expected to significantly boost air cargo traffic.

Outlook

The performance of the GSA industry is influenced by the performance of the air cargo industry. GSAs typically receive a commission of 3 to 5% of freight charges.

The following chart sets forth the movement in domestic and international freight traffic:



*: Data for full year is not available P: Projected

(Source: CRISIL Research)

Domestic air cargo grew at a CAGR of approximately 8% between the financial years 2012 and 2016. The domestic air freight traffic in volume terms is estimated to be 0.62 million tonnes during the financial year 2016. This is expected to increase at a CAGR of 5 to 7% over the next five years to reach 0.84 million tonnes during the financial year 2021, aided by economic growth and fleet additions by new entrants which will enhance cargo capacities. International freight is expected to increase at a CAGR of 5 to 7% between the financial years 2016 and 2021, driven by improvements in domestic and global economies, which will fuel India's exports. Foreign players are expanding their air cargo operations in India to tap into the steadily growing Indian air cargo market, creating opportunities for the GSA industry. The GSA industry receives a commission on freight charges, hence the industry is expected to grow at 10 to 12%, considering the increase in volume and freight rate increase during the corresponding period.

Express Industry

Express delivery services entail integrated shipment delivery, which includes reaching out to customers for collection, transporting and delivering the shipments within firm timelines, with seamless use of information technology to track and control the parcels throughout the supply chain. The express industry caters to both retail customers and industries. Major industries like auto-components, banking and financial services, IT components, readymade garments, pharmaceuticals, and telecom products are the key customer segments for the express industry in India. Retail customers use express delivery for shipments like commercial documents, samples, material parts, spare parts and other goods. As per the Express Industry Council of India, about 70% of the volumes in the domestic segment are tilted towards documents weighing less than 300 gm. Express delivery providers offer end-to-end logistics solutions, time bound services, tracking and delivery confirmation, global reach and premium pricing. Door-to-door delivery service is the most important and unique characteristic of express delivery. The process involves various stages and activities such as collection, transportation and distribution.

Collection from the doors of consignors is typically executed through a branch network, once a day, mostly towards the end of the business hours, for business segment customers. The shipments are then transported from the branches to a hub, where they are sorted, followed by consolidated packing. At the end destination, the process is executed in a reverse sequence with the express service player collecting the consolidated shipments from the airlines and moving these to their distribution hubs. The last-mile distribution and handing-over of the shipment to the consignee may happen directly out of the distribution hub or through a local distribution office.

The express service providers use a hub and spoke network model. The branches from the spokes in this network. Branches of larger players are distributed over multiple regions, while those of smaller players are largely concentrated in one region. Express service providers operate through a mix of owned and franchisee branch networks. In the case of owned branch networks, the players own the branch network on an exclusive basis. This model is preferred by large players who can invest in big capital and have huge operations. Some of the large players in regions outside the core area of operations prefer tie-ups with other players, operating in those regions on a non-exclusive basis. Tie-ups and franchisees are important for extending geographical reach and managing operational costs. Smaller players depend more on tie-ups to extend their reach.

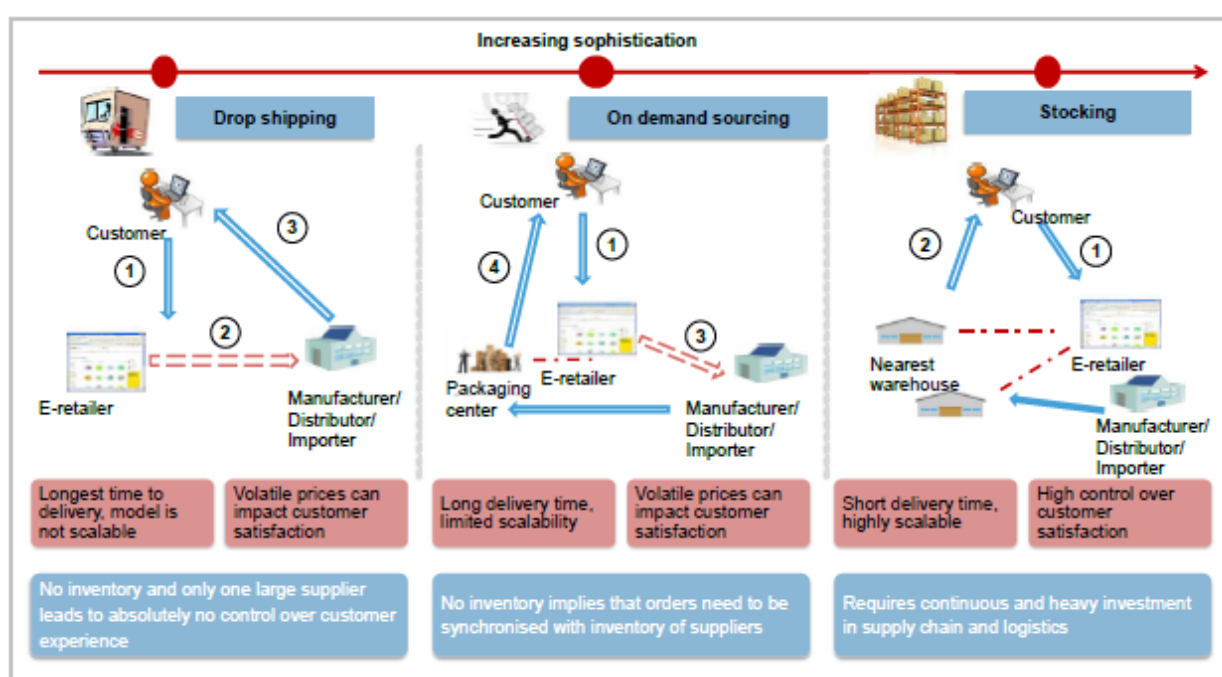
As a premium segment, the express industry is a small but significant segment of the logistics industry. Estimated to be worth approximately ₹ 170 billion during the financial year 2016, express constitutes one of the fastest-growing segments of the logistics industry. The express industry is expected to grow at 13 to 15% per annum to reach approximately ₹ 240 billion in the next three years.

India's economic and consequent trade growth will primarily drive the express industry. Growth of the e-commerce segment will be one of the high demand drivers for the express industry. In addition, increase in reach through expansion of network and new products like services for importers and others will fuel the industry. The primary growth drivers for the express industry are overall economic growth, increasing penetration within existing and new customer segments, expanding reach and network of the express industry, and introduction of newer products under express delivery services.

E-commerce Logistics Industry

Delivery models for e-retailers can broadly be classified into three categories of drop shipping, on-demand sourcing and stocking model. Drop shipping is the most rudimentary model for an e-retail store, wherein the retailer ties up with different manufacturers and displays their products on the website. After a customer places an order on the website, the retailer intimates the manufacturer or supplier and the products are shipped by the manufacturer to the customer. In this model, the e-retail store does not incur any inventory-holding costs. In the on-demand sourcing model, the e-retail store, upon receiving an order from a customer, sources the products to its packaging centre. The retailer performs a quality check on the products and packages them uniformly before shipping it to the customer. In the stocking model, the e-retail store stocks all products displayed on its website at its own warehouses located across the country. On receiving orders, the products are directly shipped to the customer.

The following chart sets forth the delivery models for e-commerce:



(Source: CRISIL Research)

It is estimated that the Indian e-commerce industry grew at a CAGR of 45% to ₹ 848 billion during the financial year 2015 from ₹ 190 billion during the financial year 2011. This swift growth was driven by deepening penetration of the internet, which helped improve the reach of segments such as online ticketing and e-retailing. Increasing internet penetration, coupled with changing life and increasing awareness about internet and e-commerce, has aided rapid growth of the sector.

It is expected that the e-commerce industry will continue its strong growth trajectory going forward. It is estimated to grow at a CAGR of 40 to 45% between the financial years 2015 and 2018, to reach close to ₹ 2.5 trillion. Growth is expected to be driven by segments such as the online marketplace, where players will continue to offer huge discounts and deals and will innovate to attract customers. Further, rising penetration of the internet, increasing use of smart phones and increasing consumer awareness should support growth.

OUR BUSINESS

Overview

We are an integrated multimodal logistics company in India, owning and operating cargo handling and storage facilities and providing express logistics and third-party logistics services. For and as of the years ended March 31, 2016, 2015 and 2014, our total revenues were ₹ 7,093.99 million, ₹ 7,357.86 million and ₹ 6,795.53 million, respectively, and our total fixed assets were ₹ 9,671.43 million, ₹ 7,684.16 million and ₹ 6,635.08 million, respectively.

In our cargo handling business, we own and operate a geographically spread network of container freight stations (“CFSs”), inland container depots (“ICDs”) and private freight terminals (“PFTs”) across India. We currently have ten facilities comprising four CFSs and three ICDs which are co-located with three PFTs. Two of our ICDs are expected to commence operations by December, 2016. Our properties, including these facilities are spread over an aggregate area of approximately 360 acres. The following table sets forth the location and certain key details of our facilities:

Facility	Commencement of operations	Installed capacity per annum
<i>Southern</i>		
Madhavaram CFS	January 2005	40,523 TEUs
Red Hills CFS	November 2012	82,845 TEUs
Tuticorin CFS	September 2009	56,716 TEUs
Thimmapur ICD	July 2012	71,952 TEUs
Thimmapur PFT	November 2011	-
<i>Western</i>		
Navi Mumbai CFS	January 2006	142,333 TEUs
Ahmedabad ICD*	-	99,071 TEUs
Ahmedabad PFT	January 2016	-
<i>Northern</i>		
Panipat ICD*	-	175,020 TEUs
Panipat PFT	February 2016	-
Total		668,460 TEUs

*Expected to commence operations by December, 2016.

Our first CFS at Madhavaram in Chennai, which we have taken on lease, was commissioned in January 2005. We currently have four operational CFSs located at Navi Mumbai near the JN port, Madhavaram and Red Hills in Chennai near the Chennai port, and Tuticorin near the V. O. Chidambarnar port. During the financial year 2015, these three ports accounted for 6.6 million TEUs or 82.7% of all container traffic handled at major ports in India. (Source: <http://www.ipa.nic.in>) We own and operate co-located ICDs and PFTs at Thimmapur near Hyderabad, and in Panipat and Ahmedabad. We also have warehouses located at Indore, Kakinada and Visakhapatnam spread over an aggregate area of approximately 31,000 sq. m.

Across our facilities, we offer one-stop services including cargo handling and maintenance, transportation and storage services and value added services. Our CFSs at Navi Mumbai, Chennai and Tuticorin have bonded warehouses and reefer points for the storage and handling of temperature sensitive products, container terminals for the storage of containers and container yards where we provide storage and repair of empty containers to shipping lines. We have also set up cold rooms at our Navi Mumbai and Chennai CFSs. At all our CFSs, we provide full container load (“FCL”) solutions and have designated areas for the consolidation of less than container load (“LCL”) containers.

CFSs are established for the purposes of transportation, handling and storage of EXIM container cargo. A CFS is a facility located near gateway ports which helps in decongesting the port by shifting cargo and customs related activities outside the area of the port, while an ICD is typically located in the hinterland acting as a hub near large production and demand centers for transportation of container cargo to and from different ports and used for the same functional purposes as a CFS. A PFT serves domestic cargo, primarily facilitating access to rail transport, and providing services such as warehousing and transportation for incoming and outgoing cargo, including last mile connectivity. Co-located ICD and PFT facilities, acting as regional distribution and consolidation hubs, offer one-stop solutions to customers where both, containerised and non-containerised cargo are handled, stored and distributed, depending on their requirements. Cargo is transported to and from CFSs and ICDs over road and rail, while PFTs are rail fed facilities that primarily target the domestic market.

Our co-located ICD and PFT facility at Thimmapur near Hyderabad, which we operate through our subsidiary, Continental Multimodal Terminals Limited (“CMTL”), was India’s first PFT facility (Source: *CRISIL Report*). We have also set up co-located ICD and PFT facilities at Ahmedabad and Panipat, which commenced their PFT operations in January and February 2016, respectively and we expect to commence our ICD operations during the quarter ending December 31, 2016. Further, we are currently in the process of setting up co-located ICD and PFT facilities at Chennai and Bengaluru, both of which are expected to be commissioned by March 2018. At our co-located facilities, we offer comprehensive logistics solutions for EXIM containers, domestic containers and bulk cargo including bulk and break bulk cargo, consolidation of LCL containers and other value added services. These facilities handle the sourcing and distribution of containerised and non-containerised

domestic and EXIM cargo via road and rail. We provide warehousing facilities for the storage of domestic and EXIM cargo and reefer points for temperature sensitive products. The railway connectivity at our facilities allows for the efficient movement of cargo across the country on the Indian rail network. We have dedicated infrastructure at our facilities to assist us with our operations and the equipment that we have deployed includes gantries, trailers, mobile and hydra cranes, reach stackers, heavy duty and high reach forklifts.

Our customers include shipping lines, customs house agents, importers, exporters and other logistics service providers. For the financial years 2016, 2015 and 2014, the total container volume handled at our four CFSs was 194,293 TEUs, 165,791 TEUs, and 154,466 TEUs, respectively. For the financial years 2016 and 2015, our co-located ICD and PFT facility at Thimmapur handled total container volumes of 12,060 TEUs and 10,610 TEUs and break bulk cargo of 862,485 tons and 598,780 tons, respectively. Further, for the financial years 2016 and 2015, our PFT facility at Thimmapur handled 452 trains and 395 trains, respectively.

Our wholly owned subsidiary Delex Cargo India Private Limited (“**Delex**”), is an integrated logistics service provider that provides end to end domestic solutions including third party logistic solutions and warehouse management services, domestic distribution, express logistics, last mile delivery services, clearing and forwarding services and cargo handling services. Delex was awarded the Best Air Freight Service Provider of the Year at the 8th Express, Logistics and Supply Chain Leadership Awards in September 2014.

Our Promoters include Mr. N. Adikesavulu Reddy, our founder and chairman, and Mr. N. Amrutesh Reddy, who is also one of our directors. Mr. N. Adikesavulu Reddy has over three decades of experience in the container freight and logistics business and has significant experience of dealing with shipping lines, logistics service providers, custom house agents and corporate houses that require logistics services.

Our Competitive Strengths

Our principal competitive strengths are as follows:

Difficult to Replicate the Scale and Connectivity of our Facilities

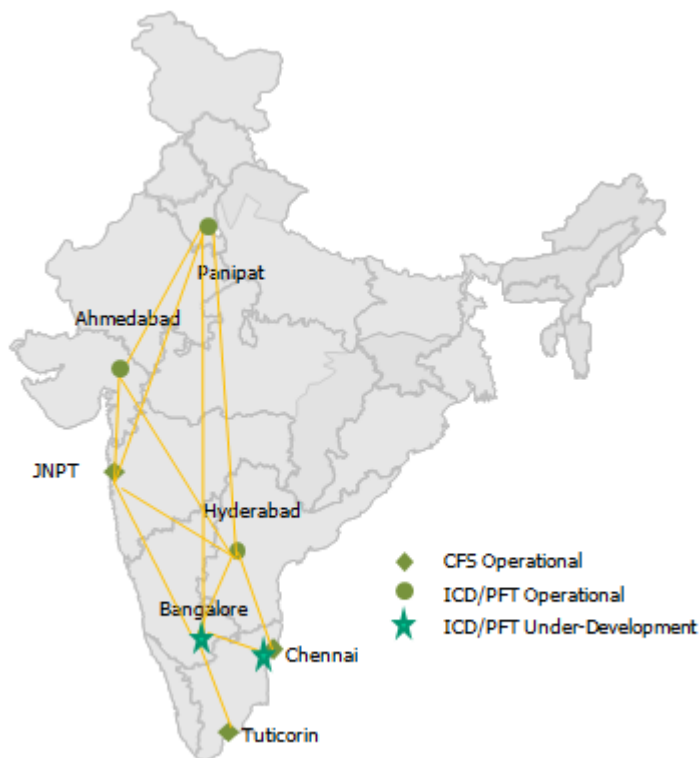
We currently have eight operational facilities comprising four CFSs, one ICD and three PFTs. Operations in the cargo handling and storage industry are capital intensive and costs of land acquisition, construction of facilities and purchase of equipment are high. A facility’s bargaining power, efficiency and competitive advantages depend upon its geographic location, scale of operations and business relationships. At strategic locations, contiguous parcels of land may either be unavailable or available at high prices in comparison to ports with nascent CFS clusters. In such cases, land prices contribute a major portion of a facility’s overall cost. CFS and ICD facilities also need to be located in proximity with state or national highways or railway lines to ensure the quick movement of cargo to and from such facilities. Consequently, the limited availability of land at strategic locations near key ports acts as a barrier to entry due to high land prices and difficulties in land acquisition.

PFT operations require large contiguous parcels of land free from obstructions such as electric poles, gas and oil pipelines, and are required to be in proximity with a railway loop line. Further, the utilization rates of a facility, which are dependant upon the level of cargo traffic, competition across facilities and accessibility to production and consumption centres, significantly determine its profitability. Consequently, at locations with high cargo and container volumes, project costs and competition are high. Thus, we believe that the scale of our facilities, their proximity to key ports, production and consumption centres and access to state and national highways provides us with a competitive advantage and a business model that is difficult to replicate in India.

Strategically Located Network of Facilities

- ***Four Container Freight Stations.*** Our CFS at Navi Mumbai is strategically located in close proximity to the JN port, which is the largest port in India for handling container cargo and handled 4.5 million TEUs during the financial year 2016. (Source: CRISIL Research) In addition, our CFSs at Chennai and Tuticorin are located close to the Chennai port and the V. O. Chidambarnar port in Tuticorin. We believe that our proximity to these key ports enables us to capitalize on the large volume of container cargo traffic handled by them.
- ***Three Inland Container Depots and Three Private Freight Terminals.*** Our co-located ICD and PFT facilities are connected by rail and are located close to state and national highways, which enables the movement of cargo via road. These co-located facilities act as rail-fed regional distribution centres, while transport via roads assists us in evacuation of cargo to and from these hubs. As a result of our widespread network, we are able to offer a multi-modal, multi-locational solution to our customers.

The following map sets out our current and proposed cargo handling network in India:



Our strategically located and geographically spread network of facilities enables us to cater to EXIM and domestic cargo, facilitates the quick and cost efficient movement of cargo across the country and allows us to serve the needs of our customers across India. Our diverse network of CFSs and co-located ICD and PFT facilities also assists us in increasing the utilization levels at each of our facilities and enables us to employ a hub-and-spoke model for our operations. As a result, we are well positioned to become regional hubs of consolidation and cater to the requirements of our customers in an efficient and timely manner.

Dedicated Infrastructure, Ability to Handle Cargo and Service Client Needs

Our CFS and ICD facilities have an installed handling capacity of 668,460 TEUs per annum. We have the ability to handle a variety of cargo at our facilities including bagged, unpacked, grain, metals, cement, fertilizers, minerals, project cargo and over-dimensional cargos. We have also set up bonded warehouses spread over an aggregate area of approximately 34,785 sq. m. We have dedicated infrastructure at our facilities to assist us with our operations and deploy several trailers, mobile and hydra cranes, reach stackers, heavy duty and high reach forklifts, electronic weigh bridges and electronic scales. We fit our containers with radio frequency identification devices (“**RFID**”) to monitor the movement of containers within our facilities. We have also installed GPS systems to monitor our trailers, which are used for line haul movements in our express logistics business. Further, we have installed reefer points at our Navi Mumbai CFS and set up temperature controlled rooms at our Navi Mumbai and Madhavaram CFSs to handle temperature sensitive cargo.

Integrated Logistics Service Provider with Pan India Network

Our subsidiary, Delex, is an integrated logistics service provider that provides end to end logistic solutions in India, including third party logistic solutions and warehouse management services, domestic distribution, last mile delivery services, clearing and forwarding services and cargo handling services. We have established a network of 54 pick-up and drop-off centers in 40 towns and cities at strategic locations across India with a hub-and-spoke model of delivery. As of August 31, 2016, Delex’s pan India delivery network covered 40 towns and cities in 19 states and union territories in India, employing 1,274 full time personnel as well as additional contractual staff. We have also set up a division, Delcart, which is dedicated towards providing logistics solutions to e-commerce companies. We intend to leverage the complementary nature of our cargo handling and express logistics business to provide end-to-end services to our customers and derive significant operational synergies.

Diversified Service Offerings

Our CFSs, ICDs and PFTs enable us to cater to both, EXIM and domestic cargo in containerized and non-containerized forms. We derive revenues from the handling of containers and break bulk cargo, transportation of cargo over road and rail, warehousing cargo at our facilities, rent and terminal access charges for containers and for the value added services that we provide. Our network of facilities enables us to cater to diverse regions and markets in the country since our facilities are located in close proximity to state and national highways allowing for the easy movement of cargo via road and rail. Our

subsidiary, Delex, provides express logistics and third party logistics and cargo handling services. In addition, we derive our revenues from the sales of a variety of services to a diverse range of customers, which we believe assists us in mitigating the concentration risks associated with operations in a specific segment.

Well Established Relationships with Trade Partners

Our customers include shipping lines, customs house agents, importers, exporters and other logistics service providers. We believe that our established relationships with our customers will get further strengthened by our growing network of facilities, the strategic location of our facilities, extensive dedicated infrastructure and our ability to handle several types of cargo at each of our facilities. In addition, we have approximately two decades of experience in warehousing for bulk cargo such as fertilizers, food grains, cement and steel resulting in long-standing relationships with end use industry customers. We plan to leverage these relationships by incentivizing our customers to use the diversified services that we provide. Since we work with customers across various industries with varying cargo requirements, we believe we are better positioned to handle economic and commodity price volatility.

Experienced Senior Management and Qualified Operational Personnel

We believe that we have an experienced management team with significant industry experience. Our Promoters include N. Adikesavulu Reddy, our founder and chairman, and N. Amrutesh Reddy who are also our directors. N. Adikesavulu Reddy has over three decades of experience and N. Amrutesh Reddy has over 18 years of experience in the container freight and logistics business. Their experience helps us develop and manage our network of facilities and develop relationships with our trade partners including shipping lines, logistics service providers and custom house agents. We also benefit from our senior management and operations team, including M. Sayeerman – head of our south zone operations, I.V.S. Murlidhar – head of Panipat operations, S.Krishna Iyer – responsible for strategy, risk and cost management for various divisions and S. Sattiraju – chief executive officer of Delex. We believe that our management team of qualified and experienced professionals enables us to identify new avenues of growth, help us to implement our business strategies in an efficient manner and to continue to build on our track record of establishing facilities to handle containerized and other cargo. For further details, see “Our Management” on page 156.

Our Strategies

The primary elements of our business strategy are as follows:

Improve Utilization at our Recently Developed ICDs and PFTs

With a strategy to capitalize on the growing movement of cargo in the country, we recently developed co-located ICD and PFT facilities at Ahmedabad and Panipat. PFT operations at our Ahmedabad and Panipat facilities commenced in January and February 2016, respectively and we expect our ICD operations at both these facilities to commence during the quarter ending December 31, 2016. We are focussed on utilizing our installed handling capacities at these new facilities by marketing these facilities to our existing customers and engaging in marketing activities to increase our customer base in these regions. We have entered into an exclusive agreement with a container train operator to handle container trains owned by them at our PFTs at Thimmapur, Ahmedabad and Panipat. We intend to increase our overall market share through this arrangement, and by providing greater efficiency to our customers for the movement of goods by reducing a leg of transportation and handling, reducing pilferage and damage to goods by using our network of facilities and being a single point of contact for our customers.

Develop Co-located ICDs and PFTs at Chennai and Bengaluru

The share of rail on overall freight traffic is expected to rise in the future (*Source: CRISIL Report*) and we intend to capitalize on the Indian railway network and the benefits it offers. We are currently in the process of setting up co-located ICDs and PFTs at Chennai and Bengaluru to strategically connect major production and consumption centres across India. While we currently have two operational CFSs in Chennai, we believe that setting up a co-located ICD and PFT will enable us to move cargo more efficiently from Chennai to other parts of the country and provide us with a competitive advantage. We expect our new facilities in Chennai and Bengaluru to be commissioned by March 2018. Further, we intend to terminate the lease of our CFS facility at Madhavaram and lease another CFS facility with greater capacity at Punneri in Chennai, which is also a comparatively less congested area. We believe that the facility at Punneri will enable us to better cater to the ports of Chennai and Ennore.

Focus on Value Added Services

At our facilities, we offer one-stop services including cargo handling and maintenance, transportation and storage services, and value added services such as cleaning, repacking, segregation, container chocking, fumigation and lashing and palletisation of cargo. We intend to continue to focus on providing and expanding our portfolio of value added services to capture greater cargo volumes and increase our operating revenue. We believe that a greater focus on such services will allow

us to attract higher cargo volumes as all cargo handling requirements will be catered to by a single service provider, which we believe will be an attractive proposition for our customers.

Further, while we currently have reefer points at our Navi Mumbai CFS and Thimmapur PFT, we intend to set up reefer points at our PFTs at Ahmedabad and Panipat since we believe that this will enable us to cater to a larger variety of cargo at our facilities and consequently increase our revenues.

Establish New Express Logistics Centers and Provide Integrated Solutions to Existing and New Customers

Delex plans to establish express logistics centers at nine key locations of Mumbai, Pune, Ahmedabad, Gurugram, Kolkata, Hyderabad, Bengaluru, Chennai and Coimbatore over the next two years. These centers will service our surface parcel delivery customers by providing integrated logistics services by combining transport and warehousing. Typically, cargo is moved through several hubs and is required to be loaded and unloaded and stored at several warehouses before it finally reaches a retailer. By establishing express logistics centers, we propose to aggregate demand from several customers, reduce the time and cost involved in the transportation of cargo by moving cargo directly to our centers and thereon to the distributors and retailers. Going forward, we also intend to utilize our PFT network for our Delex business. It would also assist in administrative synergies and eliminate the need to store cargo at a customer's warehouse.

Our Business and Operations

A CFS or an ICD is involved in an EXIM transaction at embarkation as well as disembarkation. CFSs and ICDs play an important role in decongesting the harbour and their primary role is to facilitate the clearance of the cargo for export out of the country or import into the country, consolidation and de-consolidation of cargo and allow a port to function as a transshipment point. The distribution of CFSs in and around the port and of ICDs in the hinterlands helps in increasing the handling capacity of a port.

Cargo Handling Business of the Company

Container Freight Stations

We currently have four operational CFSs located at Navi Mumbai, Madhavaram and Red Hills in Chennai and Tuticorin, with an aggregate installed handling capacity of 322,417 TEUs per annum. We provide cargo handling, cargo storage and value added services at all our facilities.

The principal characteristics of our CFSs are set out below:

Parameter	Navi Mumbai	Madhavaram	Red Hills	Tuticorin
<i>Total area of land owned at the location</i>	69.43 acres	10.17 acres*	20.52 acres	45.38 acres
<i>Area Custom Notified</i>	26.00 acres	10.17 acres	16.79 acres	10.91 acres
<i>Commencement of operations</i>	January 2006	January 2005**	November 2012	September 2009
<i>Installed Capacity per annum (TEUs)</i>	142,333	40,523	82,845	56,716
<i>Bonded warehouse (sq.m.)</i>	9,333	13,374	1,419	8,558
<i>EXIM warehouse (sq.m.)</i>	12,077	3,249	3,239	2,508
<i>LCL area (sq.m.)</i>	9,290	5,096	2,159	465
<i>Connectivity</i>	Approximately three kms from state highway and five kms from national highway	Approximately one km from each of state and national highway	Approximately one km from state highway and three kms from national highway	Approximately two kms from state highways and three kms from national highway

*Madhavaram CFS is located on leased land.

** Initially operated by CWCL and transferred to our Company in 2010.

CFS at Navi Mumbai

We set up our CFS at Navi Mumbai in 2006, which is located approximately 13 kms from the JN port. In addition to our two cold rooms at this facility, we have installed several reefer points to store temperature sensitive products and have taken a cold storage warehouse, located approximately 29 kms from this facility, on lease.

CFS at Madhavaram

We set up our CFS at Madhavaram in Chennai in 2005. It is located at a distance of approximately 25 kms from the Chennai

port and approximately 26 kms from the Ennore port. We have set up one cold room at this facility to store temperature sensitive products. We intend to terminate the lease of our CFS facility at Madhavaram and lease another CFS facility with greater capacity at Punneri in Chennai. This facility at Punneri will enable us to cater to the ports of Chennai and Ennore.

CFS at Red Hills

We set up our CFS at Red Hills in Chennai in 2012. It is located at a distance of approximately 38 kms from the Ennore port and approximately 23 kms from the Chennai port. In addition, we have taken a 37,897 sq. m. open yard and warehouse space on lease to increase our storage capacity.

CFS at Tuticorin

We set up our CFS at Tuticorin in 2009. We have set up a bonded warehouse spread over an area of 8,558 sq. m., a general warehouse spread over 17,788 sq. m. and have an open yard for the storage of empty containers.

Co-located ICDs and PFTs

We own and operate a co-located ICD and PFT facility at Thimmapur near Hyderabad, and have recently developed two co-located ICD and PFT facilities at Panipat and Ahmedabad. We provide cargo handling, cargo storage and value added services at all our facilities.

The principal characteristics of our ICDs are set out below:

Parameter	Thimmapur	Panipat	Ahmedabad
<i>Area Custom Notified</i>	6.40 acres	16.01 acres	11.78 acres
<i>Commencement of operations</i>	April 2014	Expected to commence during the quarter ending December 31, 2016	Expected to commence during the quarter ending December 31, 2016
<i>Installed Capacity per annum (TEUs)</i>	71,952	175,020	99,071
<i>Warehouse size</i>	Approximately 1,410 sq. m. for EXIM cargo and approximately 2,100 sq. m. for bonded warehouse	14,345 sq. m. for EXIM cargo	8,190 sq. m. for EXIM cargo

The principal characteristics of our PFTs are set out below:

Parameter	Thimmapur	Panipat	Ahmedabad
<i>Total PFT area</i>	44.40 acres	98.00 acres	60.34 acres
<i>Commencement of operations</i>	November 2011	February 2016	January 2016
<i>Warehouse size</i>	PFT warehouse of 16,165 sq. m.	PFT warehouse of 17,655 sq. m.	Steel warehouse of 6,000 sq. m.; PFT warehouse of 22,635 sq. m.; and general cargo warehouse of 9,830 sq. m.
<i>Rail Siding</i>	Three line railway siding and a train examination line	Four line railway siding and a train examination line	Three line railway siding and a train examination line

ICD and PFT at Thimmapur

In 2014, we acquired a majority shareholding in CMTL, which had set up India's first PFT at Thimmapur near Hyderabad in 2011. (Source: CRISIL Report) This facility is located in close proximity to the Thimmapur railway station and approximately one km from a state highway and approximately two kms from a national highway. We have installed several reefer points for the storage of temperature sensitive products. We have also set up a bonded warehouse admeasuring 2,100 sq. m. at this facility.

ICD and PFT at Panipat

We developed a co-located ICD and PFT facility at Panipat, which commenced PFT operations in February 2016 and we expect ICD operations to commence during the quarter ending December 31, 2016. This facility is located approximately one km away from the Diwana railway station and approximately one km from each of state and national highways.

ICD and PFT at Ahmedabad

We developed a co-located ICD and PFT facility at Ahmedabad, which commenced PFT operations in January 2016 and we expect ICD operations to commence during the quarter ending December 31, 2016. This facility is located approximately one km away from the Jakhwada railway station and approximately one km from each of state and national highways.

Other Warehouse Facilities

We own a land parcel of 5.24 acres at Methawada village at Pithampur in Indore where we have set up a warehousing facility with a warehouse size of 4,645.16 sq. m. and an open yard. We have leased this warehouse and open yard to a logistics company.

Further, at Kakinada and Visakhapatnam, we have set up warehouses on land owned by the port authorities. The warehouse at Kakinada admeasures approximately 12,000 sq. m., while the warehouse at Visakhapatnam admeasures approximately 14,160 sq. m. and is used by our customers primarily for the storage of coal.

Cargo Handling and Storage

We derive our revenues from the transportation, handling and storage of cargo and containers, and from the value added services that we provide. For each of our facilities, we formulate a tariff sheet for railway handling, access charges, transportation charges, import cargo, export cargo, transport and storage of empty containers and for our value added services. These charges are linked to the volume of cargo handled, type of cargo, size of containers and nature of services provided and the rates payable are negotiated from time to time. Further, our tariff sheets also set out the charges levied for customs examination, administrative, survey, facility maintenance and crane charges, charges for using our reefer points and weighment charges.

We also provide cargo storage services at all our facilities for domestic as well as EXIM cargo. Typically, cargo is required to be warehoused prior to shipment, before or after delivery which results in a need for warehousing such cargo in a safe and secure manner.

We levy warehousing charges depending on the nature of the warehousing requirement. In the case of import consignments, our CFSs provide warehouse storage space for both, bonded and non-bonded cargo. We also earn storage income in the case of LCL cargo. We charge ground rent for the number of days a loaded container remains in our facilities. The ground rent charges follow an escalating scale with the rent increasing with the number of days that the container remains in the CFS.

For our PFTs, we have entered into agreements with the Indian Railways and we pay them a land license charge for railway land where the loop line is set up.

We have entered into an exclusive agreement with a container train operator to handle container trains owned by them at our PFTs at Thimmapur, Ahmedabad and Panipat.

In order to ensure the safe storage of cargo at our facilities, we have installed closed circuit security cameras, high mast lights and fire fighting systems. Our fire fighting systems include fire hydrants, fire extinguishers and fire brigades.

Bonded Warehouse

Import shipments occasionally require cargos to be bonded and thereafter to be cleared in either small parcels or in entirety. These are kept in the bonded warehouses at our CFSs. Cargo held in such a warehouse are held in bond and cannot be withdrawn without paying customs duty and without the consent of the customs authorities. Bonded warehouses assist importers to store their imported cargo and pay customs duty at the time of taking delivery of the cargo. In such cases, the cargo can be stored at our bonded warehouse until they receive clearance from the Department of Customs.

Less-than-container load Containers

LCL cargo is a shipment that is not large enough to fill a standard cargo container. Our customers often require space for consolidating small export consignments into one large container before they get shipped to a hub destination. To cater to these needs of our customers, we have designated areas for the consolidation of LCL containers at our facilities.

Auction Sales

If the cargo brought and stored at our facilities is not cleared by our customers within 30 days of arriving at our facilities, it

can be disposed off in accordance with the procedures set out in the Customs Act. When we sell such cargo through public auction, the proceeds from the auction are used to recover the cost of the auction, custom duty and CFS charges. We aim to recover the costs associated with handling, transporting and storing the containers in the event of such long standing containers.

EXIM Cargo

Upon the arrival of a vessel at port, shipping lines file an import general manifest at port after the import containers are received and submit a request to us to transport the container from the port to our CFS and we accordingly arrange for the transportation of containers. Containers are transported by road to our CFSs and by either road or rail to our co-located ICDs and PFTs. These containers are then unloaded and stacked in our storage area until their consignee approaches us for taking delivery. The importer then files a bill of entry at the customs office of the Central Board of Excise and Customs, Department of Revenue, Ministry of Finance (“**Department of Customs**”) located at our CFSs and completes the payment of duty. Containers are then delivered to the relevant customers after receiving out-of-charge orders from the Department of Customs. Delivery of imported cargo can either be completed in one instance or in a piecemeal manner as and when required by the importer (subject to the processes of the Department of Customs), who pays us the applicable handling charges and ground rent. Importers have the option of taking delivery of the entire container or bringing empty trucks to the CFSs and taking delivery of the cargo directly from the container.

Export cargo is collected from our customers or custom house agents and is transported by road to our CFSs and by either road or railway to our co-located ICDs and PFTs under a shipping bill and the cargo is then unloaded and stored. Thereafter, necessary documentation is presented by the customs house agent or the exporter to the Department of Customs at our facilities. Upon the receipt of customs approval, stuffing and de-stuffing of cargo takes place and the stuffed container is then sealed by a customs officer. Following the security checks by the Department of Customs, the containers are then delivered at the port either by road or on rail.

Value Added Services

As a part of our cargo handling services, we offer services such as repairing, reworking, repacking, segregation, fumigation, container chocking and lashing and palletisation of cargo as further described below:

- We offer customized packaging solutions to our customers for packing loose goods or repacking goods.
- We provide shrink wrapping services to protect cargo from pollutants and theft and strapping services for organizing cargo into a transportable unit.
- Our lashing services are meant to secure cargo for transport with the aim to minimize shifting of cargo while being transported via road or rail.
- As part of our labeling services, we label all consignments received at our facilities with the relevant consigner and consignee contact information.
- Our palletization services are primarily used for LCL freight whereby boxes are stacked, shrink wrapped and secured to reduce the risk of product damage or loss during transport.

Types of Cargo Handled

Our facilities are well equipped to handle a variety of cargo including bulk and liquid cargo and all container cargos. Such cargo includes grain, metals and agricultural products. We also manage project cargo and over-dimensional cargo.

For the financial years 2016, 2015 and 2014, the total container volume handled at our four CFSs was 194,293 TEUs, 165,791 TEUs, and 154,466 TEUs, respectively. For the financial years 2016 and 2015, our co-located ICD and PFT facility at Thimmapur handled total container volumes of 12,060 TEUs and 10,610 TEUs and break bulk cargo of 862,485 tons and 598,780 tons, respectively. Further, for the financial years 2016 and 2015, our PFT facility at Thimmapur handled 452 trains and 395 trains, respectively.

Cargo Inspection

Exports

Export Cargo is carted into our facilities and stacked in the warehouse or is kept in an open area depending upon the size and nature of cargo. The customs house agent thereafter approaches the customs officer for purposes of examination and clearance. After completion of satisfactory certification, a let export order is issued, and upon completion of the cargo

examination by the customs officers, the cargo can then be stuffed into containers.

Imports

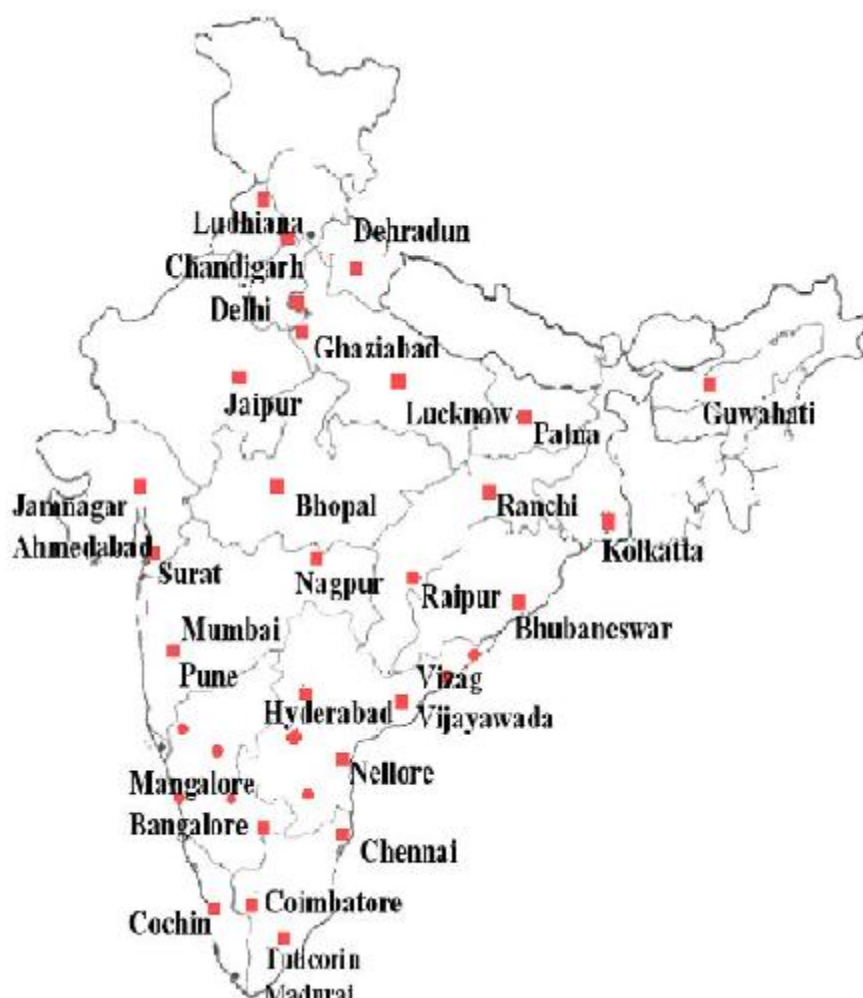
In order to clear imports, a consignee has to approach a customs officer with a Bill of Entry. The customs officer carries out the examination and appraisal of the cargo. Thereafter, the duty assessment is carried out and the importer is required to pay the duty on the imported goods. Upon payment of the duty, the customs officer puts an out-of-charge stamp and allows the cargo to be cleared from our facilities.

Express Logistics Business of Delex

In June 2009, we incorporated Delex, which provides transport services for commercial cargo within and outside India by air, sea and land and provides logistic services including warehousing, third party logistics, custom house agents and freight forwarding services. Delex manages its customers warehousing facilities that are located across the country and as of August 31, 2016, Delex employed over 1,274 full time personnel as well as additional contractual staff. Further, as of August 31, 2016, Delex's pan India delivery network covered over 40 towns and cities in 19 states and union territories and it has approximately 330 owned vehicles and additional leased vehicles for pick-up, delivery and line haul movements, and web enabled track and trace services. Delex also intends to utilize the PFT network of our Company for the movement of cargo economically and efficiently.

As of August 31, 2016, Delex had established a network of 54 pick-up and drop-off centers in 40 towns and cities at strategic locations across India with a hub-and-spoke model of delivery.

The following map sets out Delex's unique network of pick-up and drop-off centers across India:



Express Services

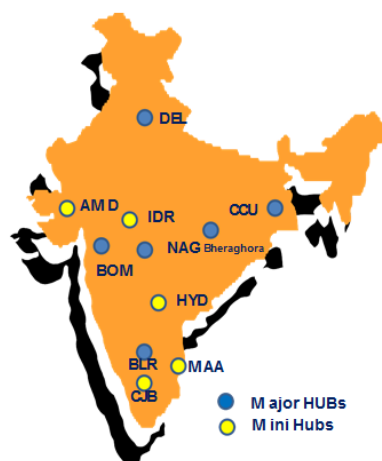
Air Cargo Door-to-Door Services

We provide pan-India door-to-door services for air freight where we collect cargo from the customer and are in-charge of the storage, transport and delivery of the cargo. We handle the loading, transportation, arriving at the destination and final delivery to the recipient of the cargo and assist with documentation necessary for efficient transportation. We provide these services for a range of cargo from small packages to heavy loads that have to be delivered in a time bound manner.

Surface Parcel Delivery Services

In July 2011, we launched our surface parcel delivery services and as of August 31, 2016, we had set up a network of six major hubs, five mini hubs and 54 pick-up and drop-off centers. We have dedicated vehicles to ensure the safe and timely delivery of parcels. We have 24 daily long haul departures that cover a distance of up to 750 kms and 30 daily short haul departures that are operated for distances less than 550 kms.

The following map set out our hub network across India:



Third Party Logistics Services

Our third party logistics services include providing warehouse management services to large customers, multi-user small parts warehousing, intra city last mile delivery and bulk material management. As part of our third-party warehouse management services that are provided to our clients, we offer services such as the handling of inward and outward stocks, purchase order management, order processing, inventory management services, transportation services and other value added services. Delex manages its customers warehousing facilities that are located across the country comprising general warehousing space, cold storage warehousing space, integrated repacking and kitting management facilities.

Our last mile delivery services are primarily for the delivery of high-tech equipment spares where time is of the essence in delivery of such items. We have access to a fleet of two and four wheel vehicles across the country to make such deliveries.

As part of our multi-user small parts warehousing services, we provide pick-up and drop-off of spare parts from our pick-up and drop-off centers. These services primarily assist in time and cost savings.

Our bulk material management services include the loading, unloading, transshipment, stacking, de-stacking, repacking, labelling, inventory management, order processing, handling reverse logistics and delivery to customers. We provide these services in the states of Tamil Nadu and Karnataka .

Our Customers

For our CFS business, our customers include shipping lines, logistics service providers and customs house agents, who place job orders with us for transporting their containers between the ports and our facilities and then for the onward movement of cargo to inland destinations.

Equipment

We have dedicated infrastructure to assist us with our operations and have deployed trailers, mobile and hydra cranes, reach stackers, gantries, heavy duty and high reach forklifts at our facilities. We own most of our equipment and we also hire additional equipment as and when required.

We use trailers for the transportation of containers. Gantries, reach stackers, fork-lifts and heavy duty cranes are used for loading and offloading containers at our facilities. Gantry cranes are bridge cranes mounted on legs that run along a set of

fixed rails or similar track. They are often used in bulk cargo loading operations and are a prominent feature of most container terminals, used to load and unload intermodal containers.

Reach stackers are generally used in handling laden containers due to their higher operational productivity and flexibility enabling a higher stacking density. A reach stacker can stack up to four containers in a typical block stacking. Reach stackers can also be used for short distance transportation. With their ability to maneuver in crowded situations and short distance transportation, reach stackers provide flexibility in our operations.

Forklifts are generally used for handling general cargos and empty containers and are also ideal for moving empty containers over short distances. Forklifts are essential for CFS and ICD operations as they enable other critical equipments such as reach stackers to spend less time on empty containers and also the rear-wheel steering of forklift facilitates maneuverability, where aisle space is limited.

The following table sets forth the key equipment at all our facilities as of August 31, 2016:

	Trailers and cranes	Reach stackers	Forklifts	Weighbridges
CFSs				
<i>Navi Mumbai</i>	45 owned trailers and three leased mobile and hydra cranes	Eight owned and two leased	16 heavy duty and high reach forklifts on a leased basis	One (capacity: 100 tons)
<i>Madhavaram</i>	Leased from time to time as per requirements	Three owned and one leased	10 heavy duty and high reach forklifts	One (capacity: 100 tons)
<i>Red Hills</i>	22 owned trailers, three owned gantries and two leased hydra cranes	Two leased	Seven heavy duty and high reach forklifts	One (capacity: 100 tons)
<i>Tuticorin</i>	Six owned trailers and two leased cranes	Two	Eight forklifts	One (capacity: 100 tons)
Co-located ICDs and PFTs				
<i>Thimmapur</i>	Two trailers, 16 trucks and four leased cranes	Three owned and one hired	Four (capacity range: 3-15 tons)	One (capacity: 100 tons)
<i>Panipat</i>	10 owned trailers	To lease two	Four leased	One (capacity: 100 tons)
<i>Ahmedabad</i>	Leased from time to time as per requirements	To lease two	Leased from time to time as per requirements	One (capacity: 80 tons)

As of August 31, 2016, Delex owned approximately 330 in-city vehicles and also hires vehicles for pick-up, delivery and line haul movements.

Information Technology

We have implemented industry and trade specific software to assist us with our operations and we use customized software for warehouse management and other functions. Our information technology systems are vital to our daily operations and provide our customers and us with real-time information of the movement of cargo. We fit our containers with radio frequency identification devices (“**RFID**”) to monitor the movement of containers within our facilities. We have also installed GPS systems to monitor our trailers, which are used for line haul movements in our express logistics business.

The Department of Customs has a portal known as Indian Customs Electronic Commerce/Electronic Data Interchange Gateway (“**ICEGATE**”), which provides e-filing services to trade and cargo carriers to facilitate a faster customs clearance for EXIM cargo. Our information systems are linked with ICEGATE, which facilitates the clearance of cargo for our customers. We also provide assistance to importers and exporters in procuring necessary documents from ICEGATE through our information systems for a fee.

Delex also utilizes a software to assist it with booking shipments, creating airway bills and flight manifests, customer account management and invoicing and other relevant functions.

Marketing and Customer Services

For our cargo handling business, we have appointed a marketing head who is based at our Navi Mumbai CFS and is assisted by marketing and customer services personnel based at our facilities in Navi Mumbai, Chennai, Tuticorin, Ahmedabad and Panipat. As of August 31, 2016, our Company and CMTL had an aggregate marketing and customer services team strength of

66 personnel and Delex had a sales and marketing team strength of 68 personnel.

Quality Standards

Our facilities at Navi Mumbai, Madhavaram and Tuticorin have been certified for compliance with quality management system standards under “ISO 9001:2008”, with such certificates being valid until August 18, 2017.

Our facility at Navi Mumbai has been certified for compliance with health and safety management systems under “OHSAS 18001:2007”, with such certificate being valid until December 23, 2018.

Awards and Recognitions

Over the years, we have been awarded a number of industry awards including:

- Award for Excellence in Cargo and Logistics Sector presented to Mr. N. Adikesavulu Reddy at the 8th South East Cargo and Logistics Awards in June 2016;
- Our Company won the runner-up position for the Container Freight Station Operator of the Year (Specific) at the India Maritime Awards in June 2016;
- Our Company received an award from the Chairman, JNPT for Highest Import delivery to a CFS from JNP Container Terminal during the year 2008-09 in May 2009;
- Delex was awarded the Emerging Warehouse company of the Year at the Warehousing Excellence Awards in September 2015;
- Delex was awarded the Best Air Freight Service Provider of the Year at the 9th Express, Logistics and Supply Chain Leadership Awards in September 2015;
- Delex won an award for Consistent Growth at the Confederation of Indian Industry SCALE Awards in May 2015;
- Delex was commended with the Confederation of Indian Industry SCALE Awards – Efficient Position under the Logistics Service category in May 2014;
- Delex won an award for Operational Excellence in Warehousing at the Asia Manufacturing Supply Chain Awards in February 2014; and
- Delex was awarded the Best Air Freight Service Provider of the Year at the 8th Express, Logistics and Supply Chain Leadership Awards in September 2014.

For further details of the awards and recognitions received by us, see “History and Certain Corporate Matters ” on page 149.

Health and Safety

We believe that accidents and occupational health hazards can be significantly reduced through a systematic analysis and control of risks and by providing appropriate training to our management and our employees. We aim to comply with applicable health and safety regulations and other requirements in our operations and have adopted an Occupational Health and Safety Policy that is aimed at ensuring the safety of our employees and the people working at our facilities or under our management. Delex has also implemented an Environment, Health and Safety Policy.

Insurance

Our operations are subject to hazards inherent in providing logistics services such as risk of equipment failure, work accidents, fire, earthquakes, flood and other force majeure events, acts of terrorism and explosions including hazards that may cause injury and loss of life, severe damage to and the destruction of property and equipment and environmental damage. Our principal types of insurance coverage include insurance for damage to containers and cargo belonging to our customers and in our custody, burglary of cargo and containers held by us, public liability policy, standard fire and special perils insurance policy which covers hazardous and non-hazardous goods stored in warehouses and also covers property lost or damaged due to fire, earthquakes or terrorism. Further, we also have money insurance policy, directors and officers liability insurance, policy for burglary of hazardous and non-hazardous goods at our bonded warehouses and commercial vehicle insurance policy. Our insurance policies may not be sufficient to cover our economic loss. See “Risk Factors – Our insurance coverage may not adequately protect us against all material hazards, which may adversely affect our business, results of operations and financial condition ” on page 31.

Human Resources

Our work force is a critical factor in maintaining our competitive position and our human resource policies focus on training and retaining our employees. We offer our employees performance-linked incentives and benefits. We also hire contract labour for our facilities, from time to time.

As of August 31, 2016, we had 1,701 employees, as set out below:

Department	Number of employees
Senior management	12
Marketing and customer service	137
Operations	1,346
HR, Admin and IT	61
Finance and Accounts	124
Support staff	21
Total	1,701

Intellectual Property

Our Company currently owns four trade marks in class 39 and we have made an application for registration of our logo in class 39 with the Trade Marks Registry, which is currently pending.

Competition

The CFS business in India is highly fragmented and competitive. Our main competitors include Gateway Distriparks Limited, Allcargo Logistics Limited, Navkar Corporation Limited, Hind Terminals Limited and Ameya Logistics Private Limited. The main competitors of Delex include DHL Supply Chain India Private Limited, TVS Logistics Services Limited, TCI Supply Chain Solutions Limited, KD Supply Chain Solutions Private Limited and Radha Krishna Foodland Private Limited.

Properties

Our registered office is located at 405, Windfall, Sahar Plaza Complex, Andheri Kurla Road, J.B. Nagar, Andheri (East), Mumbai 400 059.

The corporate office of the Company is located at D No. 1088, Khopta Village, Uran taluka, Raigad district, Navi, Mumbai 400 702.

The corporate offices of CMTL and Delex are located at #11-60/5, behind Thimmapur Railway Station, Kothur Mandal, Mahabubnagar District, Thimmapur 509 325 and F5, 5th Floor-4&5, Pinnacle Business Park, Mahakali Caves Road, Andheri (E), Mumbai 400 093, respectively.

Our facilities are located at the following addresses:

Location	Address
Chennai, Madhavaram	Kanakanchatram, GNT Road, Madhavaram, Chennai 600 040
Chennai, Redhills	No.114, Nallur Village, Attanthangal, Thiruvallur High Road, Redhills, Chennai 600 052
Tuticorin	Door No. 1S/76, K Madurai By-pass Road, Meelavittan, Tuticorin 628 008
Panipat	Milestone 79, Delhi Ambala Road, Village Jhatipur, Tehsil Samalakha, District Panipat 132 101
Ahmedabad	Near Nirma Factory, Village Sachana, Near Jakhvada Railway Station, Taluka Virangam, District Ahmedabad 382 150
Kakinada	Plot No. 41, New Port Area, Beach Road, Kakinada, East Godavari District 533 001
Visakhapatnam	Plot No. 6, Exim Park, Port Area, Near Sheela Nagar Toll Gate, Visakhapatnam 530 014
Indore	Patwari Halka No. 36, Khasra No. 370/3 and 45/1, Methwada Village, Depalpur Tehsil, Pithampur, Indore 453 001

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws as prescribed by the Government of India or state Governments which are applicable to our Company and Subsidiaries. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below are not exhaustive, and are only intended to provide general information to Bidders, and are neither designed as, nor intended to substitute, professional legal advice.

Key regulations in relation to transportation and storage of goods

Customs Regulations

The Customs Act governs among other things, the import and export of goods, determination of rate of duty, tariff valuation, the manner of payment to authorities, and loading and unloading of goods. The Customs Act also provides for levy of penalty and/or confiscation of prohibited or dutiable goods. The duties imposed on the import and export of goods are subject to rates specified under the Customs Tariff Act. Further, pursuant to the Customs Act, the Department of Customs appoints ports or airports as customs ports or customs airports and places as ICDs. The license granted to a private warehouse is liable to be cancelled in case of any violation of the provisions of the Customs Act or the breach of any of the conditions of the licenses.

Guidelines for setting up ICD and/or CFS in India

The guidelines for setting up ICD and/or CFS in India prescribed by the Ministry of Commerce & Industry, Government of India, set out the requirements and procedure for setting up an ICD and/or CFS in India. An application for setting up an ICD and/or CFS along with a survey or feasibility report and the proposed tariff structure is required to be made to the Infrastructure Division of the Ministry of Commerce & Industry and the jurisdictional commissioner of customs. In case of an ICD/CFS being set up in a port town, a copy of the proposal shall be submitted to the relevant port authority for its comments, which shall be made to the Ministry of Surface Transport, GoI and the ministry of commerce and industry. The proposal shall also be considered by an inter-ministerial committee. Upon acceptance of the proposal, a letter of intent is issued enabling the applicant to set up the requisite infrastructure for the ICD/CFS. The final clearance and customs notification are issued once the infrastructure has been established, the security standards of the jurisdictional commissioner of customs have been met and a bond backed by a bank guarantee has been furnished to the jurisdictional commissioner of customs.

PFT Scheme

In terms of the PFT Scheme, a prospective TMC satisfying the eligibility criteria under the PFT Scheme is required to make an application for setting up a PFT to the Chief Commercial Manager (Freight Marketing) of the zonal railway in whose jurisdiction the proposed PFT falls. Further, in terms of the PFT Scheme, a private siding operating with a co-use facility that allows handling of third party cargo is required to compulsorily convert to a PFT. In addition, road based ICDs and CFSs seeking rail connectivity are also required to operate under the PFT Scheme. The PFT Scheme provides for a list of authorized rail users, commodities that a PFT will be permitted to book and handle, and types of wagons that are permitted at a PFT. Certain general conditions are laid down in the PFT Scheme, including, the requirement that the PFTs are required to function round the clock on all days. The TMC is entitled to determine charges for providing services, including terminal charges and charges for any value added services provided at the PFT owned by the TMC.

Liberalization Rules

The Railway Board, by Freight Marketing Policy Circular No. 1 of 2012 dated January 30, 2012, issued the Liberalization Rules, providing for specific nodal officers to act as a 'single window service' to its customers and fixing time frames for processing proposals for railway siding. Further, the Liberalization Rules also provide guidelines for cost sharing for new and existing sidings. The Liberalization Rules are applicable to all sidings of both new as well as existing plants and to all sidings which were commissioned after April 1, 2005.

Handling of Cargo Regulations

Handling of Cargo Regulations are applicable to the handling of imported and export goods at ports, airports, ICDs, land customs stations and other customs areas notified under the Customs Act. The Handling of Cargo Regulations prescribe conditions required to be fulfilled by an applicant for obtaining approval as a customs cargo service provider from the appropriate custom authorities. These conditions include, among other things, adequacy of infrastructure, equipment and manpower, and safety and security of the premises for loading, unloading, handling, and storing of containers and cargo. Further, the customs cargo service provider is required to bear the cost of customs officers that are posted at such customs area on a prescribed basis and execute a bond for a specified amount. Further, pursuant to a circular issued in 2011, the Department of Customs has issued guidelines on safety and security of premises where imported or export goods are loaded, unloaded, handled or stored, especially with respect to hazardous goods.

Warehousing Regulations 2016

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 govern the issuance of public, private and special warehouse licenses to different category of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licenses and also set out the requirements in relation to validity, surrender and transferability of the said licenses.

Foreign Trade Act

Foreign Trade Act empowers the Government of India to, among other things, (a) make provisions for development and regulation of foreign trade; (b) prohibit, restrict or otherwise regulate exports and imports; (c) formulate an EXIM policy; and (d) appoint a Director General of Foreign Trade for the purpose of administering foreign trade and advising the Central Government in formulating EXIM policy and implementing the same. Every importer and exporter is required to obtain an 'Importer Exporter Code' from the Director General of Foreign Trade or from any other duly authorized officer.

Foreign Trade Policy

The Foreign Trade Policy provides that no export or import can be made by a person without an IEC unless such person is specifically exempted. The policy provides for fast track clearance facility for certain units, and permits the sharing of infrastructure facilities, inter unit transfer of goods and services, setting up of warehouses near the port of export and the use of duty free equipment for training purposes.

Export Act

The Export Act provides for the sound development of export trade in India through quality control and inspection by setting up the Export Inspection Council.

Export of Goods and Services Regulations

The Export of Goods and Services Regulations require every exporter of goods to furnish to the relevant custom authorities, a declaration in one of the forms prescribed, declaring the amount representing the full export value of the goods; or if the full export value is not ascertainable at the time of export, the value which the exporter, having regard to the prevailing market conditions expects to receive on the sale of the goods in overseas market, and affirming that the full export value of goods (whether ascertainable at the time of export or not) has been or within the specified period will be paid in the specified manner. The amount representing the full export value of goods exported shall be realised and repatriated to India within six months from the date of export.

Warehousing Act

The Warehousing Act prescribes, among other things, the form and manner of registration, development and regulation of warehouses.

Petroleum Act

The Petroleum Act requires persons who engage in activities, such as, import, transport, storage and production of petroleum to hold a valid license. Further, the Petroleum Rules prescribe that no person shall deliver or despatch petroleum to anyone in India without a valid license for the same. The Petroleum Rules also prescribe various conditions for protection against fire, drainage, cleanliness, and protection of the storage area.

Legal Metrology Act

The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto. The Legal Metrology Act prohibits manufacturing, packing, selling, distributing, delivering, offering, exposing, possessing for sale or importing any pre-packaged commodity unless such package is in a standard quantity or number and carries all prescribed declarations and particulars.

Carriage by Road Act

The Carriage by Road Act and the Carriage by Road Rules have been enacted for the regulation of common carriers, limiting their liability and declaration of value of goods delivered to them to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts of themselves, their servants or agents and for matters connected therewith. No person can engage in the business of a common carrier, unless he has a certificate of registration under the MV Act.

Carriage by Air Act

The Carriage by Air Act is applicable to Indian citizens involved in domestic and international carriage by air. It sets the absolute liability for damage, death, or bodily injury sustained in the course of air travel on board and in the course of any operations of embarking or disembarking by a passenger.

MTG Act

The MTG Act provides for the regulation of multimodal transportation of goods, from any place in India to a place outside India, on the basis of a multimodal transport contract and for matters connected therewith or incidental thereto. Registration under the MTG Act is mandatory for person carrying on or commencing the business of multimodal transportation. Further, the responsibilities and liabilities of multimodal transport operators have also been provided in the MTG Act.

Ground Handling Services Regulations

Ground Handling Services Regulations are applicable to the airports managed by the AAI. The Ground Handling Services Regulations provide for airline operators to carry out ground handling services at an airport either by itself or engage the services of the AAI, or any other agency licensed by the AAI. The Central Government has laid down the eligibility criteria for various agencies to undertake ground handling services at non-AAI airports. Further, no ground handling agencies are allowed to function without security clearance and background check.

Maritime Goods Code

The Maritime Goods Code is a uniform code for the transport of dangerous goods by sea and covers such matters as packing, container traffic and stowage, with particular reference to the segregation of incompatible substances.

MV Act

The MV Act aims at ensuring road transport safety. The MV Act read with the MV Rules provides for, among other things, compulsory driving license and insurance, compensation in case of no fault liability, compensation by an insurer, and procedures to register motor vehicles and obtaining licenses.

The MV Amendment Act, notified on March 20, 2015 sets out provisions relating to, among other things, the manufacture, construction, and maintenance of electronic carts and electronic rickshaws and conditions for issue of driving license to drive such electronic vehicles. The Central Government has also proposed a new Road Safety and Transport Bill, 2014 to amend the existing MV Act and it seeks to provide a framework for safer, faster, cost effective and inclusive movement of passengers and freight in the country.

National Building Code

The National Building Code provides guidelines for regulating the construction of building and related activities across India. It sets out detailed provisions on fire prevention, life safety and fire protection of buildings.

FSS Act

The FSS Act consolidates laws relating to food safety and established the FSSAI for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import. The standards prescribed by FSSAI include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels. The FSS Act also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of food business operators and liability of manufacturers and sellers, and adjudication by 'Food Safety Appellate Tribunal'.

The FSSAI has also framed the Food Safety Rules which provide for the procedure for registration and licensing process for food business and has laid down detailed standards for various food products.

Laws related to the Environment

Environmental Regulations

The major statutes in India which seek to regulate and protect the environment include the Water Act, the Air Act, the EPA, and the Hazardous Waste Rules.

The basic purpose of these statutes is to control, prevent and abate pollution. In order to achieve these objectives, PCBs set up in each state, are vested with diverse powers to deal with pollution. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms.

Under the EPA and the Environment (Protection) Rules, as amended, the Government of India issued a notification S.O. 1533(E) dated September 14, 2006, which requires the prior approval of the MoEF or the SEIAA, as the case may be, for the establishment of any new project and for expansion or modernization of existing projects specified in the said notification.

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the state PCB. The Water Act also provides that the consent of the state PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

The Air Act requires that any individual, industry or institution responsible for emissions by way of use as fuel or chemical reactions must obtain consent from the state PCB prior to commencing any activity.

The Hazardous Waste Rules impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose off such hazardous wastes properly. The Hazardous Waste Rules also impose obligations in respect of the collection, treatment, storage and disposal of hazardous wastes.

Public Liability Act

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous wastes.

Laws related to Employment

Certain other laws and regulations that may be applicable to our Company include the following:

- Contract Labour Act;
- Migrant Workers Act;
- Factories Act;
- Wages Act;
- Bonus Act;
- Maternity Benefit Act;
- ESI Act;
- EPF Act;
- Child Labour Act;
- Remuneration Act;
- Motor Transport Workers Act;
- Gratuity Act;
- Shops and Commercial Establishments Acts, where applicable;
- Minimum Wages Act;
- Industrial Disputes Act; and
- Employees' Compensation Act.

Other Regulations

In addition to the above, our Company is required to comply with the provisions of the state specific fire prevention and safety laws, the Consumer Protection Act, Companies Act, FEMA, various tax related legislations and other applicable statutes for its day-to-day operations.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was incorporated on May 23, 1997 at Mumbai as a public limited company under the Companies Act, 1956 and obtained a certificate of commencement of business from the RoC on August 5, 1997.

As on the date of filing of this Draft Red Herring Prospectus, our Company has 14 Shareholders. For further information, see “Capital Structure” on page 79.

Major events and milestones of our Company

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

Calendar Year	Particulars
2006	IL&FS Private Equity Trust became our Shareholder
	Commencement of operations at our CFS facilities located at Navi Mumbai
2009	Commencement of operations at our CFS facilities located at Tuticorin
	KWPL became our wholly owned subsidiary
	Abraaj and ePlanet became our Shareholders
2010	License to undertake CFS facilities located at Madhavaram, Chennai was transferred from CWCL to our Company
2011	Bridgeview became our Shareholder
	Delex became our wholly owned Subsidiary
2012	Commencement of operations at our CFS facilities located at Redhills, Chennai
	KWPL was amalgamated with Delex
2014	CMTL became our Subsidiary
2016	IFC became our Shareholder
	Commencement of operations at our PFT facilities located at Panipat
	Commencement of operations at our PFT facilities located at Ahmedabad
	Our Company entered into an agreement with a CTO for use of our PFTs for movement of cargo by rail

Changes in the Registered Office

Changes in the Registered Office since the date of incorporation of our Company are detailed below:

Date of change of Registered Office	Details of the address of Registered Office
June 13, 2005	From Plot No. 13, 19 th Sector, Vijay Marg, New Panvel, Navi Mumbai 410 203 to Plot No. D 1088, Khopta Village, Uran Taluka, Raigad Dist., Navi Mumbai 400 702
October 1, 2011	From Plot No. D 1088, Khopta Village, Uran Taluka, Raigad Dist., Navi Mumbai 400 702 to 404, Samarpan Complex, New Link Road, Chakala, Andheri (East), Mumbai 400 099
February 29, 2016	From 404, Samarpan Complex, New Link Road, Chakala, Andheri (East), Mumbai 400 099 to 405, Windfall, Sahar Plaza Complex, Andheri Kurla Road, J.B. Nagar, Andheri (East), Mumbai 400 059

The abovementioned changes in the Registered Office were made due to administrative reasons.

Main Objects of our Company

The main objects contained in the MoA are as follows:

- To carry on the business of providing Warehousing, Transportation and Clearing and Forwarding services especially in and around Nhava Seva or at any other place or places that may be convenient and without restricting the generality of the foregoing, to provide facilities for the storage, warehousing, packing and distribution of goods and merchandise of all description; carry on the trade or business of warehousing and storers of goods, including hazardous cargo, wares and merchandise of every kind and description whatsoever, carry on and undertake the storage, warehousing, packaging, removal, carrying, delivery, sorting, labeling, weighing, rebagging, palletisation, crating, stretch and shrink, wrapping, purchase, sale, exchange, mortgaging, pledging, letting and exhibiting of goods, chattels and merchandise of every description; provide inventory management and specialized inspection services and to construct, build, equip, own and maintain, take on lease all types of warehouses, custom bonded warehouses, cold storages and Aircon.*

2. *To purchase lands and buildings and other property of any tenure and any interest therein for development and to deal in freehold or leasehold ground rents and to build, purchase, hire, own, operate, manage, use, rent or otherwise acquire container freight stations and to carry on all or any of the business of providing facilities and services for container depot operations, including the handling, storage, repair, and refurbishment of containers, container and cargo survey and of container leasing.*
3. *To engage in coastal and international shipping in India or any part of the world, and to purchase, charter, hire, build or otherwise acquire, steam and other ships or vessels and to employ the same in convenience of passengers, mails and merchandise of all kinds, and to carry on the business of ship owners, barge owners, and lighter men in all its branches and to establish, maintain and operate shipping, air and road transport services (Public) and (Private) and all ancillary services and for these purposes, to purchase, take in exchange, charter, hire, build, construct or otherwise acquire and to own, work manage and trade with steam sailing, motor and other ships, trawlers, drifters, tugs and vessels and other vehicles with all necessary and convenient equipment, engines, tackle gear, furniture and stores or any shares or interest in ships, vessels and other vehicles in any ships, aircrafts or vehicles and to maintain repairs, fit out, refit, improve, insure, alter, sell, exchange, or let out on hire purchase or charter or otherwise deal with the disposal of any ships, vessels and vehicles, shares, stock and securities, or any of the engines, tackle gear, furniture, equipment, and stores of the company, and to undertake and carry on all or any of the trades and business of shippers, ship owners, ship brokers, ship agents, ship underwriters, ship managers, tug owners, shipping agents, aeroplane owners, and carriers, insurance brokers, loading brokers, freight brokers, freight contractors, carrier of goods and passengers by land, air and water, transport haulage and general contractors, barge owners, railway and forwarding agents, dock owners, engineers, stevedorers, warehousemen, packers, wharfingers, salveours, ship builders, ship repairers, manufacturers of and dealers in machinery, engines, nautical instruments and ships, rigging, gear, fittings and equipment of every description.*
4. *To carry on the business of Flour Mills, Roller Flour Mill, Rice Mill, Milling building breaking or grinding or crushing paddy, wheat, rice, maize, corn, dal grain, pulse, seed or any other agricultural product, and to carry on all kinds of agency business and as buying and selling agents of all articles, things, commodities and products. To, erect, maintain and operate cold storage depots and to engage in cold storage trade and manufacture of ice and other refrigerants and to acquire, start, erect, establish and maintain cold storage plants, equipments, warehouses, cellars, vaults, wagons, etc. for cold storage and manufacturing products of fruits, vegetables, fish, meat, seeds, milk, sweets, sugar and milk products, preparation and other consumable articles and stores of all kinds.*

The main objects as contained in the MoA enable our Company to carry on the business presently being carried out as well as to carry on the activities for which the funds are being raised in the Offer. For details, see “Objects of the Offer” on page 88.

Amendments to our MoA

Set out below are the amendments to our MoA since the incorporation of our Company:

Date of shareholders' resolution	Nature of Amendment
July 18, 2005	Clause V of the MoA was amended to reflect the increase in the authorised share capital of ₹ 50,000,000 divided into 5,000,000 Equity Shares of ₹ 10 each to ₹ 500,000,000 divided into 50,000,000 Equity Shares of ₹ 10 each
March 15, 2006	Clause V of the MoA was amended to reflect the increase in the authorised share capital of ₹ 500,000,000 divided into 50,000,000 Equity Shares of ₹ 10 each to ₹ 715,000,000 divided into 50,000,000 Equity Shares of ₹ 10 each and 21,500,000 OCPS of ₹ 10 each
July 14, 2009	Clause V of the MoA was amended to reflect the re-classification of the authorised share capital of ₹ 715,000,000 divided into 50,000,000 Equity Shares of ₹ 10 each and 21,500,000 OCPS of ₹ 10 each to ₹ 715,000,000 divided into 47,000,000 Equity Shares of ₹ 10 each and 24,500,000 CCPS of ₹ 10 each
February 25, 2011	Clause V of the MoA was amended to reflect the increase of the authorised share capital of ₹ 715,000,000 divided into 47,000,000 Equity Shares of ₹ 10 each and 24,500,000 CCPS of ₹ 10 each to ₹ 875,000,000 divided into 63,000,000 Equity Shares of ₹ 10 each and 24,500,000 CCPS of ₹ 10 each
November 15, 2012	Clause V of the MoA was amended to reflect the re-classification of the authorised share capital of ₹ 875,000,000 divided into 63,000,000 Equity Shares of ₹ 10 each and 24,500,000 CCPS of ₹ 10 each to ₹ 875,000,000 divided into 87,500,000 Equity Shares of ₹ 10 each.
September 30, 2014	Clause III(A) of the MoA was amended to reflect the alteration in the main objects of our Company, being:

Date of shareholders' resolution	Nature of Amendment
	<ol style="list-style-type: none"> 1. <i>"To carry on the business of providing Warehousing, Transportation and Clearing and Forwarding services especially in and around Nhava Seva or at any other place or places that may be convenient and without restricting the generality of the foregoing, to provide facilities for the storage, warehousing, packing and distribution of goods and merchandise of all description; carry on the trade or business of warehousing and storers of goods, including hazardous cargo, wares and merchandise of every kind and description whatsoever, carry on and undertake the storage, warehousing, packaging, removal, carrying, delivery, sorting, labeling, weighing, rebagging, palletisation, crating, stretch and shrink, wrapping, purchase, sale, exchange, mortgaging, pledging, letting and exhibiting of goods, chattels and merchandise of every description; provide inventory management and specialized inspection services and to construct, build, equip, own and maintain, take on lease all types of warehouses, custom bonded warehouses, cold storages and Aircon.</i> 2. <i>To purchase for investment or resale or for development and to deal in lands and buildings and other property of any tenure and any interest therein and to deal in freehold or leasehold ground rents and to build, purchase, hire, own, operate, manage, use, rent or otherwise acquire container freight stations and to carry on all or any of the business of providing facilities and services for container depot operations, including the handling, storage, repair, and refurbishment of containers, container and cargo survey and of container leasing.</i> 3. <i>To engage in coastal and international shipping in India or any part of the world, and to purchase, charter, hire, build or otherwise acquire, steam and other ships or vessels and to employ the same in convenience of passengers, mails and merchandise of all kinds, and to carry on the business of ship owners, barge owners, and lighter men in all its branches and to establish, maintain and operate shipping, air and road transport services (Public) and (Private) and all ancillary services and for these purposes, top purchase, take in exchange, charter, hire, build, construct or otherwise acquire and to own, work manage and trade with steam sailing, motor and other ships, trawlers, drifters, tugs and vessels and other vehicles with all necessary and convenient equipment, engines, tackle gear, furniture and stores or any shares or interest in ships, vessels and other vehicles in any ships, aircrafts or vehicles and to maintain repairs, fit out, refit, improve, insure, alter, sell, exchange, or let out on hire purchase or charter or otherwise deal with the disposal of any ships, vessels and vehicles, shares, stock and securities, or any of the engines, tackle gear, furniture, equipment, and stores of the company, and to undertake and carry on all or any of the trades and business of shippers, ship owners, ship brokers, ship agents, ship underwriters, ship managers, tug owners, shipping agents, aeroplane owners, and carriers, insurance brokers, loading brokers, freight brokers, freight contractors, carrier of goods and passengers by land, air and water, transport haulage and general contractors, barge owners, railway and forwarding agents, dock owners, engineers, stevedorers, warehousemen, packers, wharfingers, salveours, ship builders, ship repairers, manufacturers of and dealers in machinery, engines, nautical instruments and ships, rigging, gear, fittings and equipment of every description.</i> 4. <i>To carry on the business of Flour Mills, Roller Flour Mill, Rice Mill, Milling building breaking or grinding or crushing paddy, wheat, rice, maize, corn, dal grain, pulse, seed or any other agricultural product, and to carry on all kinds of agency business and as buying and selling agents of all articles, things, commodities and products. To, erect, maintain and operate cold storage depots and to engage in cold storage trade and manufacture of ice and other refrigerants and to acquire, start, erect, establish and maintain cold storage plants, equipments, warehouses, cellars, vaults, wagons, etc... for cold storage and manufacturing products of fruits, vegetables, fish, meat, seeds, milk, sweets, sugar and milk products, preparation and other consumable articles and stores of all kinds."</i>
September 30, 2015	<p>Clause III(A)(2) of the MoA was amended and substituted with the following:</p> <ol style="list-style-type: none"> 2. <i>"To purchase lands and buildings and other property of any tenure and any interest therein for development and to deal in freehold or leasehold ground rents and to build, purchase, hire, own, operate, manage, use, rent or otherwise acquire container freight stations and to carry on all or any of the business of providing facilities and services for container depot operations, including the handling, storage, repair, and refurbishment of containers, container and cargo survey and of container leasing."</i>

Date of shareholders' resolution	Nature of Amendment
September 29, 2016	Clause V of the MoA was amended to reflect the increase of the authorised share capital of ₹ 875,000,000 divided into 87,500,000 Equity Shares of ₹ 10 each to ₹ 1000,000,000 divided into 100,000,000 Equity Shares of ₹ 10 each

Certifications, Awards and Recognitions

We have received the following certifications, awards and recognitions for achieving and maintaining high standards in various aspects of our business:

Calendar year	Awards and Accreditations
2009	<ul style="list-style-type: none"> Our Company was awarded for Highest Import Deliveries from JNP Container Terminal to a CFS during the year 2008-2009 by Jawarharlal Nehru Port Trust in May 2009
2012	<ul style="list-style-type: none"> Delex was awarded the 6th Express, Logistics and Supply Chain Leadership Awards – Best Logistics Service Provider of the Year – Air Freight by Future Supply Chains (“FSC”) in September 2012
2013	<ul style="list-style-type: none"> Delex was awarded the Manufacturing Supply Chain Awards – Operational Excellence in Warehousing conceived and managed by KamiKaze in January 2013 Delex was awarded the Manufacturing Supply Chain Awards – Warehousing Excellence in Warehousing conceived and managed by KamiKaze in January 2013 Delex was presented the 7th Express, Logistics and Supply Chain Leadership Awards – Best Air Freight Service Provider of the Year by Reverse Logistics Company Private Limited and Green Dust in September 2013
2014	<ul style="list-style-type: none"> Delex was presented the Asia Manufacturing Supply Chain Awards – Operational Excellence in Warehousing by FSC in February 2014 Delex was commended with Confederation of Indian Industry-Institute of Logistics Scale Awards – Efficient Position under the Logistics Service category in May 2014 Our Company received the ISO certification under ISO 9001:2008 for our CFSs at Navi Mumbai, Madhavaram and Tuticorin for providing custom notified CFS facilities and related logistic services in August 2014 Delex was presented the 8th Express, Logistics and Supply Chain Leadership Awards – Best Air Freight Service Provider of the Year by FSC in September 2014
2015	<ul style="list-style-type: none"> Delex was presented the 4th Manufacturing Supply Chain Awards – Operational Excellence in Warehousing by FSC in February 2015 Delex was commended with Confederation of Indian Industry Institute of Logistics Scale Awards - Special Award- Consistent Growth in May 2015 Delex was awarded the Warehousing Excellence Awards - Emerging Warehousing Company of the Year by CHEP Equipment Pooling Systems in September 2015 Delex was presented the 9th Express, Logistics and Supply Chain Leadership Awards – Best Air Freight Service Provider of the Year by FSC in September 2015 Our Company received the OHSAS certification in recognition of our Company's health and safety management system compliant with OHSAS 18001:2007 in providing custom notified CFS facility and related logistic services in December 2015
2016	<ul style="list-style-type: none"> Our Company was awarded the runner-up award in the category of Container Freight Station Operator of the Year (Specific) at the India Maritime Awards 2016 in June 2016

Calender year	Awards and Accreditations
	<ul style="list-style-type: none"> N. Adikesavulu Reddy was presented the Special Jury Award for Excellence in Warehousing and Logistics at the 8th South East Cargo Logistics Awards 2016 in June 2016

Corporate Profile of our Company

For details in relation to our corporate profile including details of our activities, products, services, market of each segment, geographical presence, exports and profits due to foreign operations, if any, together with the country-wise analysis growth, marketing and competition, major suppliers and customers, capacity build-up, capacity/facility creation, location of facilities, technology, environmental issues and management, see “Our Business”, “Our Management” and “Financial Statements” on pages 129, 156 and 181, respectively.

Scheme of Arrangement

Our Company has not entered into any scheme of arrangement.

Capital raising activities through equity or debt

For details regarding our capital raising activities through equity and debt, see “Capital Structure” and “Financial Indebtedness” on pages 88 and 181, respectively.

Injunctions or restraining orders against our Company

As of the date of this Draft Red Herring Prospectus, there are no injunctions or restraining orders against our Company.

Changes in the activities of our Company during the last five years

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 lines of business, loss of agencies or markets and similar factors.

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

There have been no defaults that have been called by any financial institution or bank in relation to borrowings from financial institutions or banks. For details of our financing arrangements, see “Financial Indebtedness” on page 367. Further, none of our loans have been rescheduled or been converted into Equity Shares.

Lock outs and Strikes

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

Time and Cost Overruns

For details in relation to delay in setting up certain projects and time and cost overruns, see “Risk Factors” on page 23.

Details regarding acquisition of business/undertakings, mergers, amalgamations and revaluation of assets

For details on the acquisition of certain of our Subsidiaries, see “- Summary of Key Agreements” on page 150.

Except as stated above, our Company has not acquired any business or undertaking, and has not undertaken any merger, amalgamation or revaluation of assets.

Summary of Key Agreements

1. Share Subscription Agreement dated February 25, 2011 entered into amongst N. Adikesavulu Reddy, N. Amrutesh Reddy, N. Kamakshamma, N.D.R., Saastha, Kaveri, Delex, CMTL, CWCL, Bridgeview and our Company

Our Company, N. Adikesavulu Reddy, N. Amrutesh Reddy, N. Kamakshamma, N.D.R., Saastha, Kaveri, Delex, CMTL, CWCL and Bridgeview entered into a share subscription agreement dated February 25, 2011 (the “**Bridgeview SSA**”), pursuant to which Bridgeview subscribed to 13,283,405 Equity Shares for an aggregate consideration of ₹ 1,724.00 million. Further, Bridgeview purchased (i) 708,174 Equity Shares and 5,226,407 Series A CCPS from Abraaj for an aggregate consideration of ₹ 408.20 million; (ii) such number of securities from IL&FS as specified in the share purchase agreement dated February 25, 2011 entered into amongst IL&FS, Bridgeview, the Company, N. Adikesavulu Reddy, N. Amrutesh Reddy, N.D.R. and Saastha; and (iii) such number of securities from

ePlanet as specified in the share purchase agreement dated April 6, 2011 entered into among ePlanet, Bridgeview, the Company, N. Adikesavulu Reddy, N. Amrutesh Reddy, N.D.R. and Saastha.

2. Share Subscription Agreement dated March 31, 2016 entered into amongst the Promoters, IFC and our Company

Our Company, the Promoters and IFC have entered into a share subscription agreement dated March 31, 2016 (the “**IFC SSA**”), pursuant to which IFC has subscribed to 7,953,215 Equity Shares for an aggregate consideration of ₹ 1,649.97 million.

3. Restated and Amended Shareholders’ Agreement dated March 31, 2016 as amended by way of Amendment and Consent Agreement dated September 29, 2016 entered into amongst Bridgeview, IFC (collectively, the “SHA Investors”), Abraaj, the Promoters, Delex, CMTL (CMTL together with Delex, the “SHA Group Entities”), Saastha and our Company

Our Company, the SHA Investors, Abraaj, the Promoters, the SHA Group Entities and Saastha (collectively, the “**Parties**”) have entered into a restated and amended shareholders’ agreement dated March 31, 2016, as amended by way of amendment and consent agreement dated September 29, 2016 (the “**SHA**”). The SHA sets out (i) the rights and obligations of the Parties in relation to their shareholding in our Company; (ii) the arrangement in relation to the management of our Company and SHA Group Entities; and (iii) other connected matters. The SHA supersedes the previous shareholders’ agreement entered into by Bridgeview, Abraaj, the Promoters, SHA Group Entities, CWCL and Saastha with our Company.

The SHA provides certain rights to the SHA Investors and Abraaj, including, among other things, right to nominate directors on our Board, nominate one alternate director in the absence of each nominee director, affirmative rights with respect to certain reserved matters, certain information rights, right to offer the Equity Shares held by them in our Company’s IPO (as defined in the SHA) subject to applicable law, anti-dilution rights, pre-emptive rights, right of refusal on certain transfers, tag-along rights, and right of first offer, as applicable.

Pursuant to the SHA, our Company, among other things, is under an obligation to undertake an IPO in accordance with the terms of the SHA and along with its subsidiaries, is required to comply with certain IFC policy covenants as set out in the SHA.

Pursuant to the Amendment and Consent Agreement, Bridgeview and Abraaj have provided their consent for undertaking the IPO, provided that such an IPO is undertaken at certain agreed valuations as set out in the SHA. While IFC has given its in-principle approval for the Offer, we are required to obtain specific approval of IFC for IPO-related terms such as timing, price and size.

The SHA Investors, Abraaj, the Promoters, SHA Group Entities, Saastha and our Company further entered into an Amendment and Consent Agreement dated September 29, 2016, pursuant to which, save and except certain provisions of the SHA, the SHA shall stand terminated upon receipt of final listing and trading approvals from the Stock Exchanges and commencement of trading of the Equity Shares on the Stock Exchanges in connection with and pursuant to the IPO. In terms of the Amendment and Consent Agreement, upon completion of the Offer, Bridgeview and IFC shall each have a right to nominate one director on the Board, until such time that Bridgeview along with its Affiliates (as defined in the Amendment and Consent Agreement) and transferees and IFC continues to hold 15% and 5% respectively, of the issued and paid up Share Capital of our Company on a fully diluted basis.

In addition, in terms of the Amendment and Consent Agreement, the provisions of the SHA shall be reinstated as of the date immediately prior to the Amendment and Consent Agreement if the IPO is not completed as per the terms of the Amendment and Consent Agreement.

4. Share Purchase Agreement dated March 28, 2014 entered into amongst N. Adikesavulu Reddy, N. Kamakshamma, CWCL (collectively, the “CMTL Promoters”), CMTL, our Company and Bridgeview

Our Company, the CMTL Promoters, CMTL and Bridgeview have entered into a share purchase agreement dated March 28, 2014 (the “**CMTL SPA**”), pursuant to which the CMTL Promoters agreed to transfer 23,577,323 equity shares of CMTL to our Company for a consideration of ₹ 172.58 million (the “**CMTL Consideration**”). In terms of the CMTL SPA, our Company agreed to discharge the liability of paying the CMTL Consideration through the issuance of 1,284,836 fully paid-up Equity Shares of our Company to N. Adikesavulu Reddy and 190,164 fully paid-up Equity Shares of our Company to N. Kamakshamma.

5. Agreement for Transfer of Shares dated April 15, 2013 entered into between India Infrastructure and Logistics Private Limited (“India Infrastructure”) and our Company

Our Company and India Infrastructure entered into an agreement for transfer of shares dated April 15, 2013 (the “**CMPL Agreement**”), pursuant to which our Company acquired 10,000 equity shares of face value of ₹ 10 each of

CMPL, held by India Infrastructure including one equity share jointly held with APL Logistics India Private Limited for an aggregate consideration of ₹ 100,000. Pursuant to the CMPL Agreement, CMPL became our wholly owned subsidiary.

6. Policy on Certain Operational Covenants and Certain Reporting Requirements upon Listing

The Board of Directors of our Company on September 27, 2016, adopted a Policy on Certain Operational Covenants and Certain Reporting upon Listing (the “Policy”). The Policy will be effective on the earlier of (i) the date of listing of equity shares of the Company on BSE and / or NSE; and (ii) the date of termination of the SHA. The Policy requirements are applicable to our Company and its Subsidiaries.

The Policy, among other matters, stipulates various reporting requirements including promptly notifying the Recognised Stock Exchanges upon becoming aware of any: (i) litigation or investigations or proceedings which have or may reasonably be expected to have a Material Adverse Change (as defined in the Policy); or (ii) criminal investigations or proceedings against the Company or any related party (as defined in the Policy). The Policy also requires our Company not to engage in any sanctionable practice including any corrupt, fraudulent or coercive business practice. The Policy also stipulates certain social and environmental covenants and implementation procedures for such business practices. The Policy further requires our Company and certain of its Subsidiaries to insure and keep insured its assets and business against insurable losses.

Our Company, our Promoters and IFC had entered into a put option agreement dated March 31, 2016, where the Promoters have granted IFC a put option to sell all or part of the Put Shares upon occurrence of the put trigger event. Pursuant to a termination agreement dated September 29, 2016, the Put Option Agreement shall stand terminated upon receipt of final listing and trading approvals from the Stock Exchanges and commencement of trading of the Equity Shares on the Stock Exchanges in connection with and pursuant to the IPO.

Financial and Strategic Partners

Our Company does not have any financial and strategic partners as of the date of filing of this Draft Red Herring Prospectus.

Our Holding Company

Our Company does not have a holding company.

Our Subsidiaries

Our Company has four subsidiaries. During the Financial Year ended March 31, 2016, our Company has divested its entire shareholding in Huma Multitrade Private Limited, a wholly owned subsidiary of our Company, with effect from March 30, 2016.

Unless stated otherwise, information in relation to our Subsidiaries is as of the date of this Draft Red Herring Prospectus.

1. CMFPPL

Corporate Information:

CMFPPL was incorporated on July 31, 2014 under the Companies Act, 2013 at Mumbai. As per the memorandum of association, CMFPPL can be involved in the business of producing, manufacturing, importing, exporting, buying, selling, trading, dealing, processing, mixing, packing, repacking, preserving, refining, preparing, freezing, extracting, refining, preparing, disinfecting, compounding, cleaning, washing, concentrating, crushing, grinding, segregating, adding, removing, heating, grading, boiling, sterilizing, improving, reselling, bartering, transporting, storing, forwarding, distributing, disposing, developing, handling and manipulating consumable products in and outside India. Further, as per the memorandum of association, CMFPPL can be involved in the business of establishing a mega food park.

Capital Structure:

	No. of equity shares of ₹ 10 each
Authorised share capital	50,000
Issued, subscribed and paid-up capital	20,010

Shareholding Pattern:

The shareholding pattern of CMFPPL is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Continental Warehousing Corporation (Nhava Seva) Limited	20,000	99.9
2.	N. Adikesavulu Reddy (on behalf of our Company)	10	Negligible
Total		20,010	100.0

2. CMPL

Corporate Information:

CMPL was incorporated on June 30, 2006 under the Companies Act, 1956 at Mumbai. As per the memorandum of association, CMPL can be involved in the business of exporting, importing, distributing and acting as merchants, traders and stockists for the purposes of buying, selling, distributing or otherwise dealing in commodities, goods, articles, materials and things of every description and kind. CMPL became our Subsidiary pursuant to the acquisition of all equity shares of CMPL held by India Infrastructure including one equity share jointly held with APL Logistics India Private Limited. For further details in relation to the CMPL Agreement, see “–Summary of Key Agreements” on page 150.

Capital Structure:

	No. of equity shares of ₹ 10 each
Authorised share capital	10,000
Issued, subscribed and paid-up capital	10,000

Shareholding Pattern:

The shareholding pattern of CMPL is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Continental Warehousing Corporation (Nhava Seva) Limited	9,999	99.9
2.	Darayush K. Jalnawalla (on behalf of our Company)	1	Negligible
Total		10,000	100.0

3. CMTL

Corporate Information:

CMTL was originally incorporated as Sri Satyanarayana Cold Storages Private Limited on January 4, 2002 at Hyderabad. Pursuant to the 2009 JV Agreement, Sri Satyanarayana Cold Storages Private Limited was renamed as KRIBHCO Continental Multimodal Logistic Park Private Limited and the Registrar of Companies, Andhra Pradesh located at Hyderabad issued a fresh certificate of incorporation consequent to change of name on November 13, 2009. Subsequently, KRIBHCO Continental Multimodal Logistic Park Private Limited was converted to a public limited company and consequently, its name was changed to KRIBHCO Continental Multimodal Logistic Park Limited and Registrar of Companies, Andhra Pradesh located at Hyderabad issued a fresh certificate of incorporation consequent to change of name on November 23, 2009. Pursuant to the Restated JV Agreement, KRIBHCO Continental Multimodal Logistic Park Limited was renamed as Continental Multimodal Terminals Limited and the Registrar of Companies, Andhra Pradesh located at Hyderabad issued a fresh certificate of incorporation consequent to change of name on January 11, 2011. CMTL became our Subsidiary pursuant to the acquisition of certain equity shares of CMTL held by N. Adikesavulu Reddy and N. Kamakshamma in the year 2014. For further details in relation to the CMTL SPA, see “–Summary of Key Agreements” on page 150.

As per the memorandum of association, CMTL can be involved in the business of (i) setting up, maintaining and operating rail linked logistics parks, FTWZ, ICD, CFS, domestic container handling facilities, warehouses and jetties in India, (ii) total logistics on multi modal transportation of international and domestic cargo within India or abroad, (iii) infrastructure development in India and abroad, (iv) acting as clearing and forward agents for facilitating cargo movements within India or abroad, (v) constructing, building, owning, maintaining and providing facilities for

storage, and (vi) providing technical know-how and management services to any person, firm or body corporate in the field of, among other things, transport, warehousing, management by rail, ports and inland terminals.

Capital Structure:

	No. of equity shares of ₹ 10 each
Authorised share capital	150,000,000
Issued, subscribed and paid-up capital	142,907,763

Shareholding Pattern:

The shareholding pattern of CMTL is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Continental Warehousing Corporation (Nhava Seva) Limited	135,219,473	94.6
2.	KRIBHCO Infrastructure Limited	5,125,160	3.6
3.	N. Adikesavulu Reddy	1,281,295	0.9
4.	N. Kamakshamma	1,281,295	0.9
5.	N. Venkatanarsa Reddy	500	negligible
6.	Chandra Pal Singh Yadav	10	negligible
7.	Bikash Dhari Sinha	10	negligible
8.	P. Ravindranath Reddy	10	negligible
9.	C.S. Shanker	10	negligible
Total		142,907,763	100.0

4. Delex

Corporate Information:

Delex was incorporated on June 18, 2009 under the Companies Act, 1956 at Chennai. Pursuant to the Amalgamation Scheme, KWPL was amalgamated with Delex with effect from April 1, 2012. As per the memorandum of association, Delex can be involved in the business of operating transport services within and outside India by air, sea and land for commercial cargo and providing all logistic services including warehousing, third party logistics, custom house agents, freight forwarding services.

Capital Structure:

	No. of equity shares of ₹ 10 each
Authorised share capital	30,000,000
Issued, subscribed and paid-up capital	26,461,590

Shareholding Pattern:

The shareholding pattern of Delex is as follows:

Sr. No.	Name of the shareholder	No. of equity shares of ₹ 10 each	Percentage of total equity holding (%)
1.	Continental Warehousing Corporation (Nhava Seva) Limited	26,461,580	99.9
2.	N. Amrutesh Reddy (on behalf of our Company)	10	Negligible
Total		26,461,590	100.0

Accumulated Profits or Losses of our Subsidiaries

Except as disclosed in "Financial Statements" on page 181, there are no accumulated profits or losses of any of our subsidiaries, not accounted for, by our Company.

Other Confirmations

None of our Subsidiaries have made any public or rights issue in the last three years.

None of our Subsidiaries are listed nor have our Subsidiaries been refused listing on any stock exchange in India or abroad.

Interest of the Subsidiaries in our Company

None of our Subsidiaries have any business interest in our Company except as stated in “Our Business” and “Related Party Transactions” on pages 129 and 179, respectively. For further details of the transactions between our Company and our Subsidiaries, please see the section entitled “Related Party Transactions” on page 179.

Material Transactions

Other than as disclosed in the section entitled “Related Party Transactions” on page 179, there are no sales or purchase between our Company and any of our Subsidiaries where such sales or purchases exceed in value in the aggregate 10.0% of the total sales or purchases of our Company.

Common Pursuits

Except as disclosed in “Our Business”, “Financial Statements” and “Related Party Transactions” on pages 129, 181 and 179 respectively, our Company and the Subsidiaries do not have any common pursuits. Our Company will adopt the necessary procedures and practices as permitted by law to address any conflict situation as and when they arise.

OUR MANAGEMENT

In terms of the Articles of Association, our Company is required to have not more than 10 Directors. As on the date of this Draft Red Herring Prospectus, our Board comprises eight Directors.

The following table sets forth details regarding our Board:

Name, Designation, Address, Occupation, Term and DIN	Age (in years)	Other Directorships in Companies
<p>N. Adikesavulu Reddy</p> <p>Designation: Chairman and Managing Director</p> <p>Term: Re-appointed for a period of three years commencing from July 1, 2014, liable to retire by rotation</p> <p>DIN: 00169754</p> <p>Occupation: Business</p> <p>Address: No. 13/A, 7th Street, Ashtalakshmi Nagar, Valasaravakkam, Chennai 600 087</p>	62	<p>Private limited companies</p> <ul style="list-style-type: none"> • Kesava Seeds Private Limited • N.D.R. Infrastructure Private Limited • Delex Cargo India Private Limited • Forefront Logistics Private Limited • Transware Terminals Private Limited • Continental Mega Food Park Private Limited • Saastha Mega Food Parks Private Limited • Continental Infra & Textile Park Private Limited • NDR International School (LLP) (<i>Section 25 company</i>) <p>Public limited companies</p> <ul style="list-style-type: none"> • Continental Warehousing Corporation Limited • Continental Multimodal Terminals Limited • Voluntas Food Parks (India) Limited • Continental Warehousing and Logistics Limited • Saastha Warehousing Limited
<p>N. Amrutesh Reddy</p> <p>Designation: Whole-time Director</p> <p>Term: Re-appointed for a period of three years commencing from September 23, 2015, liable to retire by rotation</p> <p>DIN: 00898556</p> <p>Occupation: Business</p> <p>Address: No. 13/A, 7th Street, Asthalakshmi Nagar, Valasaravakkam, Chennai 600 087</p>	37	<p>Private limited companies</p> <ul style="list-style-type: none"> • N.D.R. Warehousing Private Limited • N D R Plantations Private Limited • Kaveri Warehouse Management Services Private Limited • Forefront Logistics Private Limited • Avigna Properties Private Limited • Delex Cargo India Private Limited • Kautilya Warehousing Private Limited • Svahgraha Constructions and Holdings Private Limited • Avigna Housing Private Limited <p>Public limited companies</p>

Name, Designation, Address, Occupation, Term and DIN	Age (in years)	Other Directorships in Companies
		<ul style="list-style-type: none"> Continental Multimodal Terminals Limited
<p>Darayush K. Jalnawalla</p> <p><i>Designation:</i> Whole-time Director</p> <p><i>Term:</i> Re-appointed for a term of three years commencing from April 22, 2014, liable to retire by rotation</p> <p><i>DIN:</i> 01224198</p> <p><i>Occupation:</i> Professional</p> <p><i>Address:</i> 203, Garden View, 2nd Floor, Somnath Lane Off Hill Road, Bandra (West), Mumbai 400 050</p>	61	<p><i>Private limited companies</i></p> <ul style="list-style-type: none"> Chetana Multitrade Private Limited Continental Mega Food Park Private Limited
<p>Viraj Sawhney</p> <p><i>Designation:</i> Nominee Director</p> <p><i>Term:</i> Not liable to retire by rotation</p> <p><i>DIN:</i> 02227110</p> <p><i>Occupation:</i> Service</p> <p><i>Address:</i> Flat No. 182-B, Maker Towers B, 18th floor, Cuffe Parade, Mumbai 400 005</p>	39	<p><i>Private limited companies</i></p> <ul style="list-style-type: none"> Warburg Pincus India Private Limited Ecom Express Private Limited Embassy Industrial Parks Private Limited Stellar Value Chain Solutions Private Limited <p><i>Public limited companies</i></p> <ul style="list-style-type: none"> AVTEC Limited
<p>M.S. Sundara Rajan</p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Appointed for a term of five consecutive years from September 23, 2015 to September 22, 2020</p> <p><i>DIN:</i> 00169775</p> <p><i>Occupation:</i> Professional</p> <p><i>Address:</i> Flat 11, 248, Aswarooda, T.T.K. Salai, Alwarpet, Chennai 600 004</p>	66	<p><i>Public Limited Companies</i></p> <ul style="list-style-type: none"> The Clearing Corporation of India Limited Capital First Home Finance Limited Sundaram Trustee Company Limited Royal Sundaram Alliance Insurance Company Limited Sharda Cropchem Limited Capital First Limited Stock Holding Corporation of India Limited NSE IT Limited
<p>B. Ravindranath</p> <p><i>Designation:</i> Independent Director</p> <p><i>Term:</i> Appointed for a term of five consecutive years from September 23, 2015 to September 22, 2020</p> <p><i>DIN:</i> 02156076</p> <p><i>Occupation:</i> Professional</p> <p><i>Address:</i> 6C, Sukhi Apartments, 17, Rhenius</p>	61	<p><i>Private Limited Companies</i></p> <ul style="list-style-type: none"> Delex Cargo India Private Limited <p><i>Public Limited Companies</i></p> <ul style="list-style-type: none"> Continental Multimodal Terminals Limited

Name, Designation, Address, Occupation, Term and DIN	Age (in years)	Other Directorships in Companies
Street, Richmond Town, Bengaluru 560 025		
Brinda Jagirdar <i>Designation:</i> Independent Director <i>Term:</i> Appointed for a term of five consecutive years commencing from September 14, 2016 <i>DIN:</i> 06979864 <i>Occupation:</i> Retired <i>Address:</i> 1104, Eleven Floor, Serenity Heights, A-Wing, Mindspace, Off New Link Road, Malad (West), Mumbai 400 064	63	<i>Public Limited Companies</i> <ul style="list-style-type: none"> Capital First Limited Rane Engine Valve Limited Capital First Home Finance Limited
G.K. Ravishankar <i>Designation:</i> Independent Director <i>Term:</i> Appointed for a term of five consecutive years commencing from September 27, 2016 <i>DIN:</i> 07624219 <i>Occupation:</i> Chartered Accountant <i>Address:</i> 2H, Coral Bay Apartments, 23B, 3 rd Seaward Road, Valmiki Nagar, Chennai 600 041	66	-

Arrangement or understanding with major shareholders, customers, suppliers or others

Other than Viraj Sawhney, who has been appointed pursuant to the Restated and Amended Shareholders' Agreement dated March 31, 2016 as amended by way of Amendment and Consent Agreement dated September 29, 2016 entered into amongst the SHA Investors, Abraaj, the Promoters, the SHA Group Entities, Saastha and our Company, there is no arrangement or understanding with the major shareholders, customers, suppliers or others, pursuant to which any of our Directors was appointed on our Board or selected as a member of senior management.

Relationship between our Directors

Except N. Amrutesh Reddy who is the son of N. Adikesavulu Reddy, none of our Directors are related to each other.

Brief Biographies of Directors:

N. Adikesavulu Reddy is the Chairman and Managing Director of our Company. He has over 30 years of experience in the field of logistics. He is responsible for formulating strategies for identifying new opportunities, and achievement of corporate goals. He has been a Director since the incorporation of our Company.

N. Amrutesh Reddy is a Whole-time Director of our Company. He holds a bachelor's degree in commerce from the University of Madras. He has over 18 years of experience in the field of logistics. He is involved in project implementation, budgeting, profitability and overall growth of our Company and Subsidiaries. He was appointed as an additional Director on July 30, 2009 and was re-appointed as a Whole-time Director with effect from September 23, 2015.

Darayush K. Jalnawalla is a Whole-time Director of our Company. He holds a bachelor's degree in commerce from Government Junior College, Hyderabad. He has several years of experience in the field of stevedoring, CFS and logistics. He is involved in marketing, operations and human resources functions of the CFS business at Navi Mumbai. He plays an important role in sourcing business from shipping lines and leading freight forwarders for the CFS business. He was appointed as an additional Director on October 9, 2004 and as a Whole-time Director with effect from April 22, 2005.

Viraj Sawhney is a Nominee Director of our Company. He holds a bachelor's degree in mathematics from the Delhi University and post graduate diploma in management from the Indian Institute of Management, Ahmedabad. He is a

managing director of Warburg Pincus India Private Limited (“**Warburg Pincus**”) and has been associated with Warburg Pincus from 2005 till date. He has experience in the field of investment advisory activities in India and evaluates opportunities in industrial, energy and consumer sectors in India. He was appointed as a Nominee Director on August 27, 2014.

M.S. Sundara Rajan is an Independent Director of our Company. He holds a bachelor’s and master’s degree in economics from Madras University. He has cleared the final examination conducted by the Institute of Company Secretaries of India and is a certified associate of the Indian Institute of Bankers. He has served as the chairman and managing director of Indian Bank from the years 2007 to 2010 and has several years of experience in the field of banking. He was appointed as an Independent Director on September 23, 2015.

B. Ravindranath is an Independent Director of our Company. He holds a bachelor’s degree in mechanical engineering from University of Mysore. He has previously worked with IDBI Bank Limited and has over 32 years of experience in the field of banking. He was appointed as an Independent Director on September 23, 2015.

Brinda Jagirdar is an Independent Director of our Company. She holds a master’s degree in arts in economics from the University of Poona and master’s degree in science in agricultural economics from the University of California. She also holds a degree of doctor of philosophy (arts) in economics from the University of Mumbai. She has completed a course on ‘infrastructure in a market economy’ from the John F. Kennedy School of Government, Harvard University. She has previously worked with the State Bank of India and has over 35 years of experience the field of banking and economics. She was appointed as an Independent Director on September 14, 2016.

G.K. Ravishankar is an Independent Director of our Company. He holds a bachelor’s degree in science from the University of Madras. He is an associate of the Institute of Chartered Accountants of India since April 1976 and has several years of experience in chartered accountancy. He was certified as an Application Consultant ‘Controlling’ with mySAP.com, Certification 2000 in November 2002. He has previously worked with Whinney Murray & Co. from 1978 to 1980 and with Tata Tea Limited from 1980 to 1986. In 1986, he joined as the General Manager of the Indian operations of CCC Builders Merchant (P) Limited. Thereafter, upon his promotion in 1992, he was the Managing Director of the Indian operations until 2002. He has previously worked as a General Manager – Operations in the business development department of the Zubair Corporation from 2005 to 2008. He has also worked with Maytas Properties Limited and Ashok Leyland Limited. He was appointed as an Independent Director on September 27, 2016.

Confirmations

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 the BSE or the NSE.

Except as disclosed below, none of our Directors is or was a director of any listed company which has been or was delisted from any stock exchange:

N. Adikesavulu Reddy	
Name of the company	Coromondal Biotech Industries (India) Limited
Listed on	(i) BSE Limited; and (ii) Hyderabad Securities and Enterprises Limited
Date of delisting on the stock exchange(s)	July 2, 2004
Compulsory or voluntary delisting	Compulsory
Reasons for delisting	Non-compliance with the listing agreement
Whether relisted: Yes / No. If yes, date of relisting on (i) BSE Limited; and (ii) Hyderabad Securities and Enterprises Limited	No
Term (along with relevant dates) of Director in the above company/ies	12 years

Except as disclosed in “Outstanding Litigation and Material Developments – Litigation involving our Directors” on page 389, no proceedings/investigations have been initiated by SEBI against any company, the board of directors of which also comprises any of the Directors of our Company. No consideration in cash or shares or otherwise has been paid or agreed to be paid to any of our Directors or to the firms or companies in which they are interested 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.

Terms of Appointment of the Executive Directors

N. Adikesavulu Reddy

N. Adikesavulu Reddy has been a Director of our Company since incorporation. He was re-appointed as the Chairman and Managing Director of our Company pursuant to a resolution passed by our Shareholders on September 30, 2015 for a period of three years with effect from July 1, 2014. Pursuant to the employment agreement dated June 26, 2009, as amended by agreement dated September 2, 2016, (the “**2009 Employment Agreement**”), N. Adikesavulu Reddy is entitled to remuneration as specified below:

Sl. No.	Remuneration	Details
1.	Salary and allowances	₹ 12.00 million per annum on a cost to company basis
2.	Bonus and Ex-gratia	Such sum as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act
3.	Commission	In addition to the salary, allowances and perquisites, the commission may be paid each year at such percentage as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act
4.	Maximum remuneration	Remuneration by way of salary, dearness allowance, perquisites and any other allowance is subject to an overall ceiling laid down under the Companies Act

Other benefits provided under the 2009 Employment Agreement include (i) leave travel assistance for self and family; (ii) mediclaim insurance for self and spouse; (iii) reimbursement of telephone expenses; (iv) statutory benefits; (v) provision of car with driver for official use; and (vi) leave encashment. N. Adikesavulu Reddy is not entitled to any sitting fee for attending meetings of our Board.

The appointment may be terminated by N. Adikesavulu Reddy or our Company, by providing a written notice of two months or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

N. Amrutesh Reddy

N. Amrutesh Reddy has been a Director of our Company since July 30, 2009. He was re-appointed as a whole-time director of our Company pursuant to a resolution passed by our Shareholders on September 30, 2015 for a period of three years with effect from September 23, 2015. Pursuant to the employment agreement dated July 30, 2009, as amended by agreement dated September 2, 2016 (the “**July Employment Agreement**”) and the resolution passed by the shareholders on September 30, 2015, N. Amrutesh Reddy is entitled to remuneration as specified below:

Sl. No.	Remuneration	Details
1.	Salary and allowances	₹ 7.5 million per annum
2.	Bonus and Ex-gratia	Such sum as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act
3.	Commission	In addition to the salary, allowances and perquisites, the commission may be paid each year at such percentage as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act

Other benefits provided under the July Employment Agreement include (i) leave travel assistance for self and family; (ii) mediclaim insurance for self and spouse; (iii) reimbursement of telephone expenses; (iv) statutory benefits; and (v) provision of car with driver for official use. N. Amrutesh Reddy is not entitled to any sitting fee for attending meetings of our Board.

The appointment may be terminated by N. Amrutesh Reddy or our Company, by providing a written notice of two months or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

Darayush K. Jalnawalla

Darayush K. Jalnawalla has been a Director of our Company since October 9, 2004. He was re-appointed as a Whole-time Director of our Company pursuant to a resolution passed by our Shareholders on September 30, 2015 for a period of three years with effect from April 22, 2014. Pursuant to the employment agreement dated June 26, 2009, as amended by agreement dated September 2, 2016 (the “**June Employment Agreement**”) and the resolution passed by our Shareholders on September 28, 2012, Darayush K. Jalnawalla is entitled to revised remuneration as specified below:

Sl. No.	Remuneration	Details
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Sl. No.	Remuneration	Details
1.	Salary and allowances	₹ 8.40 million per annum
2.	Bonus and Ex-gratia	Such sum as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act
3.	Commission	In addition to the salary, allowances and perquisites, the commission may be paid each year at such percentage as may be decided by our Board, subject to an overall ceiling laid down under the Companies Act
4.	Maximum remuneration	Remuneration by way of salary, dearness allowance, perquisites and any other allowance is subject to an overall ceiling laid down under the Companies Act

Other benefits provided under the June Employment Agreement include (i) leave travel assistance for self and family; (ii) mediclaim insurance for self and spouse; (iii) reimbursement of telephone expenses; (iv) statutory benefits; (v) provision of car with driver for official use; and (vi) leave encashment. Darayush K. Jalnawalla is not entitled to any sitting fee for attending meetings of our Board.

The appointment may be terminated by Darayush K. Jalnawalla or our Company, by providing a written notice of two months or by payment of a sum equivalent to remuneration for the notice period or part thereof in case of shorter notice or on such other terms as may be mutually agreed.

Payment or benefit to Directors of our Company

The sitting fees / other remuneration paid to our Directors in Financial Year 2016 are as follows:

1. Remuneration to Executive Directors

The aggregate value of the remuneration paid / payable to the Executive Director in the Financial Year 2016 is as follows:

Sr. No.	Name of Director	Remuneration (in ₹ million)
1.	N. Adikesavulu Reddy	12.00
2.	N. Amrutesh Reddy	9.23
3.	Darayush K. Jalnawalla	9.38

2. Remuneration to Non-Executive Directors

The aggregate value of the remuneration paid / payable to the existing Non-Executive Directors in the Financial Year 2016 is ₹ 0.32 million.

With effect from September 23, 2015, our Independent Directors are entitled to receive a sitting fee of ₹ 40,000.00 for attending meetings of our Board and ₹ 40,000 for every meeting of any of its committees.

The details of the remuneration and sitting fees* paid to the existing Non-Executive Directors of our Company in the Financial Year 2016 are set forth in the table below:

Sr. No.	Name of the Director	Sitting Fees (in ₹ million)	Commission (in ₹)	Total (in ₹)
1.	Viraj Sawhney	Nil	Nil	Nil
2.	M.S. Sundara Rajan	0.16	Nil	0.16
3.	B. Ravindranath	0.16	Nil	0.16
4.	Brinda Jagirdar**	Nil	Nil	Nil
5.	G.K. Ravishankar***	Nil	Nil	Nil

*Only Independent Directors of our Company are entitled to sitting fees.

** Appointed on our Board with effect from September 14, 2016.

*** Appointed on our Board with effect from September 27, 2016.

Except as stated in this Draft Red Herring Prospectus, no amount or benefit has been paid within the two preceding years or is intended to be paid or given to any of our Company's officers including our Directors and Key Management Personnel. Except as disclosed in "Financial Statements" on page 181, none of the beneficiaries of loans, and advances and sundry debtors are related to the Directors of our Company. Further, except as stated in this Draft Red Herring Prospectus and the statutory benefits upon termination of their employment in our Company or retirement, no officer of our Company, including our Directors and our Key Management Personnel, are entitled to any benefits upon termination of employment.

No remuneration has been paid, or is payable, to the Directors of our Company by our Subsidiaries, except the remuneration paid by Delex, during the Financial Year 2016 as set out below:

S. No.	Name of the Director	Name of the Subsidiary	Remuneration (in ₹ million)
1.	N. Amrutesh Reddy	Delex	1.73

Shareholding of Directors

Except as disclosed below, none of our Directors hold any Equity Shares of our Company as on the date of this Draft Red Herring Prospectus:

Shareholding of Directors in our Company	Number of Equity Shares held
N. Adikesavulu Reddy	28,908,074
N. Amrutesh Reddy	3,513,018

Our Articles of Association do not require our Directors to hold any qualification shares.

Shareholding of Directors in Subsidiaries

The shareholding of the Directors in our Subsidiaries is set forth below:

Name of the Subsidiary	Number of equity shares	Percentage Shareholding (%)
N. Adikesavulu Reddy		
Continental Multimodal Terminals Limited	1,281,295	0.9
Continental Mega Food Park Private Limited ⁽¹⁾	10	0.1
N. Amrutesh Reddy		
Delex Cargo India Private Limited ⁽¹⁾	10	Negligible
Darayush K. Jalnawalla		
Chetana Multitrade Private Limited	1	Negligible

⁽¹⁾The equity shares are held by the Director on behalf of our Company in accordance with the Companies Act.

Appointment of relatives of Directors to any office or place of profit

None of the relatives of our Directors currently hold any office or place of profit in our Company.

Bonus or profit-sharing plan of the Director

There is no bonus or profit-sharing plan for the Directors.

Interest of Directors

All Independent Directors may be deemed to be interested to the extent of sitting fees payable to them for attending meetings of our Board and Committees thereof, reimbursement of expenses payable to them under our Articles of Association and commission payable to them as approved by our Board. Our Executive Directors may be deemed to be interested to the extent of other remuneration and reimbursement of expenses payable to them under our Articles of Association and to the extent of remuneration paid to them for services rendered as officers of our Company. Our Directors may be interested in our Company in respect of the Equity Shares held by them and to the extent of any dividends payable to them and other distributions in respect of such Equity Shares. For details of Equity Shares held by our Directors, see “Capital Structure” and “– Shareholding of Directors” on page 88 and 162, respectively. Our Directors may also be interested to the extent of Equity Shares that may be subscribed by or allotted to them or to the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer.

Except as disclosed in this Draft Red Herring Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors. Except as disclosed in this section, our Company has not entered into any service contracts with our Directors which provide for benefits upon termination of employment of our Directors.

Other than our Promoters, none of our Directors have any interest in the promotion of our Company.

Our Company has entered into an agreement dated March 25, 2011 with N. Adikesavulu Reddy to purchase 15.28 acres of land. Pursuant to this agreement, our Company has paid N. Adikesavulu Reddy earnest money of ₹ 141.64 million. Except as stated in this section, our Directors have no interest in any property acquired within two years from the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company.

Except as stated in “Related Party Transactions” on page 179 and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

No loans have been availed by our Directors or the Key Management Personnel from our Company.

Changes in our Board in the last three Financial Years

Name	Date of Appointment/ Change/ Cessation	Reason
N. Venkatanarasa Reddy	September 30, 2013	Re-appointment as non-executive Director
Darayush K. Jalnawalla	April 22, 2014	Re-appointment as an executive Director
N. Adikesavulu Reddy	July 1, 2014	Re-appointment as Chairman and Managing Director
Nitin Lalit Nayar	August 27, 2014	Resignation
Viraj Sawhney	August 27, 2014	Appointment as a Nominee Director
N. Venkatanarasa Reddy	September 30, 2014	Re-appointment as Non-executive Director
M. S. Sundara Rajan	September 23, 2015	Appointment as an Additional Director ⁽¹⁾
B. Ravindranath	September 23, 2015	Appointment as an Additional Director ⁽²⁾
N. Venkatanarasa Reddy	September 23, 2015	Resignation
N. Amrutesh Reddy	September 23, 2015	Appointed as a Whole-time director
Balaji Srinivas	March 2, 2016	Resignation
Brinda Jagirdar	September 14, 2016	Appointed as an Additional Director ⁽³⁾
Vishal Mahadevia	September 27, 2016	Resignation
G.K. Ravishankar	September 27, 2016	Appointed as an Additional Director ⁽³⁾

^{1.} The Shareholders approved the regularisation of M.S. Sundara Rajan as an Independent Director on September 30, 2015.

^{2.} The Shareholders approved the regularisation of B. Ravindranath as an Independent Director on September 30, 2015.

^{3.} The Shareholders approved the regularisation as Independent Directors by the Shareholders of our Company on September 29, 2016.

Borrowing Powers of our Board

Pursuant to the resolution dated September 30, 2015 passed by our Shareholders, our Board (including any committee of our Board) is authorised to borrow any sum of money, from time to time, at its discretion, for the purposes of business of our Company, from any one or more banks, financial institutions and other persons, firms, bodies corporate, notwithstanding that the monies to be borrowed together with the monies already borrowed by our Company (apart from the temporary loans obtained from our Company’s bankers in the ordinary course of business) may, at any time, exceed the aggregate of the paid-up share capital of our Company and its free reserves (that is to say reserves not set apart for any specific purpose), subject to such aggregate borrowing not exceeding ₹ 9,000.00 million.

Further, pursuant to the resolution dated September 30, 2015 passed by our Shareholders, our Board (including any committee of our Board) is authorised to create such mortgages, charges and hypothecations as may be necessary on such assets of our Company, both present and future, in favour of financial institutions, banks or any other entities and trustees for the holders of the debentures / bonds and / or other instruments which may be issued of an outstanding aggregate value not exceeding ₹ 9,000.00 million.

Corporate Governance

The provisions of the Listing Regulations, including with respect to corporate governance will be applicable to us immediately upon the listing of our Equity Shares with the Stock Exchanges. We are in compliance with the requirements of the applicable regulations, including the Listing Regulations, the Companies Act, 2013 and the SEBI Regulations, in respect of corporate governance including constitution of our Board, committees and formulation of policies thereof.

Our Board has been constituted in compliance with the Companies Act, 2013 and the Listing Regulations. Our Board functions either as a full board or through various committees constituted to oversee specific functions. Our management provides our Board detailed reports on its performance periodically.

Currently, our Board has eight Directors. In addition to our Chairman, who is an Executive Director, we have two Executive Directors and five Non-Executive Directors (including a woman Director), out of which four are Independent Directors. Our Board is in compliance with the requirements of Regulation 17 of the Listing Regulations.

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. M.S. Sundara Rajan (Chairman);
2. B. Ravindranath; and
3. Viraj Sawhney.

The Audit Committee was re-constituted on September 23, 2015. The scope and function of the Audit Committee is in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations and its terms of reference include the following:

- a) Overseeing our Company's financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- b) Recommending for appointment, remuneration and terms of appointment of the auditors of our Company;
- c) Review and monitor the auditor's independence and performance and effectiveness of audit process;
- d) Approval of payments to the statutory auditors for any other services rendered by statutory auditors;
- e) Reviewing 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 stated in the director's responsibility statement to be included in the Board's report in terms of Section 134(3)(c) 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 management;
 - 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; and
 - vii) Modified opinion(s) in the draft audit report.
- f) Reviewing with the management, the quarterly financial statements before submission to the Board for approval;
- g) Scrutiny of inter-corporate loans and investments;
- h) Valuation of undertakings or assets of our Company, wherever it is necessary;
- i) Evaluation of internal financial controls and risk management systems;
- j) Approval or any subsequent modification of transactions of our Company with related parties;
- k) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- l) Establishing a vigil mechanism for directors and employees to report their genuine concerns or grievances;
- m) Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems;
- n) Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;

- o) Discussion with internal auditors on any significant findings and follow up thereon;
- p) Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- q) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- r) Looking 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;
- s) Approval of appointment of the chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging the function) after assessing the qualifications, experience and background, etc. of the candidate;
- t) Reviewing the functioning of the whistle blower mechanism, in case the same is existing; and
- u) Carrying out any other functions as is mentioned in the terms of reference of the Audit Committee.

These terms of reference may be amended from time to time by the Board.

The quorum for the Audit Committee meetings shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher, with at least two independent Directors.

Nomination and Remuneration Committee

The members of the Nomination and Remuneration Committee are:

- 1. M.S. Sundara Rajan (Chairman);
- 2. B. Ravindranath;
- 3. Viraj Sawhney; and
- 4. N. Adikesavulu Reddy.

The Nomination and Remuneration Committee was constituted by our Board on September 23, 2015. The scope and function 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 of the Nomination and Remuneration Committee include the following:

- a) Formulate 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) Identify persons who qualify to become directors or who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- e) 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;
- f) Fixing and revision of remuneration payable to the Managing and whole-time Directors of our Company from time to time; and
- g) Administration and superintendence in connection with the employee stock option scheme under the broad policy and framework laid down by our Company and/or by the Board.

The quorum for the Nomination and Remuneration Committee meetings shall be one-third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Stakeholders' Relationship Committee

The members of the Stakeholders' Relationship Committee are:

1. M. S. Sundara Rajan (Chairman);
2. Brinda Jagidar; and
3. Darayush K. Jalnawalla.

The Stakeholders' Relationship Committee was constituted by our Board on September 29, 2016. 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 of the Stakeholders' Relationship Committee include the following:

- a) Redressal of shareholders'/investors' grievances;
- b) Allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
- c) Issue of duplicate certificates and new certificates on split/consolidation/renewal;
- d) Non-receipt of declared dividends, balance sheets, annual report of the Company or any other documents or information to be sent by our Company to its shareholders; and
- e) Carrying out any other function as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The quorum for the Stakeholders' Relationship Committee meetings shall be two members.

Corporate Social Responsibility Committee

The members of the Corporate Social Responsibility are:

1. M.S. Sundara Rajan (Chairman);
2. B. Ravindranath;
3. Viraj Sawhney; and
4. N. Amrutesh Reddy.

The Corporate Social Responsibility Committee was constituted by our Board on September 23, 2015. The scope and functions of the Corporate Social Responsibility Committee is in accordance with Section 135 of the Companies Act, 2013.

The terms and reference of the Corporate Social Responsibility Committee include the following:

- a) To formulate and recommend to our Board, a CSR policy, which shall indicate the activities to be undertaken by our Company as specified in Schedule VII of the Companies Act, 2013;
- b) To recommend the amount of expenditure to be incurred on the activities referred to in clause (a) of Section 135 of the Companies Act, 2013;
- c) To monitor the CSR Policy of our Company from time to time;
- d) To institute a transparent monitoring mechanism for the implementation of the CSR projects, programmes and activities undertaken by our Company, from time to time; and
- e) Any other matter as the Corporate Social Responsibility Committee may deem appropriate, after approval of our Board or as may be directed by our Board, from time to time.

The quorum for the Corporate Social Responsibility Committee meetings shall be one third of its total strength (any fraction contained in that one-third be rounded off as one) or two members, whichever is higher.

Risk Management Committee

The members of the Risk Management Committee are as follows:

1. N. Adikesavulu Reddy (Chairman);
2. N. Amrutesh Reddy; and
3. Viraj Sawhney.

The Risk Management Committee was constituted by a resolution passed by our Board on September 29, 2016. The terms of reference of the Risk Management Committee, among others, include the following terms:

- a) .Framing, implementing, reviewing and monitoring the risk management plan for the Company;
- b) Laying down risk assessment and minimization procedures and the procedures to inform Board of the same;
- c) Oversight of the risk management policy/ enterprise risk management framework (identification, impact assessment, monitoring, mitigation & reporting);
- d) Review key strategic risks at domestic/international, macro-economic & sectoral level (including market, competition, political & reputational issues);
- e) Review significant operational risks; and
- f) Performing such other activities as may be delegated by the Board of Directors or specified/ provided under the Companies Act, 2013 or by the Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

The quorum for the Risk Management Committee meetings shall two members.

IPO Committee

The members of the IPO Committee are as follows:

1. Amrutesh Reddy (Chairman);
2. Brinda Jagirdar; and
3. Viraj Sawhney.

The IPO Committee was constituted by a resolution passed by our Board on September 29, 2016. The terms of reference of the IPO Committee, among others, include the following terms:

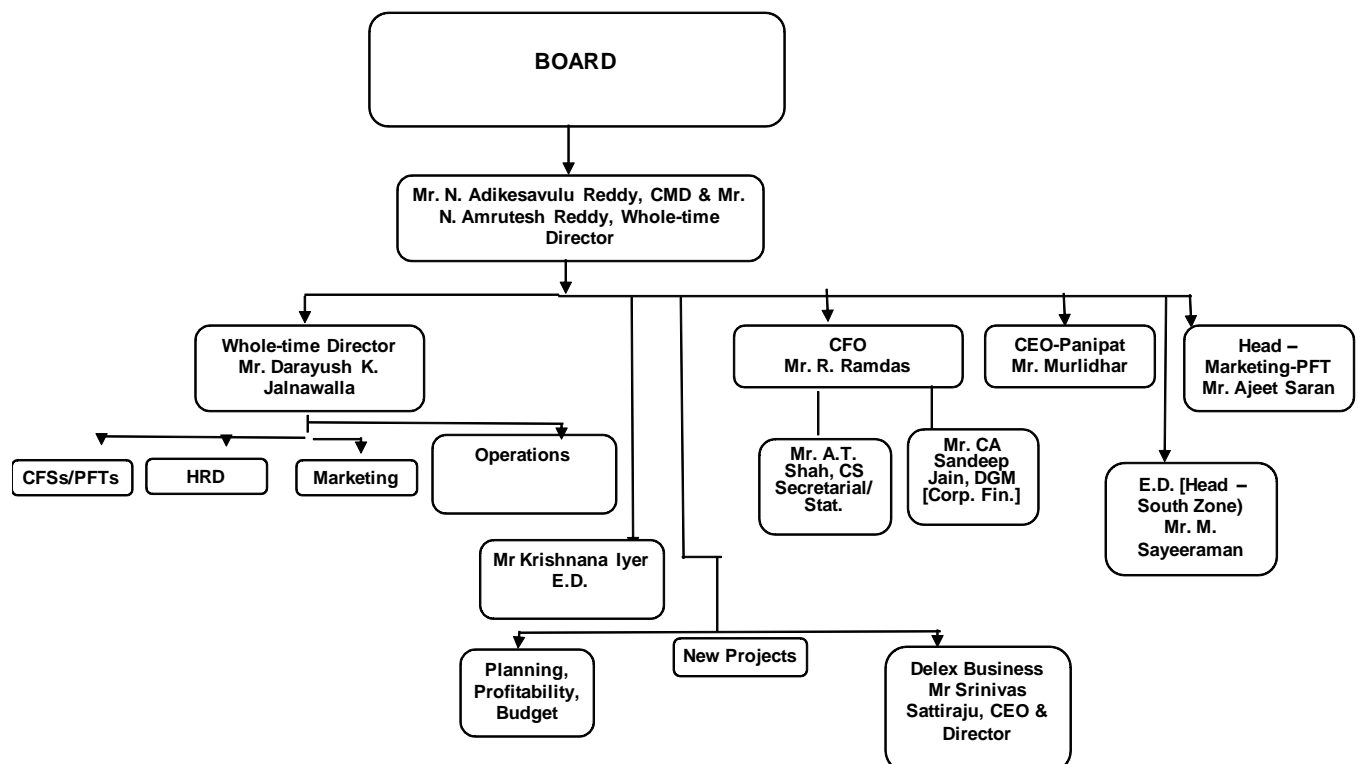
- (a) To decide on the size, timing, pricing and all the terms and conditions of the issue of the Equity Shares for the Offer, including the number of the Equity Shares to be issued in the Offer, price and any discount as allowed under Applicable Laws that may be fixed and determined in accordance with the applicable law, and to accept any amendments, modifications, variations or alterations thereto;
- (b) To appoint and enter into arrangements with the BRLMs, 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 , finalise and amend the terms of their appointment, including but not limited to execution of the mandate letter with the BRLMs, negotiation, finalisation and execution and if required, amendment 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, cash escrow agreement, share 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 execute all or any of the aforesaid documents or any amendments thereto;
- (d) To finalise, settle, approve and adopt the DRHP, the RHP, the Prospectus, the Bid cum Application Form, the preliminary and final international wrap for the issue of Equity Shares and take all such actions as may be necessary for filing of these documents including incorporating such alterations/corrections/ modifications as may be required by SEBI, RoC, or any other relevant governmental and statutory authorities;
- (e) To make applications, if necessary, to the RBI, the FIPB or to 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 DRHP, the RHP and the Prospectus;
- (f) To seek, if required, the consent of the lenders to the Company, parties with whom the Company has entered into various commercial and other agreements, and any other consents that may be required in relation to the Offer;
- (g) To determine and finalise 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 DRHP, the RHP and the Prospectus, in consultation with the BRLMs and the selling shareholders (to the extent applicable) 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;

- (h) 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 aforesaid documents;
- (i) To make applications for listing of the Equity 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);
- (j) To withdraw the DRHP, RHP and the Offer at any stage, if deemed necessary;
- (k) To negotiate, finalize, settle, 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;
- (l) To take all actions as may be necessary or authorized in connection with the Offer for Sale; and
- (m) To delegate any of the powers mentioned under the terms of reference of the IPO Committee to any director or officer of the Company

The quorum for the IPO Committee meeting shall be two members.

Management Organization Structure



Key Management Personnel

The details of the key management personnel, as of the date of this Draft Red Herring Prospectus are as follows:

N. Adikesavulu Reddy is the Chairman and Managing Director of our Company. For further details in relation to N. Adikesavulu Reddy, see “– Brief Biographies of Directors” on page 158.

N. Amrutesh Reddy is a Whole-time Director of our Company. For further details in relation to N. Amrutesh Reddy, see “– Brief Biographies of Directors” on page 158.

Darayush K. Jalnawalla is a Whole-time Director of our Company. For further details in relation to Darayush K. Jalnawalla, see “– Brief Biographies of Directors” on page 158.

R. Ramdas was appointed as the Chief Financial Officer of our Company on April 1, 2006. He holds a bachelor’s degree in arts (special) in the subject of economics from the University of Gujarat. He is a certified associate of the Indian Institute of Bankers. Before joining our Company, he worked with IDBI Limited for 26 years. He has over 36 years of experience in the field of banking and finance. He is involved in finance, fund raising, statutory compliances, budgets and profitability of our Company and Subsidiaries. During the Financial Year 2016, he was paid gross compensation of ₹ 5.99 million.

A.T. Shah is the Company Secretary and Compliance Officer of our Company. He was appointed as the Company Secretary of our Company on September 23, 2015. He has cleared the B.Com (Part I) and B.Com (Part II) examinations from the University of Bombay. He is an associate member of the Institute of Company Secretaries of India. He has over 30 years of experience in handling corporate secretarial functions of a listed company and has previously worked with Forbes Gokak Limited. During the Financial Year 2016, he was paid gross compensation of ₹ 0.19 million.

None of our Key Management Personnel have been selected as a member of senior management pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

Other than N. Adikesavalu Reddy, N. Amrutesh Reddy and Darayush K. Jalnawalla, none of the appointment or deputation letters issued to the Key Management Personnel specify the term of office of the Key Management Personnel.

All Key Management Personnel are permanent employees of our Company.

Shareholding of Key Management Personnel

For details of the shareholding of our Key Management Personnel see “- Shareholding of Directors” and “Capital Structure” on pages 168 and 88, respectively.

Except N. Amrutesh Reddy who is the son of N. Adikesavulu Reddy, none of our other Key Management Personnel are related to each other.

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

The Key Management Personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business. The Key Management Personnel may be regarded as interested in the Equity Shares that may be subscribed by or Allotted to them. All the Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares, if any.

Changes in our Key Management Personnel

The changes in our Key Management are as follows:

Name	Date of Change	Reason for Change
Darayush K. Jalnawalla	April 22, 2014	Re-appointment as a Whole-time Director
N. Adikesavalu Reddy	July 1, 2014	Re-appointment as a Chairman and Managing Director
N. Amrutesh Reddy	September 23, 2015	Re-appointment as a Whole-time Director
R. Ramdas	September 23, 2015	Regularisation as the Chief Financial Officer
A.T. Shah	September 23, 2015	Appointment as the Company Secretary

Payment or Benefit to officers of our Company

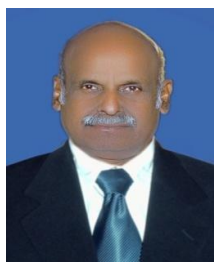
Except as stated otherwise in this Draft Red Herring Prospectus and any statutory payments made by our Company, no non-salary amount or benefit has been paid, in two preceding years, or given or is intended to be paid or given to any of our Company’s officers except remuneration for services rendered as Directors, officers or employees of our Company.

Employee Stock Option Plans

Our Company does not have any employee stock option plans.

OUR PROMOTERS AND PROMOTER GROUP

N. Adikesavulu Reddy, N. Amrutesh Reddy and N.D.R. Warehousing Private Limited (“**N.D.R.**”) are the Promoters of our Company. For details of the build-up of our Promoters’ shareholding in our Company, see “Capital Structure” on page 88.



N. Adikesavulu Reddy

N. Adikesavulu Reddy is the Chairman and Managing Director of our Company. He is a resident Indian national. For further details, see “Our Management” on page 156.

The voter identification number of N. Adikesavulu Reddy is XBG0886689. N. Adikesavulu does not have a driver’s license.



N. Amrutesh Reddy

N. Amrutesh Reddy is a whole-time Director of our Company. He is a resident Indian national. For further details, see “Our Management” on page 156.

The driving license number of N. Amrutesh Reddy is TN0420090008312 and his voter identification number is XBG0851550.

Our Company confirms that the permanent account number, bank account number and passport number of N. Adikesavulu Reddy and N. Amrutesh Reddy shall be submitted to the Stock Exchanges at the time of filing of this Draft Red Herring Prospectus.

N.D.R.

Corporate Information

N.D.R. was incorporated as a private limited company on August 13, 1986 under the Companies Act, 1956. The registered office of N.D.R. is situated at No.5, Errabulu Chetty Street, 3rd Floor, Parrys, Chennai 600 001. The main objects of N.D.R. include, establishment of warehouses, carrying on business of clearing and forwarding agents, providing finance for construction of buildings and warehouses as well acquire on leasehold basis buildings and warehouses.

The equity shares of N.D.R. are not listed.

Board of directors

The board of directors of N.D.R. comprises:

1. N. Amrutesh Reddy; and
2. N. Kamakshamma.

Changes in the management and control

N. Amrutesh Reddy held 568,640 equity shares of N.D.R aggregating to 81.2% of the issued and subscribed equity share capital of N.D.R. On May 23, 2016, N. Amrutesh Reddy gifted his entire shareholding to his wife, Srithi Reddy.

Promoters of N.D.R. and natural persons in control holding 15% or more voting rights in N.D.R. are as follows:

The promoter of N.D.R. is Srithi Reddy and is the only natural person holding more than 15% voting rights in N.D.R.

Our Company confirms that the permanent account number, bank account number, the company registration number of N.D.R. and the address of the registrar of companies where N.D.R. is registered shall be submitted to the Stock Exchanges at the time of filing of the Draft Red Herring Prospectus.

Interests of Promoters and Common Pursuits

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of their shareholding in our Company and the dividend payable, if any and other distributions in respect of the Equity Shares held by them. Further, they may be interested to the extent of Equity Shares that may be held by the companies, firms and trusts, in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. For further

information on shareholding of our Promoters in our Company, see “Capital Structure”, “Our Management” and “Related Party Transactions” on pages 88, 156, and 179 respectively.

Further, N. Adikesavulu Reddy and N. Amrutesh Reddy are Directors of our Company and may be deemed to be interested to the extent to the remuneration, perquisites and reimbursement of expenses payable to them under our Articles of Association, and to the extent of remuneration paid to them for services rendered as an officer or employee of our Company. For further details, see “Our Management” on page 156.

N.D.R. and certain members of our Promoter Group have entered into agreements with our Company to lease warehouses situated in Thiruvallur district of Tamil Nadu. N.D.R. receives rent from our Company in respect of these properties on an arm length’s basis. For details, see “Related Party Transactions” on page 179.

Except as stated below, our Promoters have no interest in any property acquired within the two years preceding the date of this Draft Red Herring Prospectus or proposed to be acquired by our Company, or in any transaction by our Company for acquisition of land, construction of building and supply of machinery as on the date of this Draft Red Herring Prospectus:

- i) Our Company has entered into a (a) MoU dated May 19, 2016 with CWCL to purchase 4.66 acres of land; and (b) an MoU dated May 19, 2016 with N.D.R. Infrastructure Private Limited to purchase 27.08 acres of land. The MoUs provide that the sale of the respective parcels of land is required to be completed within three years from the date of the MoUs;
- ii) Our Company has entered into three sale deeds with CWCL each dated March 29, 2016 agreeing to purchase a total of 3.44 hectares of land; and
- iii) Our Company has entered into agreement dated March 25, 2011 with N. Adikesavulu Reddy to purchase 15.28 acres of land. Pursuant to this agreement, our Company has paid N. Adikesavulu Reddy earnest money of ₹ 141.64 million.

None of our Promoters are interested as a member of a firm or company, and no sum has been paid or agreed to be paid to any of our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by such Promoter(s) or by such firm or company in connection with the promotion or formation of our Company.

Certain members of our Promoter Group are involved in the business of general warehousing and related activities. We believe that there are no conflicts of interest with the members of the Promoter Group as we are a multimodal logistics company, owning and operating cargo handling and storage facilities. Hence, our Promoters and Directors do not have any interest in any venture that is involved in any activities similar to those conducted by our Company.

Except as disclosed in “Related Party Transactions” on page 179, our Promoters are not related to any of the sundry debtors of our Company.

Payment of benefits to our Promoters or Promoter Group

Except as disclosed in “Related Party Transactions” on page 179, there has been no payment of benefits to our Promoters or members of the Promoter Group during the two years preceding the date of this Draft Red Herring Prospectus, nor is there any intention to pay or give any benefit to our Promoters or Promoter Group.

Confirmations

Our Promoters and their relatives (as defined under the Companies Act, 2013) have not been declared as Wilful Defaulters.

Our Promoters and members of the Promoter Group or persons in control of N.D.R. have not been debarred from accessing the capital markets under any order passed by SEBI.

Other than as disclosed in “Outstanding Litigation and Material Developments”, there is no litigation or legal action pending or taken by any ministry, department of the Government or statutory authority during the last five years preceding the date of the Offer against our Promoters.

Our Promoters are not and have never been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order passed by SEBI.

Our Promoters are not interested in any entity which holds any intellectual property rights that are used by our Company.

Companies with which our Promoters have disassociated in the last three years

Except as stated in “History and Certain Corporate Matters” on page 146, our Promoters have not disassociated themselves from any of the companies during the three years preceding the date of this Draft Red Herring Prospectus.

Change in the management and control of our Company

Our Promoters are the original promoters of our Company and there has been no change in the management and control of our Company in the preceding five years from the date of the filing of the DRHP.

Promoter Group

In addition to our Promoters named above and our Subsidiaries, the following individuals and entities form a part of our Promoter Group:

A. Immediate Relatives of the Individual Promoters

1. N. Kamakshamma;
2. N. Nageswaramma;
3. Devireddy Krishna Reddy;
4. Devireddy Sujathamma;
5. Naidu Narayana Reddy;
6. S. Vimalamma;
7. D. Mallikarjuna Reddy;
8. Asrita Reddy;
9. Srithi Reddy;
10. Sanathana Reddy;
11. S. Sarayamma;
12. S. Saravan Narayan Reddy;
13. Naidu Achala; and
14. Naidu Anatha Rami Reddy.

B. Entities forming a part of Promoter Group

1. Adway Aqua Minerals Private Limited;
2. Amravati Enterprises;
3. Amrutesh Enterprises;
4. Amrutesh Transports;
5. Amrutesh Warehousing Company;
6. Avanthi Agencies;
7. Avanthi Warehousing Services Private Limited;
8. Avigna Housing Private Limited;
9. Avigna Properties Private Limited;
10. Bhagyanagar Warehousing Company;
11. Calcutta Warehousing Corporation;
12. Continental Infra and Textile Park Private Limited;
13. Continental Warehousing Corporation Limited;
14. Continental Warehousing and Logistics Limited;

15. Coromandal Biotech Industries India Limited;
16. EV Perumal Swami and Padmavathi Educational Trust;
17. Farmers Fertilizers Mixing Company;
18. Forefront Logistics Private Limited;
19. Hyderabad Warehousing Company;
20. Interfreight Private Limited;
21. Kakatiya Enterprises;
22. Kautilya Warehousing Private Limited;
23. Kaveri Warehouse Management Services Private Limited;
24. Kesava Seeds Private Limited;
25. Magnus Infrastructure Limited;
26. Mangalore Godown Complex;
27. Mookambika Enterprises;
28. Mookambika Logistics;
29. Naidu Nageswaramma Vedic Trust;
30. N. Dasaradharami Reddy Company;
31. M/s N. Narayana Reddy;
32. NDR Educational Trust;
33. NDR Estates;
34. NDR Infrastructure Private Limited;
35. NDR International School (LLP);
36. NDR Mining Company;
37. NDR Plantations Private Limited;
38. NDR Warehousing Company;
39. Pleanus Logistics Private Limited;
40. Pratinya Logistics;
41. Reddy Godown Complex;
42. Saastha Mega Food Parks Private Limited;
43. Saastha Warehousing Limited;
44. Sai Agri Logistics;
45. Sai Care India Private Limited;
46. Saiyana Warehouse Pvt. Ltd.;
47. Sree Mookambika Enterprises;
48. Sri Kamakshi Enterprises;
49. Sri Venkata Kanaka Durga Umamaheshwara Mica Mines;

50. Svahgraha Constructions and Holdings Private Limited;
51. TECHwings Software Solutions Private Limited;
52. Tellabodu Co Private Limited;
53. Thyagaraya Enterprises;
54. Transware Terminals Private Limited; and
55. Voluntas Food Parks (India) Limited.

OUR GROUP COMPANIES

In terms of the SEBI Regulations and in terms of the policy of materiality defined by our Board pursuant to the resolution passed on September 29, 2016, our Company has considered (i) companies included in the list of related parties prepared in accordance with Accounting Standard 18 in our Restated Consolidated Financial Information; and (ii) other companies which are considered material by our Board.

For the purposes of (ii) above, a company has been considered material if:

(A) (i) such company is a member of the Promoter Group; and

(ii) Our Company has entered into one or more transactions with such company in the preceding Financial Year, cumulatively exceeding 10.0% of the total consolidated revenue of our Company for the preceding Financial Year; and

(B) Further, companies which subsequent to the date of the last audited consolidated financial statements of the Company, would require disclosure in the consolidated financial statements of the Company for subsequent periods as entities covered under AS 18 in addition to / other than those companies covered under AS 18 in the Restated Consolidated Financial Statements of the Company.

Based on the above, we have set out below the details of the Group Companies of our Company:

1. Saastha Warehousing Limited;
2. Continental Warehousing Corporation Limited; and
3. Kaveri Warehouse Management Services Private Limited.

A. Details of our Group Companies:

1. Saastha Warehousing Limited

Corporate information

Saastha Warehousing Limited (“**Saastha**”) was incorporated on October 31, 1994 under the Companies Act, 1956 at Hyderabad. Saastha is primarily engaged in the business of warehousing and related activities.

Interest of our Promoters

Our individual Promoters, N. Adikesavulu Reddy and N. Amrutesh Reddy hold 56.3% and 16.8% of the total issued and paid up equity share capital of Saastha, respectively.

Financial Information

Certain financial information of Saastha for the last three Financial Years for which the audited financial statements of Saastha are available are as follows:

Particulars	<i>(in ₹ million, except per share data)</i> For the Financial Year		
	2015	2014	2013
Equity Capital	247.72	247.72	247.72
Reserves (excluding revaluation reserves) and Surplus	240.06	233.51	230.84
Revenue from Operations and Other Income	88.57	58.43	46.04
Profit / (Loss) after Tax	6.67	2.67	2.34
Basic EPS (in ₹)	0.27	0.11	0.09
Diluted EPS (in ₹)	0.27	0.11	0.09
Net asset value per share (in ₹)	19.69	19.43	19.32

2. Continental Warehousing Corporation Limited

Corporate information

Continental Warehousing Corporation Limited (“**CWCL**”) was originally incorporated as Sree Mookambica Infrastructures Limited on December 9, 1993 under the Companies Act, 1956 at Bengaluru. Subsequently, its name was changed to Continental Aqua Estates Limited on March 7, 1994. Thereafter, its name was changed to

Continental Warehousing Corporation Limited on September 12, 1996. CWCL is involved in the business of warehousing.

Interest of our Promoters

One of our Promoters, N. Adikesavulu Reddy, holds 71.6% of the total issued and paid up equity share capital of CWCL.

Financial Information

Certain financial information of CWCL for the last three Financial Years for which the audited financial statements of CWCL are available are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2015	2014	2013
Equity Capital	787.11	787.11	787.11
Reserves (excluding revaluation reserves) and Surplus	225.40	226.28	414.00
Revenue from Operations and Other Income	16.26	11.53	8.53
Profit / (Loss) after Tax	0.98	(187.72)	(16.22)
Basic EPS (in ₹)	0.01	(2.38)	(0.21)
Diluted EPS (in ₹)	0.01	(2.38)	(0.21)
Net asset value per share (in ₹)	12.86	12.87	15.26

3. Kaveri Warehouse Management Services Private Limited

Corporate information

Kaveri Warehouse Management Services Private Limited (“KWMSPL”) was incorporated on April 23, 2008 under the Companies Act, 1956 at Mumbai. KWMSPL is primarily engaged in the business of providing human resources services.

Interest of our Promoters

One of our Promoters, N.Amrutesh Reddy holds 50.0% of the total issued and paid up equity share capital of KWMSPL.

Financial Information

Certain financial information of KWMSPL for the last three Financial Years for which the audited financial statements of KWMSPL are available are as follows:

(in ₹ million, except per share data)

Particulars	For the Financial Year		
	2015	2014	2013
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and Surplus	(9.42)	(8.84)	2.70
Revenue from Operations and Other Income	-	11.81	117.84
Profit / (Loss) after Tax	(0.58)	(11.54)	0.28
Basic EPS (in ₹)	(58.0)	(1,154)	(28.0)
Diluted EPS (in ₹)	(58.0)	(1,154)	(28.0)
Net asset value per share (in ₹)	(932.08)	(874.27)	(280.02)

B. Details of Group Companies with negative net worth:

1. Kaveri Warehouse Management Services Private Limited

For further details, see “Our Group Companies – A. Details of our largest Group Companies (based on turnover) – Kaveri Warehouse Management Services Private Limited” on page 177.

Nature and Extent of Interest of Group Companies

(a) In the promotion of our Company

None of our Group Companies have any interest in the promotion or any business interest or other interests in our Company.

(b) ***In the properties acquired or proposed to be acquired by our Company in the past two years before filing this Draft Red Herring Prospectus with SEBI***

Except as stated below, none of our Group Companies is interested in the properties acquired or proposed to be acquired by our Company in the two years preceding the filing of this Draft Red Herring Prospectus:

- i) Our Company has entered into an MoU dated May 19, 2016 with CWCL for purchase of 4.66 acres of land which is to be completed in a period of three years from the date of the MoU; and
- ii) Our company has entered into three sale deeds with CWCL, each dated March 29, 2016 agreeing to purchase 3.44 hectares of land.

(c) ***In transactions for acquisition of land, construction of building and supply of machinery***

Except as disclosed above, none of our Group Companies is interested in any transactions for the acquisition of land, construction of building or supply of machinery.

Common Pursuits among the Group Companies with our Company

Certain Group Companies are involved in the business of general warehousing and related activities. We believe that there are no conflicts of interest with the Group Companies as we are a multimodal logistics company, owning and operating cargo handling and storage facilities.

Related Business Transactions within the Group Companies and significance on the financial performance of our Company

For more information, see “Related Party Transactions” on page 179.

Significant Sale/Purchase between 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 of 10.0% of the total sales or purchases of our Company.

Business Interest of Group Companies

None of our Group Companies have any business interest in our Company.

Defunct Group Companies

None of our Group Companies remain defunct and no application has been made to the RoC 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 with SEBI.

Further, none of our Group Companies fall under the definition of sick companies under SICA and none of them is under winding up.

Loss making Group Companies:

Except for KWMPSL, none of our Group Companies have incurred a loss, in the last Financial Year for which the audited financials of our Group Companies are available.

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 the Group Companies have been debarred from accessing the capital market for any reasons by SEBI.

None of the Group Companies have been identified as Wilful Defaulters.

RELATED PARTY TRANSACTIONS

For details of related party transactions during the last five Financial Years as per the requirements under Accounting Standard 18 “Related Party Disclosures” issued by the Institute of Chartered Accountants of India and as reported in the Restated Financial Information, see “Financial Statements – Annexure V – Restated Consolidated Statement of Related Party” and “Financial Statements - Annexure V – Restated Standalone Statement of Related Party” on pages 224 to 229 and on pages 321 to 324 respectively.

DIVIDEND POLICY

The declaration and payment of dividends 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. The dividend, if any, will depend on a number of factors, including but not limited to the earnings, capital requirements, contractual obligations, applicable legal restrictions and overall financial position of our Company. Our Company has no formal dividend policy.

In addition, our ability to pay dividends may be impacted by a number of factors, including restrictive covenants under the loan or financing arrangements our Company is currently availing of or may enter into to finance our fund requirements for our business activities. For further details, see “Financial Indebtedness” on page 367.

We have not declared any dividends in the last five Financial Years preceding the filing of this Draft Red Herring Prospectus.

SECTION V: FINANCIAL INFORMATION

FINANCIAL STATEMENTS

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To
The Board of Directors
Continental Warehousing Corporation (Nhava Seva) Limited,
405, Windfall,
Sahar Plaza, Andheri Kurla Road,
J.B. Nagar, Andheri East,
Mumbai – 400059.

Auditors' Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated March 04, 2016.
2. The accompanying restated consolidated financial information, expressed in Indian Rupees, in Million, of **Continental Warehousing Corporation (Nhava Seva) Limited** (hereinafter referred to as the "Company") and its subsidiaries and an associate (hereinafter together referred to as the "Group"), comprising Consolidated Financial Information in paragraph A below and Other Consolidated Financial Information in paragraph B below (hereinafter together referred to as "Restated Consolidated Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of section 26 of the Companies Act 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules") and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date issued by SEBI on August 26, 2009 read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the IPO Committee of the Board of Directors and initialed by us for identification purposes only. For the purposes of our examination, we have placed reliance on the audited consolidated financial statements of the Group for the years ended March 31, 2016 and March 31, 2015 and audited special purpose consolidated financial statements of the Group for the three years ended March 31, 2014 all of which were expressed in Indian Rupees in Lakhs, on which we have expressed unmodified audit opinions vide our reports dated September 2, 2016, September 24, 2015 and September 29, 2016 respectively. We have included emphasis of matters in the audit reports for the years ended March 31, 2016, March 31, 2015 and three years ended March 31, 2014, however audit opinion was not qualified in respect of the said matters.

Management's Responsibility for the Restated Consolidated Financial Information

3. The preparation of the Restated Consolidated Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the IPO Committee of the Board of Directors, at its meeting held on September 29, 2016, for the purpose set out in paragraph 15 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Consolidated Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

4. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant

Page 1 of 4

Auditor's Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

to the requirements of section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

Our examination of the Restated Consolidated Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

A. Consolidated Financial Information as per audited consolidated financial statements:

5. We have examined the following summarized financial statements of the Company contained in Restated Consolidated Financial Information of the Group:
 - a) the "Restated Consolidated Statement of Assets and Liabilities" as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (enclosed as Annexure I);
 - b) the "Restated Consolidated Statement of Profit and Loss" for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (enclosed as Annexure II) and
 - c) the "Restated Consolidated Statement of Cash Flows" for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (enclosed as Annexure III).
6. The Restated Consolidated Financial Information, expressed in Indian Rupees, in Million, has been derived from the audited consolidated financial statements of the Group, read with paragraphs 7 and 8 below, as at March 31, 2016 and March 31, 2015 and audited special purpose consolidated financial statements for the three years ended March 31, 2014 of Group, all of which were expressed in Indian Rupees in Lakhs and for the years ended March 31, 2016 and March 31, 2015 and for the three years ended March 31, 2014, all of which were expressed in Indian Rupees in Lakhs.
7. The audit of the financial information of certain subsidiaries included in the Restated Consolidated Financial Information of the Group, was conducted by other auditors and whose financial statements reflect the Group's share of total assets of Rs. 1,579.18 million, Rs. 1,534.61 million and Rs. 1,499.55 million and net assets of Rs. 1,058.15 million, Rs. 746.65 million and Rs. 254.69 million as at March 31, 2016, March 31, 2015, and March 31, 2014, respectively and total revenues of Rs. 354.39 million, Rs. 305.68 million and Rs. Nil and net loss of Rs. 4.18 million, Rs. 107.52 million and Rs. 0.08 million and net cash inflows of Rs. 18.17 million, Rs. 7.08 million and net cash outflow of Rs. 0.08 million for the years ended March 31, 2016, March 31, 2015 and March 31, 2014 respectively and one associate company which constitutes net loss of Rs. 35.23 million, Rs. 39.72 million and Rs. 22.49 million for the years ended March 31, 2014, March 31 2013 and March 31 2012 respectively. Accordingly, our opinion on examination of the Consolidated Financial Information and Other Consolidated Financial Information of the Group, in so far as it relates to the amounts included in these Restated Consolidated Financial Information relating to these subsidiaries and associate, is based solely on the audit reports furnished to us by other auditors, after making necessary adjustments.
8. We draw your attention to the following:
 - a) the Restated Consolidated Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 10(i) below);
 - b) the Restated Consolidated Financial Information does not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

Auditor's Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

9. We have not audited any financial statements of the Group as of any date or for any period subsequent to March 31, 2016. Accordingly, we do not express any opinion on the financial position, results of operations or cash flows of the Group as of any date or for any period subsequent to March 31, 2016.

B. Other Consolidated Financial Information:

10. At the Company's request, we have also examined the following Other Consolidated Financial Information relating to the Group as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the IPO Committee of the Board of Directors of the Company and annexed to this report:
- i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV;
 - ii) Notes to the Restated Consolidated Financial Information as enclosed in Annexure V;
 - iii) Statement of Adjustments to Audited Consolidated Financial Statements as enclosed in Annexure VI;
 - iv) Restated Consolidated Statement of Secured Borrowings outstanding as at March 31, 2016 as enclosed in Annexure VII;
 - v) Restated Consolidated Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 as enclosed in Annexure VII(A);
 - vi) Restated Consolidated Statement of Unsecured Borrowings as enclosed in Annexure VIII;
 - vii) Restated Consolidated Statement of Other Long Term Liabilities as enclosed in Annexure IX;
 - viii) Restated Consolidated Statement of Investments as enclosed in Annexure X;
 - ix) Restated Consolidated Statement of Trade Receivables as enclosed in Annexure XI;
 - x) Restated Consolidated Statement of Loans and Advances as enclosed in Annexure XII;
 - xi) Restated Consolidated Statement of Other Income as enclosed in Annexure XIII;
 - xii) Restated Consolidated Statement of Accounting Ratios as enclosed in Annexure XIV;
 - xiii) Restated Consolidated Statement of Capitalisation as enclosed in Annexure XV.
11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Opinion

12. In our opinion:
- (i) the Restated Consolidated Financial Information of the Group, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, Rules, and the SEBI Regulations;
 - (ii) there have been no changes in accounting policies of the Company (as disclosed in Annexure IV to this report);
 - (iii) the material adjustments relating to previous years have been adjusted in the year to which they relate;
 - (iv) there are no qualifications in the Auditors' Report which require any adjustments; and
 - (v) there are no extra-ordinary items which need to be disclosed separately.
13. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the consolidated financial statements of the Group and/or by other auditors.

Auditor's Report on Restated Consolidated Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

Emphasis of Matter

14. We draw your attention to Note 26 in Annexure V to restated consolidated financial information, regarding loans granted by the Company, aggregating Rs. 117.96 million during the year ended March 31, 2014 to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of the above matter.

Restriction on Use

15. This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the DRHP, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Place:
Date: September 29, 2016

S. Venkatesh
Partner
Membership Number : 037942

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Continental Warehousing Corporation (Nhava Seva) Limited		
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Annexure I-Restated Consolidated Statement of Assets and Liabilities of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Notes / Annexures	As at				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Equity and liabilities						
Shareholder's funds						
Share capital	Annexure-V note 1	737.48	718.60	711.76	697.01	629.88
Reserves and surplus	Annexure-V note 2	7,430.61	6,689.08	6,080.17	5,285.43	4,175.84
Minority Interest		56.94	51.60	38.27	-	-
Non-current liabilities						
Long-term borrowings	Annexure-VII, VIIA and VIII	4,087.23	3,236.36	2,079.35	1,240.70	1,540.65
Deferred tax liabilities (Net)	Annexure-V note 3	165.99	115.25	111.51	98.09	31.65
Other long term liabilities	Annexure-IX	8.41	6.41	8.70	-	-
Long-term provisions	Annexure-V note 4	26.31	24.00	13.90	18.47	10.21
Current liabilities						
Short-term borrowings	Annexure-VII, VIIA and VIII	782.09	668.15	498.79	542.60	387.90
Trade payable	Annexure-V note 5	477.72	597.46	798.12	442.25	273.87
Other current liabilities	Annexure-V note 6	713.23	637.38	649.85	671.65	533.50
Short-term provisions	Annexure-V note 7	46.33	63.63	67.21	37.36	75.39
Total		14,532.34	12,807.92	11,057.63	9,033.56	7,658.89
Assets						
Non current assets						
Fixed assets	Annexure-V note 8					
Tangible assets		8,334.91	5,680.41	5,533.19	4,127.56	3,121.70
Intangible assets		9.94	10.59	15.25	14.22	13.06
Capital work-in-progress		1,326.58	1,993.16	1,086.64	807.71	1,451.71
Goodwill on consolidation	Annexure- X- notes 1, 3 and 4	291.09	285.93	255.53	183.35	183.35
Non current investments	Annexure-X	3.48	3.48	3.48	153.80	146.74
Deferred tax asset (Net)	Annexure-V note 3	204.70	212.67	182.87	72.49	-
Long term loans and advances	Annexure-XII	1,317.36	1,372.25	1,133.69	983.71	544.56
Other non current assets	Annexure-V note 9	1,034.60	863.66	630.70	856.80	391.85
Current assets						
Current investments	Annexure-X	-	326.65	-	135.45	-
Trade receivables	Annexure-XI	1,320.82	1,245.45	1,370.02	1,143.38	755.75
Cash and bank balances	Annexure-V note 10	275.19	408.23	422.16	192.12	565.69
Short-term loans and advances	Annexure-XII	167.67	195.47	242.42	178.77	337.05
Other current assets	Annexure-V note 11	246.00	209.97	181.68	184.20	147.43
Total		14,532.34	12,807.92	11,057.63	9,033.56	7,658.89
The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.						
The annexures I to XV form an integral part of the Restated Financial Information						

Particulars	Notes / Annexures	For the year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue						
Revenue from Operations	Annexure-V note 12	7,021.89	7,308.47	6,711.07	6,638.41	4,451.81
Other Income	Annexure-XIII	72.10	49.39	84.46	89.32	45.33
Total Revenue (A)		7,093.99	7,357.86	6,795.53	6,727.73	4,497.14
Expenses						
Employee Benefits Expense	Annexure-V note 13	650.79	643.99	542.50	424.21	309.91
Finance Costs	Annexure-V note 14	402.98	291.30	225.85	287.92	207.95
Depreciation and Amortization Expense	Annexure-V note 15	229.39	240.60	179.01	177.24	125.36
Other Expenses	Annexure-V note 16	5,272.64	5,471.28	5,109.97	5,296.88	3,224.45
Total Expenses (B)		6,555.80	6,647.17	6,057.33	6,186.25	3,867.67
Profit before Exceptional item and Taxation (A-B) (C)		538.19	710.69	738.20	541.48	629.47
Exceptional items (D)	Annexure-V note 27	-	137.50	-	-	-
Profit before Taxation (C-D) (E)		538.19	573.19	738.20	541.48	629.47
Tax Expenses (F)						
Current tax		147.52	175.41	198.77	140.05	144.78
MAT credit entitlement		(592.09)	(55.83)	-	(53.95)	-
Deferred tax charge/(benefit)		28.29	(23.06)	(0.27)	(20.04)	35.99
Tax for earlier year		5.86	0.63	-	-	1.67
Total (F)		(410.42)	97.15	198.50	66.06	182.44
Net Profit after taxation and before Restatement Adjustments (E-F)		948.61	476.04	539.70	475.42	447.03
Net Profit Before Restatement Adjustments		948.61	476.04	539.70	475.42	447.03
Restatement Adjustments:						
Material restatement adjustments	Annexure-VI	(402.57)	50.28	146.35	82.27	77.71
Less: Deferred tax on above adjustments	Annexure-VI	30.42	0.29	12.96	13.99	(9.41)
Net Profit before the adjustments on account of changes in accounting policies		515.62	526.03	673.09	543.70	534.15
Adjustments on account of changes in accounting policies		-	-	-	-	-
Net Profit before Minority Interest		515.62	526.03	673.09	543.70	534.15
Balance brought forward from previous year, as restated		-	-	-	-	-
Balance available for appropriations, as Restated		515.62	526.03	673.09	543.70	534.15
Available to Minority Shareholders						
Profit/(loss) transfer to minority shareholders		(0.28)	(16.40)	-	-	-
Add:Share in profit/(loss) in Associate		-	-	(35.23)	(39.72)	(22.49)
Net Profit as Restated		515.90	542.43	637.86	503.98	511.66
The above statement should be read with the Basis of Preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.						

Annexure III-Restated Consolidated Statement of Cash Flows of Continental Warehousing Corporation (Nhava Seva) Limited
Limited)

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A. Cash Flow from Operating Activities:					
Restated Net Profit before and tax, after restatement adjustments	626.10	574.03	775.65	581.90	602.28
Adjustments for:					
Depreciation and amortisation	229.39	240.60	179.01	177.24	125.36
Finance cost	402.98	291.30	225.85	287.92	207.95
Interest income	(35.97)	(32.11)	(60.38)	(59.90)	(20.02)
Dividend income from current investment	-	-	-	-	0.40
Net gain on sale of current investment	(13.77)	(2.78)	(3.27)	(7.41)	(20.36)
Loss on sale of fixed assets (net)	0.35	7.15	6.14	-	0.91
Profit on sale of fixed assets (net)	-	-	-	(10.15)	-
Provision For Doubtful Debts	0.01	61.94	14.90	85.96	37.76
Bad Debts written off	-	-	-	3.95	3.95
Sundry Balances Written Off	-	6.77	1.47	-	-
Liability no longer required written back	(4.11)	-	-	(9.87)	-
Operating Profit before Working Capital Changes	1,204.98	1,146.90	1,139.37	1,049.64	938.23
Adjusted for:					
Increase/(decrease) in trade payable	(115.63)	(200.66)	326.00	178.25	(83.87)
Increase/(decrease) in short term provisions	(2.35)	5.20	11.80	(4.28)	(1.85)
Increase/(decrease) in other current liability	42.83	(14.61)	(161.91)	165.99	88.07
Increase/(decrease) in long term provisions	2.31	10.10	(4.57)	8.26	2.98
Increase/(decrease) in other long term liability	2.00	(2.29)	8.70	-	-
(Increase) / decrease in trade receivable	(75.38)	55.86	(214.89)	(477.54)	(71.42)
(Increase)/ Decrease in Short term loans and advances	18.68	56.07	(59.83)	158.28	(275.08)
(Increase)/ Decrease in other non current assets	-	-	9.50	(3.50)	(5.84)
(Increase)/ Decrease in long term loans and advances	(12.04)	(16.17)	(153.49)	(152.20)	(331.94)
(Increase)/ Decrease in other current assets	(36.03)	(28.29)	2.52	(36.77)	(24.63)
Cash generated from/ (used in) operations	1,029.37	1,012.11	903.20	886.13	234.65

Annexure III-Restated Consolidated Statement of Cash Flows of Continental Warehousing Corporation (Nhava Seva) Limited
Limited)

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Direct Taxes paid (net of refund)	(188.57)	(224.87)	(231.18)	(266.28)	(162.94)
Net cash generated from/ (used in) Operating Activities (A)	840.80	787.24	672.02	619.85	71.71
B. Cash Flow from Investing Activities:					
Purchase of Tangible, Intangible and Intangible assets under development	(1,823.52)	(1,305.66)	(1,017.10)	(757.53)	(1,197.07)
Proceeds from sale of tangible and intangible fixed assets	58.23	16.35	33.89	42.71	0.56
Proceeds from sale of Mutual fund units	877.92	366.13	289.17	811.91	1,816.93
Purchase of current investment	(537.50)	(690.00)	(150.45)	(939.95)	(1,796.57)
Purchase of Non- current Investment	-	-	-	(46.78)	(117.13)
Investment in Fixed Deposits (Net)	(40.85)	(127.22)	166.93	(352.21)	(0.50)
Purchase of investment on account acquisition of subsidiary	-	-	-	-	(298.95)
Interest received	35.97	32.11	60.38	59.90	20.02
Net Cash generated from/ (used in) Investing Activities (B)	(1,429.75)	(1,708.29)	(617.18)	(1,181.95)	(1,572.71)
C. Cash Flow from Financing Activities:					
Proceeds from fresh issue of equity (net of issue expenses)	244.51	79.92	(0.14)	672.74	1,685.63
Proceeds long term Borrowings (Net)	815.24	1,144.23	377.41	(323.64)	352.77
Proceeds short term Borrowings (Net)	113.94	169.36	(52.25)	154.70	206.61
Interest paid on Bank Loans and others	(683.44)	(485.29)	(308.39)	(332.69)	(336.45)
Net Cash generated from/ (used in) in Financing Activities (C)	490.25	908.22	16.63	171.11	1,908.56
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(98.70)	(12.83)	71.47	(390.99)	407.56

Annexure III-Restated Consolidated Statement of Cash Flows of Continental Warehousing Corporation (Nhava Seva) Limited Limited)

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Cash and cash equivalents (Opening Balance)	222.11	234.94	163.47	554.46	146.90
Cash and cash equivalents (Closing Balance)	123.41	222.11	234.94	163.47	554.46
Cash and cash equivalents comprise of:					
Cash on hand	1.47	0.84	1.02	0.41	2.56
Cheques on hand	19.95	6.18	9.16	2.18	11.56
Balances with Banks:					
In current accounts	77.86	152.44	114.61	156.81	510.45
Fixed Deposits (with less than 3 months maturity)	24.13	62.65	110.15	4.07	29.89
Total	123.41	222.11	234.94	163.47	554.46

Notes:

1)The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard - 3 on 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.

2)The above statement should be read with the Basis of Preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Consolidated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Consolidated Financial Statements appearing in Annexure VI.

3) Significant non-cash financial transaction: During financial year March 31, 2014: 1,475,000 Equity shares were allotted as fully paid up pursuant to contract without payment being received in cash against the consideration for the acquisition of 23,577,323 shares in Continental Multimodal Terminals Limited.

Annexure IV-Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

1 The Group and nature of its operations

Continental Warehousing Corporation (Nhava Seva) Limited (herein after referred to as 'the Company'), and its subsidiary Company (together referred as "Group") are engaged in business of Container Freight Stations (CFS), Inland Container Depots (ICD), Private Freight Terminal (PFT), Stevedoring, Bonded warehousing, General warehousing at various locations in India and provide services for handling & temporary storage of Import/Export laden and empty containers, temperature controlled chambers, general warehousing and cargo carried under custom control and supply chain solutions which includes Domestic and international air cargo services, surface parcel services and other such domestic logistics' services within India by air, surface transportation modes ,third party logistics, manpower provisioning, Logistic solutions, packing, repacking, consolidating, distributing and bulk handling.

2 Basis of Preparation of Financial Statements

The Restated Consolidated Statement of Assets and Liabilities of the Group as at March 31, 2016, 2015, 2014, 2013 and 2012 and the Restated Consolidated Statement of Profit and Loss and the Restated Consolidated Statement of Cash flows, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (together referred as 'Restated Consolidated Financial Information') and Other Consolidated Financial Information have been extracted by the management from the Audited Consolidated Financial Statements of the Group for the respective years ("Audited Consolidated Financial Statements").

The Audited Consolidated Financial Statements were prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Consolidated Financial Statements for the years ended March 31, 2016 and March 31, 2015 had been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Audited Consolidated Financial Statements of the Group for the years ended March 31, 2014, March 31, 2013 and March 31, 2012 had been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis and comply in all material aspects with the accounting standards issued by The Institute of Chartered Accountants of India, in particular Accounting Standard 21 - 'Consolidated Financial Statements' and Accounting Standard 23 on 'Accounting for Associates', to the extent considered relevant by it for the purpose for which the Audited Consolidated Financial Statements have been prepared. These Audited Consolidated Financial Statements are not the statutory financial statements of the Group.

The Restated Consolidated Financial Information and Other Consolidated Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchanges'), in accordance with the requirements of:

Annexure IV-Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

(a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(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 from time to time read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Consolidated Financial Information and other financial information have been extracted by the Management from the Audited Consolidated Financial Statements and :

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies during the years of these financial statements,
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Consolidated Financial Statements of the Group as at and for the year ended March 31, 2016 and the requirements of the SEBI Regulations, and
- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years and the impact of current tax in respect of short/excess income tax arising out of assessments, appeals, revised income tax returns, etc., has been adjusted in the current tax of respective years to which they relate.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These Restated Consolidated Financial Information and Other Consolidated Financial Information were approved by the IPO Committee of the Board of Directors of the Company on September 29, 2016

3 Significant Accounting Policies

(i) Principles of Consolidation:

(a) In respect of Subsidiary companies, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transaction and resulting unrealised profits / losses as per Accounting Standard (AS 21) "Consolidated Financial Statements". The results of subsidiaries are included from the date of acquisition of a controlling interest.

(b) The financial statements of the Holding Company and its subsidiaries have been consolidated using uniform accounting policies.

Annexure IV-Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

- (c) The excess of cost to the Company of its investments in subsidiary companies over its share of equity and reserves of its subsidiary companies at the dates, on which investments are made or on the date of the financial statement immediately preceeding the date of investment, is recognised as Goodwill. The excess of Company's share of equity and reserves of its subsidiary companies over the cost of acquisition is treated as Capital Reserve. As at each Balance Sheet date an assessment is done as to whether there is any indication that goodwill on consolidation may be impaired. If any such indication exists, an estimate of the recoverable amount is made. The goodwill on consolidation is impaired when the carrying value exceeds the recoverable amount.

Goodwill arising on consolidation is not amortised

- d) In respect of Associate company, Investment in associates have been accounted for using the equity method whereby the investment is initially recorded at cost and adjusted thereafter for the post acquisition change in the holding Company's share of net assets. On acquisition of an associate, the goodwill/capital reserve from such acquisition is included in the carrying value of the investment and also disclosed separately.
- e) Minority interest in the subsidiaries consists of:
- amount of equity attributable to minorities at the date on which investment in a subsidiary is made and
 - minority's share of movements in equity since the day the parent subsidiary relationship comes into existence.
- f) The consolidated Financial Statements present the consolidated Accounts of Continental Warehousing Corporation (Nhava Seva) Limited and its following Subsidiaries:

Subsidiaries	Country of Incorporation	Proportion of ownership of interest				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Delex Cargo (India) Private Limited	India	100.0%	100.00%	100.00%	100.00%	100.00%
Huma Multitrade Private Limited (Refer note 5 of annexure X)	India	-	100.00%	100.00%	-	-
Chetana Multitrade Private Limited	India	100.0%	100.00%	100.00%	-	-
Continental Multimodal Terminals Limited	India	94.62%	93.10%	85.00%	-	-
Continental Mega Food Park Private Limited	India	100.0%	75.00%	-	-	-
Kaveri Warehousing Private Limited	India	-	-	-	-	100.00%
Associates						
Continental Multimodal Terminals Limited	India	-	-	-	39.00%	39.00%

(ii) Revenue Recognition

Income from container handling, repairs and service charges is recognized on delivery of the container / cargo. Ground rent in respect of containers and warehouse rent is recognized on a time period basis. However, in case of long standing containers, Income from Ground Rent is not accrued beyond 75 days, income from Less than Container Load cargo (LCL) cargo is not accrued from beyond one year and income from bonded cargo not accrued for beyond three years on a consistent basis as per the prevailing business practice.

Income from supply chain solution are recognized as and when the services are delivered to customers on proportionate basis.

Income from stevedoring is recognised on rendering of services

Income from auction sales is generated when the Group auctions long standing cargo that has not been cleared by the Customs.

Freight and allied services are recognised on accrual basis.

Other Income

Interest and other income are recognised on accrual basis.

(iii) Recognition of Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

(iv) Fixed Assets and Depreciation / Amortisation

Tangible Assets

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss, if any. Cost includes taxes and duties, freight and other incidental expenses related to acquisition and installation. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value. Fixed assets held for disposal are stated at lower of carrying value or their estimated net realizable value and are shown separately in the financial statement.

Other indirect expenditure during construction period for major projects are also capitalized, where appropriate.

Annexure IV-Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use as at the year end.

Depreciation/ Amortisation

For the year ended March 31, 2016 and 2015:

Depreciation is provided on pro-rata basis on the Straight line method over the estimated useful life of the assets which are at higher / lower than the rates prescribed under the Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets.

The estimate of useful life of the assets based on an technical evaluations, are lower or higher than the life stipulated in Schedule II to the Companies Act,2013 as below

Assets	Useful life
Reach stackers	10 years (Lower)
Vehicles	8 years (Higher)
Plant and machinery	3 to 15 years (Higher)
Office Equipment	3 to 5 years
Non-carpeted roads	5 years (Higher)
Weather sheds	10 years (Higher)
Paver Blocks and Concrete Roads	15 years (Higher)
Electrical Installations	15 years (Higher)

Up to March 31, 2014:

Depreciation is provided on Straight line basis at higher of the rates based on the useful life of the assets as estimated by the management or those stipulated in Schedule XIV to the Companies Act, 1956. The useful life of the following assets as estimated by the management are higher from the rates prescribed under Schedule XIV to the Companies Act, 1956.

Assets	Depreciated over
Reach stackers	10 years
Weather sheds	10 years
Paver Blocks	15 Years

Leasehold improvements and building on leasehold land are amortised over the period of lease

Annexure IV-Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

Intangible Assets

Intangible assets representing cost of software capitalised are amortised over their estimated useful lives on a straight line basis, as estimated by the management, over the useful life 3 to 6 years.

Individual assets costing Rs. 5,000 or less are depreciated in full in the year of purchase.

(v) Borrowing Costs

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale . All other borrowing costs are recognised in Statement of Profit and Loss in the period in which they are incurred.

(vi) Foreign Currency Transactions

Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

Monetary assets and liabilities in foreign currencies outstanding as at the year-end are translated at the year-end exchange rates and the resultant exchange difference is recognised in the Statement of Profit and Loss. Non-Monetary items are reported at the exchange rate at which they are accounted.

(vii) Impairment

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible, intangible and goodwill) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the assets/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(viii) Employee Benefits

(i) Defined Contribution Plans

The Group has Defined Contribution Plans for post employment benefits in the form of Provident Fund administered through Government of India. This is classified as Defined Contribution Plans as the Group has no further obligation beyond making the contributions. The Group's contributions to Defined Contribution Plans are charged to the Statement of Profit and Loss as incurred.

(ii) Defined Benefit Plans

The Group has Defined Benefit Plans for post employment benefits in the form of Gratuity. Liability for Defined Benefit Plans is provided on the basis of valuations, as at the Balance Sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method. In case of funded defined benefit plans, the fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on net basis. Gratuity liability in respect of Delex Cargo India Private Limited is funded and in respect of other subsidiaries and holding Group is unfunded.

The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

(iii) Other Employee Benefit

The employees are also entitled to Other Benefit in the form of Compensated Absences as per the Group's policy. The liability for Compensated Absences is provided on the basis of valuation, as at Balance Sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit method.

Group's contribution to recognized provident fund and family pension fund is charged to the Statement of Profit and Loss on accrual basis.

(ix) Taxes on Income

Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115 JB of the Income tax Act, 1961) over normal income-tax is recognized as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Group will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forwards losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income to be available to realise these assets.

(x) Assets taken on Lease

In respect of finance lease arrangements, the assets are capitalized and depreciated. Finance charges are charged off to the Statement of Profit and Loss account of the year in which they are incurred.

Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on straight line basis, representative of the time pattern of benefits received from the use of the assets taken on lease.

(xi) Investments

Long term investments are valued at cost. Provision for diminution, if any, in the value of investments is made to recognise a decline, other than temporary.

Current investments are valued at lower of cost and fair value, computed individually for each investment. In case of investments in mutual funds which are unquoted, net asset value is taken as fair value.

(xii) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposit with banks, other short term highly liquid investments with original maturity of three months or less.

(xiii) Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Group. A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year end date. Contingent Assets are not recognized or disclosed in the financial statements.

(xiv) Share issue expenses

Expenses incurred on issue of shares are first adjusted against security premium account.

(xv) Earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Group's earnings per share is the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xvi) Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Group. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to the Group as a whole and are not allocable to segments on a reasonable basis, have been included under "unallocated corporate expenses/income".

(xvii) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principal requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

1 SHARE CAPITAL

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Authorised:					
Equity Share Capital					
As at March 31, 2016, 2015, 2014 & 2013 : 87,500,000 Equity Shares and March 31, 2012: 63,000,000 Equity Share of Rs. 10/- each	875.00	875.00	875.00	875.00	630.00
March 31, 2012 : 24,500,000 Compulsorily Convertible Preference Shares of Rs. 10/- each	-	-	-	-	245.00
Total	875.00	875.00	875.00	875.00	875.00
Issued, subscribed and fully paid-up equity shares capital					
Equity shares capital of Rs. 10/- each fully paid up	737.48	718.60	711.76	697.01	629.88
As at March 31, 2016 : 73,747,994 Equity Shares of Rs 10/- each					
As at March 31, 2015 : 71,860,271 Equity Shares of Rs 10/- each					
As at March 31, 2014 : 71,176,510 Equity Shares of Rs 10/- each					
As at March 31, 2013 : 69,701,510 Equity Shares of Rs 10/- each					
As at March 31, 2012 : 62,988,298 Equity Shares of Rs 10/- each					
Total	737.48	718.60	711.76	697.01	629.88

₹ in million

a) Reconciliation of Number of Equity Shares	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	71,860,271	718.60	71,176,510	711.76	69,701,510	697.01
Add : Equity Shares issued	1,887,723	18.88	683,761	6.84	1,475,000	14.75
Add : Compulsorily Convertible Preference Shares converted into Equity Shares (Refer note- h below)	-	-	-	-	-	-
Add : Differential Voting Rights Equity Shares converted into equity shares (Refer note- d below)	-	-	-	-	-	-
Balance as at the end of the year	73,747,994	737.48	71,860,271	718.60	71,176,510	711.76

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Reconciliation of Number of Equity Shares	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	62,988,298	629.88	37,724,822	377.25
Add : Equity Shares issued	6,713,212	67.13	13,283,405	132.83
Add : Compulsorily Convertible Preference Shares converted into Equity Shares (Refer note-h below)	-	-	11,979,971	119.80
Add : Differential Voting Rights Equity Shares converted into equity shares (Refer note- d below)	-	-	100	-
Balance as at the end of the year	69,701,510	697.01	62,988,298	629.88

₹ in million

b) Differential Voting Rights Equity Shares	As at 31 March 2016		As at 31 March 2015		As at 31 March 2014	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	-	-	-	-	-	-
Less: Shares converted into pari passu with the equity shares during the year (Refer note d below)	-	-	-	-	-	-
Balance as at the end of the year	-	-	-	-	-	-

₹ in million

Differential Voting Rights Equity Shares	As at 31 March 2013		As at 31 March 2012	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	-	-	100	-
Less: Shares converted into pari passu with the equity shares during the year (Refer note d below)	-	-	100	-
Balance as at the end of the year	-	-	-	-

₹ in million

c) Compulsorily Convertible Preference Shares	As at 31 March 2016		As at 31 March 2015		As at 31 March 2014	
	Number of Shares	Amount	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	-	-	-	-	-	-
Less: Compulsorily Convertible Preference Shares (CCPS) converted into equity shares during the years (Refer note- h below)	-	-	-	-	-	-
Balance as at the end of the year	-	-	-	-	-	-

₹ in million

Compulsorily Convertible Preference Shares	As at 31 March 2013		As at 31 March 2012	
	Number of Shares	Amount	Number of Shares	Amount
Balance as at the beginning of the year	-	-	24,434,287	244.34
Less: Compulsorily Convertible Preference Shares (CCPS) converted into equity shares during the years (Refer note- h below)	-	-	24,434,287	244.34
Balance as at the end of the year	-	-	-	-

d) Rights, preferences and restrictions attached to shares -

Equity shares have a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

During financial year March 31, 2012: Differential Voting Rights Equity Shares:- Until conversion of CCPS held by Aureos South Asia Fund LLC ("ASAF"), the voting rights of ASAF in relation to the ASAF Differential Voting Equity Shares shall be equal to 9.92 % of the Fully diluted Share capital.

Until conversion of CCPS held by Aureos Offshore India Opportunity Fund ("AOIOF"), the voting rights of AOIOF in relation to the AOIOF Differential Voting Equity Shares shall be equal to 3.16 % of the Fully diluted Share capital.

Until conversion of CCPS held by India Opportunity Fund ("IOF"), the voting rights of IOF in relation to the IOF Differential Voting Equity Shares shall be equal to 1.48 % of the Fully diluted Share capital.

Until conversion of CCPS held by ePlanet Ventures Limited ("ePlanet"), the voting rights of ePlanet in relation to the ePlanet Differential Voting Equity Shares shall be equal to 8.45% of the Fully diluted Share capital.

Until conversion of CCPS held by IL&FS & Associates ("IL&FS"), the voting rights of IL&FS in relation to the IL&FS Differential Voting Equity Shares shall be equal to 7.44 % of the Fully diluted Share capital.

During the financial year ended March 31, 2012, shares converted into paripassu with the equity shares.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Compulsorily Convertible Preference Shares:- Compulsorily Convertible Preference Shares are entitled to such voting rights as are prescribed under the Companies Act, 1956. From the date of conversion of all Preference Shares held by the Preference Shareholders, the voting rights of every shareholder placed before any General Meeting shall be in proportion to the Share Capital of the Company that the Equity Shares held by such shareholder represent.

e) Equity Shareholders holding shares more than 5%	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :						
Mr. N. Adikesavulu Reddy	28,908,074	39.20%	28,908,074	40.23%	28,908,074	40.61%
Bridgeview Investment Limited	32,987,572	44.73%	31,099,849	43.28%	31,099,849	43.69%
NDR Warehousing Private Limited	4,429,946	6.01%	4,429,946	6.16%	3,746,185	5.26%
Mr. N. Amrutesh Reddy	-	-	-	-	-	-

Equity Shareholders holding shares more than 5%	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :				
Mr. N. Adikesavulu Reddy	27,623,238	39.63%	27,623,238	43.85%
Bridgeview Investment Limited	31,099,849	44.61%	25,082,822	39.82%
NDR Warehousing Private Limited	3,746,185	5.37%	-	-
Mr. N. Amrutesh Reddy	3,513,018	5.04%	3,513,018	5.58%

- ' represents shares held less than 5% of Share Capital

f) Shares allotted as fully paid up pursuant to contract without payment being received in cash for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

During financial year March 31, 2014: 1,475,000 Equity shares were allotted as fully paid up pursuant to contract without payment being received in cash against the consideration for the acquisition of 23,577,323 shares in Continental Multimodal Terminals Limited.

g) Share reserved for issue under options

During financial year March 31, 2016, the Company has entered into a share holder agreement dated March 31, 2016 with International Finance Corporation (IFC), wherein IFC would subscribe to 7,953,215 Equity shares based on the terms and subject to the conditions of the Agreement. The shares would be subscribed at a price of Rs.207.46 per subscription share. Further on September 14, 2016, shares were allotted to investor for total consideration of 1649.97 million under the share holders agreement.

During the financial year March 31, 2016, Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014, Bridgeview Investment Limited, the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 shares for a total consideration of Rs. 245.00 million subject to approval of regulatory authorities. During the year the Bridgeview Investment Limited, the investor has exercised its right and was allotted 1,887,723 equity shares for a total consideration of Rs. 245.00 million under the share holders agreement.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

During the financial year ended March 31, 2015 : Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the Bridgeview Investment Limited, the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 shares for a total consideration of Rs. 245.00 million subject to approval of regulatory authorities. 683,761 equity shares were allotted to NDR Warehousing Private Limited for total consideration of 80.00 million under the share holders agreement

During the financial year ended March 31, 2014 : Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 shares for a total consideration of Rs. 245.00 million within two years in one or more tranches subject to approval of regulatory authorities.

During the financial year ended March 31, 2014: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the promoters have the right, at their sole and absolute discretion, to subscribe up to 683,761 shares for a total consideration of Rs. 80.00 million within one year in one or more tranches subject to approval of regulatory authorities.

During the financial year ended March 31, 2013: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on November 21, 2012 the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 577,874 shares for total consideration of Rs. 74.99 million within three years in one or more tranches.

During the financial year March 31, 2013: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on November 21, 2012 the promoters have the right, at their sole and absolute discretion, to subscribe up to 616,399 shares for total consideration of Rs. 79.99 million within three years in one or more tranches. 696,185 equity shares were allotted to NDR Warehousing Private Limited for total consideration of 70.00 million under the share holders agreement

During the financial year March 31, 2012: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011, the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 5,239,394 shares for total consideration of Rs. 679.99 million within three years and to subscribe up to 1,309,849 shares for total consideration of Rs. 170.00 million within four years in one or more tranches.

During the financial year March 31, 2012: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011, the promoters have the right, at their sole and absolute discretion, to subscribe upto 1,155,749 shares for total consideration of Rs 150.00 million within three years in one or more tranches.

The above shares are not dilutive potential equity shares. These have been subscribed by respective parties before March 31, 2016 except those in share holder agreement dated March 31, 2016 with IFC.

- h) During the financial year March 31, 2012: the Company has converted 24,434,287 Compulsory Convertible Preference Shares of face value of Rs. 10 each into 11,979,971 Equity Shares of face value of Rs. 10 each and balance amount of Rs. 124.54 million has been transferred to security premium account.
- i) During the reporting periods except financial year ended March 31, 2012, there are no securities that are convertible into equity shares.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

2 RESERVES AND SURPLUS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Capital Redemption Reserve					
Balance as at the beginning of the year	175.00	175.00	175.00	175.00	175.00
Balance at the end of the year	175.00	175.00	175.00	175.00	175.00
Securities Premium Account					
Balance as at the beginning of the year	3,114.96	3,041.88	2,885.00	2,279.39	602.05
Add : On conversion of compulsorily convertible preference shares into equity shares (Refer note 1-h of annexure- V)	-	-	-	-	124.54
Add : Securities premium credited on issue of equity shares	226.12	73.16	157.83	607.87	1,591.17
Less : Share issue expenses	(0.49)	(0.08)	(0.95)	(2.26)	(38.37)
Balance as at the end of the year	3,340.59	3,114.96	3,041.88	2,885.00	2,279.39
Surplus in Statement of Profit and Loss					
Balance as at the beginning of the year	3,399.12	2,863.29	2,225.43	1,721.45	1,209.79
Add : Adjustment pursuant to enactment of Schedule II of the Companies Act 2013 (Refer note 20 of annexure V)	-	(6.60)	-	-	-
Add: Profit for the year as restated	515.90	542.43	637.86	503.98	511.66
Balance as at the end of the year	3,915.02	3,399.12	2,863.29	2,225.43	1,721.45
Total	7,430.61	6,689.08	6,080.17	5,285.43	4,175.84

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

3 DEFERRED TAX

a) Deferred tax liability (net)

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Deferred Tax Liability (Refer note 22 of annexure-V)	165.99	115.25	111.51	98.09	31.65
Total	165.99	115.25	111.51	98.09	31.65

b) Deferred tax assets (net)

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Deferred Tax assets (Refer note 22 of annexure-V)	204.70	212.67	182.87	72.49	-
Total	204.70	212.67	182.87	72.49	-

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

4 LONG TERM PROVISIONS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Provision for employee benefits					
Gratuity (Refer note 23 of annexure V)	15.45	12.95	6.10	11.86	6.51
Compensated absences (Refer note 23 of annexure V)	10.86	11.05	7.80	6.61	3.70
Total	26.31	24.00	13.90	18.47	10.21

5 TRADE PAYABLES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Trade payables	477.72	597.46	798.12	442.25	273.87
Total	477.72	597.46	798.12	442.25	273.87

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

6 OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Current Maturity of Long Term Loans (Refer annexure -VII)					
From bank					
Term loan	168.05	238.89	135.29	67.85	68.41
Vehicle loan	49.48	64.26	81.53	98.21	81.78
Yard equipment loan	41.11	25.87	33.40	37.26	33.70
From other than bank					
Term loan	51.09	22.21	119.80	119.76	151.68
Vehicle loan	6.59	9.28	15.80	17.78	28.98
Yard equipment loan	21.09	12.53	-	-	-
Current Maturity of unsecured term loan from bank	-	-	-	2.68	2.32
Interest accrued but not due on borrowings	19.33	18.36	12.14	2.73	10.50
Other payables:					
Advances from customers	19.80	10.46	10.49	10.59	12.00
Book overdraft	1.38	-	0.26	14.56	7.30
Statutory dues including provident fund and tax deducted at source	86.88	79.46	99.94	127.99	38.70
Creditors for capital goods	78.17	10.49	1.79	7.42	3.80
Creditors for commission	73.07	49.82	41.21	47.51	30.89
Security deposits from customers and others	13.05	6.52	6.98	7.27	4.22
Employee benefits payable	58.63	59.06	47.69	45.37	30.19
Insurance claim payable to customers*	8.20	8.20	13.39	54.49	23.05
Others	17.31	21.97	30.14	10.18	5.98
Total	713.23	637.38	649.85	671.65	533.50

*The same represents amount payable to customers against insurance claim received from insurance Company.

7 SHORT TERM PROVISIONS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Provision for employee benefits					
Gratuity (Refer note 23 of annexure V)	13.50	16.66	12.21	0.66	3.04
Compensated absences (Refer note 23 of annexure V)	2.46	1.65	0.90	0.65	2.55
Other:					
Income tax (Net)* (Refer note 21 of annexure V)	30.37	45.32	54.10	36.05	69.80
Total	46.33	63.63	67.21	37.36	75.39

*Provision for income tax is net of advance tax

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 FIXED ASSETS

(A) Tangible assets

₹ in million

Description	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-15	Additions	Deductions	As at 31-Mar-16	Upto 01-Apr-15	For the Year	Deductions	Upto 31-Mar-16	As at 31-Mar-16
Freehold land	3,236.03	529.71	49.24	3,716.50	-	-	-	-	3,716.50
Buildings	1,930.39	1,355.75	-	3,286.14	243.57	77.50	-	321.07	2,965.07
Yard Equipments	287.82	110.37	-	398.19	133.62	26.23	-	159.85	238.34
Plant and machinery	187.70	67.22	-	254.92	34.49	18.62	-	53.11	201.81
Electrical installations	46.47	41.85	-	88.32	14.21	5.93	-	20.14	68.18
Office equipments	34.41	12.93	-	47.34	19.42	7.91	-	27.33	20.01
Computers	67.82	7.89	0.14	75.57	50.87	9.22	0.12	59.97	15.60
Furniture and fixtures	32.81	1.97	-	34.78	11.20	4.22	-	15.42	19.36
Vehicles	544.72	48.07	24.26	568.53	191.98	65.80	14.94	242.84	325.69
Lease Hold Improvement	52.40	-	8.09	44.31	40.80	3.18	8.09	35.89	8.42
Railway siding	-	762.79	-	762.79	-	6.86	-	6.86	755.93
Total (A)	6,420.57	2,938.55	81.73	9,277.39	740.16	225.47	23.15	942.48	8,334.91

(B) Intangible assets

₹ in million

Description	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-15	Additions	Deductions	As at 31-Mar-16	Upto 01-Apr-15	For the Year	Deductions	Upto 31-Mar-16	As at 31-Mar-16
Software	26.89	3.27	-	30.16	16.30	3.92	-	20.22	9.94
Total (B)	26.89	3.27	-	30.16	16.30	3.92	-	20.22	9.94

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

(C) Capital Work in progress

₹ in million

Description		As at 31-Mar-16
Capital Work in progress (net of impairment) (Refer note 2 below) (Refer note 27 of annexure V)		1,326.58
Total (C)		1,326.58

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 333.90 million and having net book value Rs.180.20 million.
2. Capital work in progress includes land of 15.28 acres amounting to Rs. 141.60 million held by Mr.N.Adikesavulu Reddy on behalf of Group.
3. During the year the Group has capitalised Private Freight Terminal Project at Ahmedabad and Panipat
4. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 FIXED ASSETS

(A) Tangible assets

₹ in million

Description	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-14	Additions	Deductions	As at 31-Mar-15	Upto 01-Apr-14	For the Year	Deductions	Adjustment to retained earning (Refer note 20)	Upto 31-Mar-15	As at 31-Mar-15
Freehold land	2,984.33	251.70	-	3,236.03	-	-	-	-	-	3,236.03
Buildings	1,864.57	65.82	-	1,930.39	154.83	88.74	-	-	243.57	1,686.82
Yard equipments	275.41	12.41	-	287.82	108.96	24.66	-	-	133.62	154.20
Plant and machinery	171.89	15.81	-	187.70	19.76	14.73	-	-	34.49	153.21
Electrical installations	42.85	3.62	-	46.47	9.59	4.62	-	-	14.21	32.26
Office equipments	28.19	6.22	-	34.41	6.25	9.38	-	3.79	19.42	14.99
Computers	60.12	7.70	-	67.82	28.77	15.99	-	6.11	50.87	16.95
Furniture and fixtures	29.75	3.06	-	32.81	7.30	3.90	-	-	11.20	21.61
Vehicles	538.02	47.15	40.45	544.72	144.48	64.45	16.95	-	191.98	352.74
Lease hold improvement	51.87	0.53	-	52.40	33.87	6.93	-	-	40.80	11.60
Total (A)	6,047.00	414.02	40.45	6,420.57	513.81	233.40	16.95	9.90	740.16	5,680.41

(B) Intangible assets

₹ in million

Description	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-14	Additions	Deductions	As at 31-Mar-15	Upto 01-Apr-14	For the Year	Deductions	Adjustment to retained earning (Refer note 20)	Upto 31-Mar-15	As at 31-Mar-15
Software	24.35	2.54	-	26.89	9.10	7.20	-	-	16.30	10.59
Total (B)	24.35	2.54	-	26.89	9.10	7.20	-	-	16.30	10.59

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

(C) Capital Work in progress

₹ in million

Description		As at 31-Mar-15
Capital Work in progress (net of impairment) (Refer note 2 below) (Refer note 27 of annexure V)		1,993.16
Total (C)		1,993.16

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs.125.50 million.
2. Capital work in progress includes land of 15.28 acres amounting to Rs. 141.60 million held by Mr.N.Adikesavulu Reddy on behalf of Group.
3. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 FIXED ASSETS

(A) Tangible assets

₹ in million

Description	Gross block					Depreciation / amortisation					Net block
	As at 01-Apr-13	Acquisitions	Additions	Deductions/ Adjustments	As at 31-Mar-14	Upto 01-Apr-13	Acquisitions	For the Year	Deductions/ Adjustments	Upto 31-Mar-14	As at 31-Mar-14
Freehold land (Refer note 2 below)	2,262.17	600.84	121.32	-	2,984.33	-	-	-	-	-	2,984.33
Buildings	1,084.72	727.64	52.21	-	1,864.57	82.18	41.75	30.90	-	154.83	1,709.74
Yard equipments	274.12	-	1.29	-	275.41	82.04	-	26.92	-	108.96	166.45
Plant and machinery	131.55	23.05	17.29	-	171.89	9.73	3.42	6.61	-	19.76	152.13
Electrical installations	33.36	-	9.49	-	42.85	7.14	-	2.45	-	9.59	33.26
Office equipments	26.46	-	1.73	-	28.19	4.27	-	1.98	-	6.25	21.94
Computers	45.03	4.57	10.52	-	60.12	18.71	1.95	8.11	-	28.77	31.35
Furniture and fixtures	24.26	3.39	2.10	-	29.75	5.06	0.62	1.62	-	7.30	22.45
Vehicles	505.99	2.21	90.04	60.22	538.02	76.81	0.67	87.19	20.19	144.48	393.54
Lease hold improvement	48.90	-	2.97	-	51.87	23.06	-	10.81	-	33.87	18.00
Total (A)	4,436.56	1,361.70	308.96	60.22	6,047.00	309.00	48.41	176.59	20.19	513.81	5,533.19

(B) Intangible assets

₹ in million

Description	Gross block					Depreciation / amortisation					Net block
	As at 01-Apr-13	Acquisitions	Additions	Deductions/ Adjustments	As at 31-Mar-14	Upto 01-Apr-13	Acquisitions	For the Year	Deductions/ Adjustments	Upto 31-Mar-14	As at 31-Mar-14
Software	20.90	-	3.45	-	24.35	6.68	-	2.42	-	9.10	15.25
Total (B)	20.90	-	3.45	-	24.35	6.68	-	2.42	-	9.10	15.25

(C) Capital Work in progress

₹ in million

Description	As at 31-Mar-15
Capital work in progress (C) (Refer note 2 below)	1,086.64
Total (C)	1,086.64

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs. 148.33 million.
2. Freehold land and Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Group.
3. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 FIXED ASSETS

(A) Tangible assets

₹ in million

Description	Gross block			Depreciation / amortisation			Net block	
	As at	Additions	Deductions/	As at	Upto	For the	Deductions/	Upto
	01-Apr-12		Adjustments	31-Mar-13	01-Apr-12	Year	Adjustments	31-Mar-13
Freehold land (Refer note 2 below)	1,489.43	782.14	9.40	2,262.17	-	-	-	-
Buildings	955.30	129.42	-	1,084.72	56.69	25.49	-	82.18
Yard equipments	229.34	44.78	-	274.12	55.22	26.82	-	82.04
Plant and machinery	63.40	68.15	-	131.55	3.74	5.99	-	9.73
Electrical installations	32.19	1.17	-	33.36	5.58	1.56	-	7.14
Office equipments	23.07	3.39	-	26.46	2.91	1.36	-	4.27
Computers	38.64	7.29	0.90	45.03	12.21	6.97	0.47	18.71
Furniture and fixtures	21.35	2.91	-	24.26	3.56	1.50	-	5.06
Vehicles	397.38	158.09	49.48	505.99	11.59	91.97	26.75	76.81
Lease hold improvement	32.81	16.09	-	48.90	9.71	13.35	-	23.06
Total (A)	3,282.91	1,213.43	59.78	4,436.56	161.21	175.01	27.22	309.00

(B) Intangible assets

₹ in million

Description	Gross block			Depreciation / amortisation			Net block	
	As at	Additions	Deductions/	As at	Upto	For the	Deductions/	Upto
	01-Apr-12		Adjustments	31-Mar-13	01-Apr-12	Year	Adjustments	31-Mar-13
Software	17.56	3.45	0.11	20.90	4.50	2.23	0.05	6.68
Total (B)	17.56	3.45	0.11	20.90	4.50	2.23	0.05	6.68

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

(C) Capital Work in progress

₹ in million

Description		As at 31-Mar-13
Capital work in progress (C) (Refer note 2 below)		807.71
Total (C)		807.71

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs. 173.00 million.
2. Freehold land and Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Group.
3. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 FIXED ASSETS

(A) Tangible assets

₹ in million

Description	Gross block					Depreciation / amortisation					Net block
	As at 01-Apr-11	Acquisitions	Additions	Deductions/ Adjustments	As at 31-Mar-12	Upto 01-Apr-11	Acquisitions	For the Year	Deductions/ Adjustments	Upto 31-Mar-12	As at 31-Mar-12
Freehold land	1,336.90	-	152.53	-	1,489.43	-	-	-	-	-	1,489.43
Buildings	773.46	-	181.84	-	955.30	30.81	-	25.88	-	56.69	898.61
Yard equipment	120.01	-	109.33	-	229.34	36.94	-	18.28	-	55.22	174.12
Plant and machinery	21.79	5.89	36.17	0.45	63.40	1.90	0.30	1.87	0.33	3.74	59.66
Electrical installations	24.65	-	7.54	-	32.19	4.20	-	1.38	-	5.58	26.61
Office equipment	16.95	-	6.87	0.75	23.07	1.98	-	1.68	0.75	2.91	20.16
Computers	18.66	11.72	10.53	2.27	38.64	5.31	2.73	6.38	2.21	12.21	26.43
Furniture and fixtures	16.22	0.52	5.08	0.47	21.35	2.42	0.18	1.37	0.41	3.56	17.79
Vehicles	222.62	5.45	220.57	51.26	397.38	5.96	0.41	55.25	50.03	11.59	385.79
Lease hold improvement	6.03	19.72	10.78	3.72	32.81	-	2.15	11.28	3.72	9.71	23.10
Total (A)	2,557.29	43.30	741.24	58.92	3,282.91	89.52	5.77	123.37	57.45	161.21	3,121.70

(B) Intangible assets

Description	Gross block					Depreciation / amortisation					Net block
	As at 01-Apr-11	Acquisitions	Additions	Deductions/ Adjustments	As at 31-Mar-12	Upto 01-Apr-11	Acquisitions	For the Year	Deductions/ Adjustments	Upto 31-Mar-12	As at 31-Mar-12
Software	5.61	4.47	7.84	0.36	17.56	2.41	0.46	1.99	0.36	4.50	13.06
Total (B)	5.61	4.47	7.84	0.36	17.56	2.41	0.46	1.99	0.36	4.50	13.06

Description	As at 31-Mar-12
Capital work in progress (C) (Refer note 3 below)	1,451.71
Total (C)	1,451.71

Notes:-

1. Yard equipment includes Reach Stackers costing Rs. 210.00 million and having net book value Rs. 156.00 million

2. During the year, the Group has revised the economic useful life of paver block to 15 years based on revised technical estimate, retrospective from April 1, 2007. Had the previous year basis of depreciation been followed, the depreciation charged to statement of Profit and loss during the year ended March 31, 2012 would be lower by Rs. 4 million and net profit from ordinary activity before taxation and net book value of tangible assets would have been higher by an equivalent amount.

3. Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Group.

4. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

9 OTHER NON CURRENT ASSETS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Unsecured and considered good, unless otherwise stated)					
Fixed Deposit with banks with a maturity period more than 12 months*	233.76	158.57	30.25	355.75	20.96
Income tax payment made under protest (Refer note 21 of annexure-V)	99.15	99.15	99.15	99.15	74.15
Rent paid under protest	-	-	-	9.50	6.00
MAT credit entitlement (Refer note 21 of annexure-V)	701.69	605.94	501.30	392.40	290.74
Total	1,034.60	863.66	630.70	856.80	391.85

*Above fixed deposits are held as lien by banks against bank guarantees issued on behalf of group.

10 CASH AND BANK BALANCES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Cash and cash equivalents					
Cash on hand	1.47	0.84	1.02	0.41	2.56
Cheques on hand	19.95	6.18	9.16	2.18	11.56
Bank balance					
In current accounts	77.86	152.44	114.61	156.81	510.45
Fixed Deposit (with less than 3 months maturity)**	24.13	62.65	110.15	4.07	29.89
	123.41	222.11	234.94	163.47	554.46
Other bank balances					
In Fixed Deposit (more than 3 month but less than 12 months from the date of acquisition) *	151.78	186.12	187.22	28.65	11.23
	151.78	186.12	187.22	28.65	11.23
Total	275.19	408.23	422.16	192.12	565.69

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

*Includes Fixed deposit held as lien by banks against bank guarantees issued on behalf of the Group and against Debt Service Reserve Account.

44.90 184.10 21.60 8.30 3.70

** Includes fixed deposits are held as lien by banks against bank guarantees.

17.60 - - - -

11 OTHER CURRENT ASSETS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Unsecured and considered good, unless otherwise stated)					
Unbilled Revenue	222.86	193.88	161.68	144.69	136.40
Amount due against sale of fixed assets	2.38	-	-	18.50	-
Assets held for sale	-	7.50	7.50	-	-
Others	20.76	8.59	12.50	21.01	11.03
Total	246.00	209.97	181.68	184.20	147.43

Annexure V Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

12 REVENUE FROM OPERATIONS

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue from Operations					
Revenue from Ground Rent, Container storage, handling and transportation, Warehousing, other rental income, Stevedoring Income, Auction proceeds, Freight and allied services, Bulk handling and Supply chain solutions	7,021.89	7,308.47	6,711.07	6,638.41	4,451.81
Total	7,021.89	7,308.47	6,711.07	6,638.41	4,451.81

13 EMPLOYEE BENEFIT EXPENSES

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Salaries, Wages and Bonus	589.42	593.90	489.92	384.88	282.07
Contribution to Provident and Other Funds	25.04	26.64	19.19	13.35	6.84
Staff Welfare	36.33	23.45	33.39	25.98	21.00
Total	650.79	643.99	542.50	424.21	309.91

14 FINANCE COST

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Interest on -					
Long term borrowings*	237.23	163.24	191.32	148.69	120.78
Short term borrowings	96.09	87.67	4.77	97.44	48.98
Other borrowing costs	33.48	12.34	11.88	12.09	22.21
Interest on delayed payment of statutory dues	13.45	19.21	11.36	15.25	8.93
Bank and other financial charges	22.73	8.84	6.52	14.45	7.05
Total	402.98	291.30	225.85	287.92	207.95
*Borrowing cost capitalised	281.43	200.21	91.95	37.00	139.00

15 DEPRECIATION AND AMORTISATION EXPENSE

₹ in million

Particulars	For year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Depreciation on Tangible assets (Refer note 8 of annexure V)	225.47	233.40	176.59	175.01	123.37
Amortisation on Intangible assets (Refer note 8 of Annexure V)	3.92	7.20	2.42	2.23	1.99
Total	229.39	240.60	179.01	177.24	125.36

16 OTHER EXPENSES

₹ in million

Particulars	For year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Container Scanning charges	26.48	25.94	17.25	25.04	11.97
Customs recovery charges	11.43	9.69	12.67	13.06	5.43
Auction Expenses	8.13	12.03	7.67	6.96	2.33
Equipment hire charges	127.80	109.11	108.91	116.56	98.80
Labour charges	721.83	552.04	516.73	606.02	824.76
Power & fuel	239.52	214.97	191.66	189.19	158.35
Lorry maintenance charges	34.77	39.26	31.20	39.90	35.76
Freight and Transportation expenses	2,751.40	3,387.18	3,264.07	3,253.58	1,264.48
Water charges	14.54	14.84	13.56	18.91	8.54
Wharfage & demurrage charges	1.67	3.21	2.60	3.36	16.94
Repairs and maintenance					
Building / yard	6.96	8.93	7.59	12.24	5.26
Plant and machinery / yard equipments	70.43	43.22	34.01	37.80	34.08
Others	115.43	101.62	71.56	65.92	84.30
Rent	278.62	273.55	256.67	221.76	191.89
Rates and taxes	25.74	19.48	15.96	15.70	13.10
Insurance	18.07	17.47	17.81	22.55	19.23
Printing and stationery	15.97	12.93	12.13	16.62	13.16
Legal and professional charges	55.45	54.58	48.73	37.51	31.73
Travelling and conveyance	48.96	50.39	53.36	51.58	40.29
Vehicle expenses	9.28	7.64	7.11	4.58	2.81
Postage, telephone and telegrams	27.27	27.10	24.22	24.72	23.79
Commission	416.32	271.30	230.58	280.35	229.24
Provision For Doubtful Debts (net of bad debts adjusted for March 31, 2016: Rs. 39.10 million and March 31, 2015: 135.10 million)	79.68	75.54	49.80	128.40	9.12
Provision for Loss of goods under custody	-	1.87	-	-	-
Bad Debts written off	-	-	7.90	0.40	5.40
Advertising and Business promotion expenses	27.37	18.54	11.74	14.74	11.03
Security service charges	45.17	38.08	38.99	43.03	40.55
Loss on Sale/Discard of assets (net)	0.35	7.15	6.14	-	0.91
Sundry Balances Written Off	8.24	-	-	-	-
Miscellaneous expenses	85.76	73.62	49.35	46.40	41.20
Total	5,272.64	5,471.28	5,109.97	5,296.88	3,224.45

Annexure V Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

17 (a) CONTINGENT LIABILITIES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
- Services tax matters (including interest and penalty)	61.72	60.61	6.00	6.00	5.97
- Income tax matters (Refer note 21 of annexure -V)	487.96	361.80	276.95	99.94	179.28
- Claims against the Group not acknowledged as debts	17.11	13.80	-	23.65	13.98
Total	566.79	436.21	282.95	129.59	199.23

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of above contingent liabilities.

(b) CAPITAL AND OTHER COMMITMENT

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(i) Capital Commitment (net of advances)	598.62	934.13	1,315.73	820.87	2.19
(ii) Other Commitments-Guarantees given by bank on behalf of the Group to Statutory authorities and others	978.02	443.03	427.31	503.39	409.92
(iii) Export obligation towards duty saved on import of assets	55.25	23.20	23.20	200.20	177.00
(iv) In respect of missing goods recovered	-	15.10	-	-	-
(v) Consideration for acquisition of shares in Continental Multimodal Terminals Limited as per share subscription agreement entered with private equity investors	-	-	-	307.20	200.00
Total	1,631.89	1,415.46	1,766.24	1,831.66	789.11

Annexure V Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

18 LEASE

The Group has entered into Operating Lease arrangements towards use of CFS, Bonded Warehouse premises, office facilities and guest houses. The arrangements ranges between 11 months to 5 years and are generally renewable by mutual consents. The minimum future payments during non-cancellable period under the foregoing arrangements in the aggregate for each of the following period are as follows. Under these arrangements refundable interest free deposits have been given.

₹ in million

Minimum Lease Rental Payable	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Lease rental recognised in Statement of Profit and loss	278.62	273.55	256.67	221.76	191.89
Future minimum lease rentals payments payable:					
Not later than one year	135.03	127.04	116.81	90.77	52.31
later than one year but not later than five years	359.90	515.46	460.48	275.05	221.53
Later than 5 years	-	-	-	-	-

19 Related Party Disclosure as per Accounting Standards -18

i. Key Management Personnel:

Mr. N. Adikesavulu Reddy

Chairman & Managing Director

Mr. D. K. Jalnawalla

Whole-time director

Mr. N. Amrutesh Reddy

Executive Director

ii. Associates

Continental Multimodal Terminals Limited (CMTL) (From April 11, 2011 to March 27, 2014)

iii. Enterprises owned or significantly influenced by key management personnel or their relatives with whom transactions have taken place.

NDR Warehousing Private Limited

Continental Warehousing Corporation Limited

Continental Multimodal Terminals Limited (Up to April 11, 2011)

Kaveri Warehouse Management Services Private Limited

Saastha Warehousing Limited

NDR Estates

Sree Mookambica Enterprises

Mookambica Logistics

Avanthi Agencies

Hyderabad Warehousing Company

Amrutesh Warehousing Company

Sri Kamakshi Enterprises

iv. Relative of key management personnel with whom transactions have taken place.

Mrs. N. Kamakshamma Reddy

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Related party disclosure

₹ in million

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Continental Warehousing Corporation Limited					
Rent expenses	2.52	2.52	1.80	1.80	0.90
Land purchased	91.42	-	-	-	-
Sale of services	-	-	-	-	47.43
Reimbursement of expenses	-	-	0.20	-	-
Advance given	-	-	-	28.63	7.39
Loan Taken	-	-	8.94	1.15	1.76
Loans given	-	-	-	0.10	1.73
Expenses incurred on behalf of CWCL	-	-	-	-	0.26
Land advance given	-	7.24	25.75	-	-
Closing balance					
Trade receivable	-	49.15	49.44	49.44	55.93
Land advance receivable	-	42.00	34.74	-	-
Loans and advance (net)	(1.14)	(1.14)	-	22.44	6.51
Other payable	0.32	-	1.59	3.89	-
Guarantee given for loan taken	-	608.50	-	-	-
NDR Warehousing Private Limited					
Revenue	86.57	77.07	58.97	73.11	51.37
Interest income	-	-	-	1.15	-
Rent expense	5.99	7.10	14.98	1.82	1.74
Loan given	-	-	-	47.20	40.00
Loan taken	-	-	-	0.13	-
Subscription of shares	-	80.00	-	70.00	-
March 31, 2015: 683,761 and March 31, 2013 696,185					
Reimbursement of expenses	16.47	10.03	25.10	2.11	-
Deposit given	-	20.00	-	-	-
Recovery- common facility	-	-	-	0.90	0.98
Transportation Charges	-	-	-	-	1.20
Closing balance					
Deposit	34.31	34.31	14.31	14.31	5.48
Trade payable	-	-	0.98	1.26	1.15
Trade Receivable	38.76	86.98	63.04	47.73	37.26

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

NDR Estates					
Rent expense	32.17	30.81	27.28	26.02	25.09
Interest Income	-	-	-	1.67	1.26
Loan taken	-	-	-	2.02	-
Loan given	-	-	-	-	1.96
Closing balance					
Deposit	18.09	18.09	18.09	18.09	18.09
Trade payable	-	-	3.61	3.10	0.89
Loans and advance (net)	1.16	1.56	3.90	1.90	12.42
Saastha Warehousing Limited					
Transportations charges	2.82	1.65	-	-	-
Advance given	-	-	-	42.65	22.75
Interest income	-	-	-	0.20	-
Sale of fixed assets	-	-	-	18.50	-
Loan give	-	-	-	0.20	-
Labour charges	-	-	-	-	0.51
Deposit given	-	-	30.00	-	-
Rent Expenses	42.00	42.00	27.00	8.00	-
Expenses reimbursement	7.32	7.62	6.28	5.34	-
Others	-	-	-	0.11	-
Closing balance					
Deposit	22.50	80.00	80.00	50.00	-
Loans and advance (net)	0.77	0.13	3.40	19.47	25.45
Amrutesh Warehousing Company					
Rent expense	11.21	10.72	10.21	9.72	10.22
Closing balance					
Deposit	7.00	7.04	7.00	7.00	7.00
Trade payable	0.98	-	0.87	0.83	4.50
Sree Mookambica Enterprises					
Rent expense	12.38	12.41	12.38	12.08	11.82
Loan taken	-	-	-	-	0.93
Rental deposit given	-	-	-	1.00	1.26

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Closing balance					
Deposit	3.36	3.36	3.36	3.36	2.36
Trade payable	1.08	1.06	1.31	2.84	1.17
Sri Kamakshi Enterprises					
Rent expense	14.28	13.65	13.00	-	-
Closing balance					
Deposit	8.91	8.91	-	-	-
Trade payable	1.25	1.17	1.11	-	-
Continental Multimodal Terminals Limited*					
Revenue	-	-	10.79	3.78	-
Loan given	-	-	165.56	75.47	178.18
Subscription of equity shares	-	-	172.58	46.78	22.96
Expenses reimbursement	-	-	9.22	5.38	14.17
Interest income	-	-	29.95	24.51	7.29
Closing balance					
Loan receivable	-	-	-	299.84	196.94
Trade receivable	-	-	14.76	3.78	-
Kaveri Warehouse Management Services Pvt Ltd					
Manpowercharges	-	-	11.64	112.96	222.45
Reimbursement of expenses	-	-	-	97.36	-
Closing balance					
Loans and advance (net)	18.96	31.94	47.17	18.74	7.72
Hyderabad Warehousing Company					
Rent expense	2.65	2.67	2.05	2.05	1.24
Closing balance					
Deposit	1.27	1.27	1.27	1.27	1.27
Trade payable	(0.24)	(0.41)	(0.05)	-	-

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Mookambica Logistics					
Interest Income	-	-	-	0.25	-
Reimbursement of expenses	37.20	46.50	-	-	-
Loan taken			0.02	0.60	
Loan given	-	-	18.90	15.90	10.65
Closing balance					
Loans and advance (net)	7.24	5.73	4.98	2.00	-
Avanthi Agencies					
Revenue	2.85	-	-	-	-
Reimbursement of expenses	-	-	66.96	-	-
Interest Income	-	-	0.91	-	-
Closing balance					
Loan and advances (net)	0.80	1.25	16.34	-	-
Mr. N Adikesavulu Reddy - Chairman & Managing Director					
Remuneration & Other Perquisites	12.00	12.12	9.00	12.00	12.00
Rent expenses	0.60	0.24	-	-	-
Car Hire Charges	0.34	-	-	-	-
Advance given	-	0.67	-	-	-
Purchase of Equity Shares of Continental Multimodal Terminals Limited	-	-	150.33	-	70.26
Issue of Equity Share	-	-	150.33	-	-
Advance given	-	-	13.45	-	120.23
Guarantee given for loan taken by Company (March 31, 2016: Rs 800.00 million jointly with other director)	800.00	608.50	-	-	-
Closing balance					
Salary payable	0.44	-	0.59	0.71	0.68
Salary advance	-	1.44	-	-	-
Loan payable	-	-	-	-	0.25

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Mr. D. K. Jalnawalla - Whole-time Director					
Remuneration & Other Perquisites	9.38	9.24	8.04	7.90	6.56
Closing balance					
Salary payable	0.49	0.50	0.44	0.32	0.34
Mr. N. Amrutesh Reddy - Executive Director					
Remuneration & Other Perquisites	9.23	9.20	7.35	9.23	9.23
Rent	-	-	0.15	1.80	1.80
Purchase of equity shares of Delex Cargo India Private Limited	-	-	-	-	246.57
Guarantee Given (March 31, 2016: Rs 800.00 million jointly with other director)	1,462.98	648.61	540.50	735.32	205.42
Loan taken	-	-	0.50	1.30	0.62
	-	-	-	-	-
Closing balance	-	-	-	-	-
Salary payable	0.57	0.66	0.44	0.46	1.92
Deposit	-	-	4.00	4.00	4.00
Loan payable	-	-	1.51	1.26	-
Mrs N Kamakshamma Reddy					
Rent expenses	0.60	0.60	-	12.38	13.01
Purchase of equity shares of Continental Multimodal Terminals Limited	-	-	22.25	-	23.91
Purchase of Equity Shares of Delex Cargo (India) Private Limited	-	-	-	-	3.43
Issue of equity shares	-	-	22.25	-	-
Closing balance					
Deposit	-	-	8.91	8.91	8.91
Trade payable	0.14	0.04	-	1.06	5.91

*Transactions upto March 31, 2014 with CMTL disclosed as related party transactions being subsidiary (converted from associate) with effect from March 28, 2014

Transaction amounts exclude service tax

20 During the financial year ended March 31, 2015, pursuant to Schedule II to the Companies Act 2013 ("Schedule") becoming effective April 1, 2014, the Group has revised the useful life of assets as prescribed in Schedule II, for the purpose of computing depreciation. Had the Group not revised the useful life of assets, the depreciation for the year ended March 31, 2015 would have been lower by Rs. 14.10 million. Further, in case of assets which have completed their useful life as at 1st April 2014, the carrying value (net of residual value) amounting to Rs. 6.60 million (net of tax effect of Rs. 3.30 million) has been adjusted in the opening balance of retained earnings.

21 During the financial year March 31, 2016:

Based on the opinion from advisor, the Management has taken a view that the Holding Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Holding Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Holding Company deposited Rs. 39.15 million till March 31, 2014, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Holding Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA (4) (i) of the Income-tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. In F.Y. 2013-14, the Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million. The Commissioner of Income Tax (Appeals) challenged the ITAT Mumbai order in Hon'ble Bombay High Court and Hon'ble Bombay High Court also upheld order issued by ITAT Mumbai vide its order dated April 21, 2015. During the current year the Commissioner of Income Tax -II has filed an appeal in Hon'ble Supreme Court against the order issued by the Hon'ble Bombay High Court.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2009-2010, disallowing the claim of deduction by the Holding Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Holding Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Holding Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) vide his Order dated December 17, 2012 allowed the appeal of the Holding Company and held that the Company is entitled to claim deduction u/s 80IA(4) (i) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the order of the Commissioner of Income Tax (Appeals), the Assistant Commissioner of Income Tax has filed an appeal before ITAT Pune, Pune Bench on April 25, 2013. ITAT Pune dismissed the appeal filed by the Assistant Commissioner of Income Tax vide its order dated November 18, 2014 and upheld the order issued by the Commissioner of Income Tax (Appeals).

During the F.Y 2012-13, the Joint Commissioner of Income Tax issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Holding Company u/s 80IA (4) (i) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Holding Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013, requested the Joint Commissioner of Income Tax to keep the demand in abeyance.

The Commissioner of Income Tax (Appeals), vide its Order dated June 26, 2014, allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014 and May 12, 2015.

During the F.Y. 2013-14, the Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Holding Company u/s 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 2, 2014, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Holding Company, vide its application dated April 15, 2014, has also requested the Joint Commissioner of Income Tax to keep demand in abeyance.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

The Commissioner of Income Tax (Appeals), vide its Order dated July 27, 2015, allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act.

During the F.Y. 2014-15, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2012-2013, disallowing the claim of deduction by the Holding Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 125.56 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 10, 2015, before the Commissioner of Income Tax (Appeals) against the Assessment Order issued by the Deputy Commissioner of Income Tax. The Holding Company, vide its application dated April 7, 2015, has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

During Current Year, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2013-2014, disallowing the claim of deduction by the Holding Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 59.37 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 20, 2016, before the Commissioner of Income Tax (Appeals), against the Assessment Order issued by the Deputy Commissioner of Income Tax. The Holding Company, vide its application dated April 26, 2016, has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

Consequently, the income- tax liability for the current financial year has been determined under “Minimum Alternate Tax” pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 116.00 millions for the year. The cumulative additional tax liability as at the year-end would be Rs. 535.50 millions which includes Rs.488.00 millions already disclosed under Note 17 of annexure V contingent liabilities in restated consolidated financial information.

The Company is eligible for deduction under Section 80-IA (4) (i) of the Income Tax Act, 1961 of India (the “Income Tax Act”) and accounted for Minimum Alternate Tax credit of Rs. 95.70 millions for the current year based on the assessment of future profitability pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. During the current year, considering the balance term of Section 80-IA (4) (i) of the Income Tax Act and based on the assessment of future profitability, the Company has also accounted for eligible Minimum Alternate Tax Credit from Assessment Year 2011-12 to Assessment Year 2015-16 amounting to Rs. 496.40 million as MAT credit to be set-off against future tax liability. The Company is eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for further one succeeding assessment year.

However the same has now been considered in the restated consolidated financial information in the respective years. (Refer annexure VI)

During the financial year March 31, 2015:

Based on the opinion from advisor, the Management has taken a view that the Holding Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India (“the Income Tax Act”) and, therefore, the Holding Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2008-2009, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Holding Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Holding Company deposited Rs.39.15 million till March 31,2014 , pursuant to the directions from the Assistant Commissioner of Income-tax.

The Holding Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. In F.Y. 2013-14, the Holding Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million. The Commissioner of Income Tax (Appeals) challenged the ITAT Mumbai order in Bombay High Court and Bombay High Court also upheld order issued by ITAT Mumbai vide by its order dated April 21, 2015.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2009-2010, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Holding Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Holding Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) vide his Order Dated December 17, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the Commissioner of Income Tax (Appeals) order the Assistant Commissioner of Income Tax (Appeals) has filed an appeal at ITAT Pune, Pune Bench on April 25, 2013. ITAT Pune dismissed the appeal filed by Assistant Commissioner of Income Tax (Appeals) by its order dated November 18, 2014 and upheld the order issued by Commissioner of Income Tax (Appeals).

During the F.Y 2012-13, The Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Holding Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Holding Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013 requested to the Joint Commissioner of Income Tax to keep the demand in abeyance.

The Commissioner of Income Tax (Appeals) vide its Order dated June 26, 2014 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014.

During the F.Y 2013-14, the Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Holding Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 15, 2014, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Holding Company vide its application dated April 15, 2014 has also requested the Joint Commissioner of Income Tax to keep demand in abeyance.

During the current year, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2012-2013, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 1,25.55 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 10, 2015, against the Assessment Order issued by the Deputy Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Holding Company vide its application dated April 7, 2015 has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

Consequently, the income- tax liability for the current financial year has been determined under “Minimum Alternate Tax” pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Holding Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 115.50 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 419.53 million which includes Rs. 361.75 million already disclosed under Note 17 of annexure V- Contingent liability in restated consolidated financial Informations.

The Holding Company is eligible for Minimum Alternate Tax credit of Rs.94.50 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Holding Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for further two succeeding assessment years, the Holding Company as a matter of prudence, has accounted for eligible Minimum Alternate Tax credit only for assessment year 2010-11 amounting to Rs 55.83 million. The Holding Company has not accounted for the eligible Minimum Alternate Tax credit of Rs. 533.60 million from assessment year 2011-2012 to assessment year 2015-2016.

However the same has now been considered in the restated consolidated financial statement in the respective years. (Refer annexure VI)

During financial year March 31, 2014:

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Holding Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Holding Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Holding Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Holding Company deposited Rs.39.15 million till March 31, 2014, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Holding Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. During the current year, the Holding Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Holding Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Holding Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) Vide his Order Dated December 17, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the Commissioner of Income Tax (Appeals) order the Assistant Commissioner of Income Tax (Appeals) has filed an appeal at ITAT Pune, Pune Bench on April 25, 2013.

During the F.Y 2012-13, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Holding Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Holding Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013 requested to the Joint Commissioner of Income Tax to keep the demand in abeyance.

The Commissioner of Income Tax (Appeals) Vide his Order Dated June 26, 2014 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014.

During the F.Y 2013-14, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Holding Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Holding Company has filed an appeal vide application dated April 15, 2014, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals). The Holding Company vide its application dated April, 15, 2014 has requested the Joint Commissioner of Income Tax to keep demand in abeyance.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Holding Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2010-11 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under “Minimum Alternate Tax” pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Holding Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 27.08 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 304.03 million which includes Rs. 276.95 million already disclosed under Note 17 of annexure V- Contingent liability in restated consolidated financial Informations.

The Company has not accounted for the eligible Minimum Alternate Tax credit from assessment year 2011-2012 to assessment year 2014-2015. However the same has now been considered in the restated consolidated financial information in the respective years. (Refer annexure VI)

During financial year March 31, 2013:

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Holding Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India (“the Income Tax Act”) and, therefore, the Holding Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Holding Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Holding Company has deposited Rs.39.15 million till March 31, 2013, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Holding Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Holding Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals), the Holding Company has deposited Rs. 60.00 million till August 31, 2012. The Commissioner of Income Tax (Appeals) Vide his Order Dated December 17, 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Holding Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010.

During the Current year, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Holding Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Holding Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals). The Holding Company vide its application dated April, 16, 2013 has requested the Joint Commissioner of Income Tax to keep demand in abeyance.

The Assistant Commissioner of Income Tax has issued a demand notice of Rs. 99.93 million for Assessment Year 2010-11 dated May 20, 2013. Against the same, the Holding Company has resubmitted the request to keep demand in abeyance vide its application letter dated June 26, 2013.

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Holding Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2010-11 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under “Minimum Alternate Tax” pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Holding Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 40.35 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 216.35 million.

The Holding Company is eligible for Minimum Alternate Tax credit of Rs. 98.00 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Holding Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for the further four succeeding assessment years, the Holding Company, as a matter of prudence, has accounted for eligible Minimum Alternate Tax credit only for assessment year 2008-2009 and 2009-2010 amounted to Rs. 53.95 million. The Holding Company has not accounted for the eligible Minimum Alternate Tax credit of Rs. 334.30 million from assessment year 2010-2011 to assessment year 2013-2014 as a matter of prudence.

However the same has now been considered in the restated consolidated financial information in the respective years. (Refer annexure VI)

During financial year March 31, 2012:

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Holding Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India (“the Income Tax Act”) and, therefore, the Holding Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the previous year, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Holding Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals).which was dismissed. The Holding Company has deposited Rs.39.15 million till March 31, 2012, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Holding Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated 31st August 2012 allowed the appeal of the Holding Company and held that the Holding Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act, 1961.

During the current year, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Holding Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Holding Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). Pending conclusion of the appeal, the Holding Company has deposited Rs. 60.00 million till August 31, 2012.

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Holding Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2009-10 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under “Minimum Alternate Tax” pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Holding Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs.60.00 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 317.60 million.

The Holding Company is eligible for Minimum Alternate Tax credit of Rs. 103.40 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Holding Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for the further five succeeding assessment years, the Holding Company, as a matter of prudence, has not accounted for the eligible MAT credit of Rs. 290.24 million as at March 31, 2012.

However the same has now been considered in the Restated financial statement in the respective years. (Refer annexure VI)

22 Following are the major component of deferred tax asset/liability (net)

(a) Deferred tax liability (net)

₹ in million

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Deferred tax liability					
Additional depreciation on fixed assets for tax Purposes due to higher tax depreciation rates.	176.37	124.40	115.45	100.40	92.97
Total deferred tax liability	176.37	124.40	115.45	100.40	92.97
Deferred tax assets					
Liabilities that are deducted for tax purpose when paid/provision for doubtful debt	10.38	9.15	3.94	2.31	61.32
Total deferred tax assets	10.38	9.15	3.94	2.31	61.32
Deferred tax liability (Net)	165.99	115.25	111.51	98.09	31.65

(b) Deferred tax assets (net)

₹ in million

	As at March 31, 2016	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012
Deferred tax assets					
Liabilities that are deducted for tax purpose when paid	5.99	8.17	5.90	5.90	1.45
On provision for doubtful debts	56.41	71.75	95.97	93.79	-
On preliminary expenses	0.11	0.11	2.40	5.90	8.50
On unabsorbed Depreciation	308.68	288.62	241.10	-	28.30
Total deferred tax assets	371.19	368.65	345.37	105.59	38.25
Deferred tax liability					
Additional depreciation on fixed assets for tax Purposes due to higher tax depreciation	166.49	155.98	162.50	33.10	-
Total deferred tax liability	166.49	155.98	162.50	33.10	-
Deferred tax assets (Net)	204.70	212.67	182.87	72.49	-

In financial year March 31, 2012, Delex Cargo India Private Limited (the subsidiary) has not recognised deferred tax assets of Rs 38.25 million on prudence basis.

23 The following table sets forth the employees expenses recognised in the Restated Consolidated Statement of Profit and Loss, the fund status and the amount recognised in the Restated Consolidated Statement of Assets and Liabilities.

a. Defined Contribution Plan

₹ in million

	2015-16	2014-15	2013-14	2012-13	2011-12
Contribution to Defined Contribution Plan, recognised as expense for the year:					
Employer's Contribution to Government managed Provident Fund	25.04	26.64	19.19	13.35	6.84

b. Defined Benefits Plans- Gratuity

₹ in million

I. Actuarial assumptions	2015-16	2014-15	2013-14	2012-13	2011-12
Discount rate	7.48% to 8.04%	7.9% to 8.0%	9.31%-9.36%	8.00%-8.25%	8.25%-8.75%
Salary escalation	4% to 8%	4% to 8%	5.00%-8.00%	5.00%-8.00%	5.00%-8.00%
Attrition rate	3% to 23%	3% to 6%	2.00%-6.00%	2.00%-6.00%	2.00%-6.00%
Return on plan assets	7.48%	7.90%	8.70%	8.70%	8.60%
II Changes in present value of obligation					
Present value of obligation at the beginning of the year	34.08	21.75	14.91	11.08	4.99
Balance brought forward on account of acquisition of Subsidiary	-	-	-	-	1.29
Interest cost	2.70	2.03	0.84	0.96	0.51
Current service cost	9.33	7.25	5.42	4.15	2.64
Benefit paid	(0.45)	(0.08)	-	(0.55)	-
Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions	(4.33)	-	0.58	(0.73)	-
Actuarial (gain) / loss on obligation- due to change in financial assumptions	0.55	7.28	-	-	1.65
Actuarial (gain) / loss on obligation- due to experience	(7.53)	(4.15)	-	-	-
Present value of obligation at the end of the year	34.35	34.08	21.75	14.91	11.08
III Changes in fair value of plan assets					
Opening fair value of plan assets	4.47	3.44	2.39	1.53	-
Expected return of plan assets	0.35	0.30	0.10	0.14	-
Actuarial gain / (loss) on Plan Assets	0.06	0.10	0.15	0.03	-
Contributions	0.73	0.63	0.80	0.69	1.53
Benefit paid from fund	(0.21)	-	-	-	-
Closing value of plan assets	5.40	4.47	3.44	2.39	1.53
IV Actual return on plan assets			-		
Expected return on plan assets	0.35	0.30	0.10	0.14	-
Actuarial gain or (loss) on plan assets	0.06	0.10	0.15	0.03	-
Actual return on plan assets	0.41	0.40	0.25	0.17	-

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

V Amount to be recognised in the balance sheet					
Fair value of plan assets at the end of the year	5.40	4.47	3.44	2.39	1.53
Present Value of benefit obligation as at the end of the year	(34.35)	(34.08)	(21.75)	(14.91)	(11.08)
Unrecognised past service cost					
Net (Liability)/assets recognised in the balance sheet	(28.95)	(29.61)	(18.31)	(12.52)	(9.55)
VI Expenses recognized in the statement of profit & loss					
Current service cost	9.33	7.25	5.42	4.15	2.64
Interest cost	2.70	2.03	0.84	0.96	0.51
Actuarial (gain) or loss	(11.31)	3.13	0.58	(0.73)	1.65
Expenses recognized in P&L	0.72	12.41	6.84	4.38	4.80
VII Balance Sheet Reconciliation					
Opening net liability	34.08	21.75	14.91	11.08	4.99
Balance brought forward on account of acquisition of Subsidiary	-	-	-	-	1.29
Expenses as above	0.72	12.41	6.84	4.38	4.80
Benefits paid	(0.45)	(0.08)	-	(0.55)	-
Amount recognised in balance sheet	34.35	34.08	21.75	14.91	11.08
VIII Experience adjustment					
On plan liability (gain) /losses	(7.53)	(4.15)	-	-	-
On plan Assets (losses) /gain	0.06	0.10	0.15	0.03	-
IX Current and Non-Current Liability					
Current	13.50	16.66	12.21	0.66	3.04
Non-current	15.45	12.95	6.10	11.86	6.51

Note:

The estimates of future salary increase considered in the actuarial valuation take account of the inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market

C. Privileged leave (Compensated Absence for Employees):

The Company permits encashment of privileged leave accumulated by its employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Amount recognized in the Balance Sheet and movements in net liability

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Opening Balance of Compensated Absences (a)	12.70	8.70	7.26	6.25	2.84
Present value of Compensated Absences(As per actuary valuation) as at the year end (b)	13.32	12.70	8.70	7.26	6.25
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement Profit and Loss for the year (b - a)	0.62	4.00	1.44	1.01	3.41

24 SEGMENT REPORTING

Primary Segment

Freight & allied segment includes domestic and international air cargo services, surface parcel services and other such domestic logistics' services within India by air, surface transportation.

Supply chain solutions segment includes third party logistics, manpower provisioning, Logistic solutions, packing, repacking, consolidating, distributing, bulk handling and its related warehousing.

Container freight stations (CFS) includes bonded warehousing and its related warehousing at various locations in India and provide services for handling & temporary storage of Import/Export laden and empty containers and temperature controlled chambers.

Inland container depots (ICD)/Private freight terminal (PFT) includes bonded warehousing, general warehousing, transportation and handling services for Import/Export laden, empty containers, domestic Container, and bulk cargo at PFT Terminal.

Stevdoring includes loading unloading bulk cargo from Ships, Warehousing and repacking of Cargo.

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Segment revenue					
Supply chain solutions	1,325.25	1,257.30	1,278.96	1,853.98	1,638.17
Freight and allied services	2,590.57	3,468.48	3,417.64	2,780.97	730.79
Container freight station	2,743.55	2,289.48	2,008.71	2,119.53	1,860.96
PFT/ICD	379.41	305.68	-	-	-
Stevedoring	-	-	31.14	87.72	446.00
Inter Segment	(16.89)	(12.47)	(25.38)	(203.79)	(224.11)
Total revenue	7,021.89	7,308.47	6,711.07	6,638.41	4,451.81
Segment results					
Supply chain solutions	200.82	104.48	103.70	51.51	115.34
Freight and allied services	134.37	314.89	304.63	183.12	17.52
Container freight station	752.47	672.83	647.28	686.27	728.80
PFT/ICD	30.22	(20.56)	-	-	-
Stevedoring	-	-	(35.49)	(25.62)	(6.85)
Total Segment results	1,117.88	1,071.64	1,020.12	895.28	854.81
Unallocable Expenses/ (Income) (net of other income)	88.80	206.31	18.62	25.46	44.58
Finance Cost	402.98	291.30	225.85	287.92	207.95
Provision for taxes					
Current tax	147.52	175.41	198.77	140.05	144.78
Less: MAT Credit (entitlement)/ utilisation	(95.75)	(104.64)	(108.90)	(101.66)	(103.86)
Tax for Earlier Year	-	-	-	5.86	0.63
Deferred tax	58.71	(22.77)	12.69	(6.05)	26.58
Profit after tax but before profit from associates	515.62	526.03	673.09	543.70	534.15

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Share of Minority Interest	(0.28)	(16.40)	-	-	-
Loss from associates	-	-	(35.23)	(39.72)	(22.49)
Profit after tax	515.90	542.43	637.86	503.98	511.66
Segment assets					
Supply chain solutions	783.94	759.22	694.09	875.25	1,059.86
Freight and allied services	843.83	813.28	779.86	653.12	478.52
Container freight station	4,629.71	4,869.25	6,008.45	5,370.13	4,744.70
PFT	6,307.61	4,711.96	1,280.68	-	-
Stevedoring			421.67	452.54	541.13
Unallocated assets	1,967.25	1,654.21	1,872.88	1,682.52	834.68
Total assets	14,532.34	12,807.92	11,057.63	9,033.56	7,658.89
Segment liabilities					
Supply chain solutions	106.44	91.52	111.19	138.18	572.25
Freight and allied services	284.59	448.56	598.97	235.47	49.92
Container freight station	441.60	289.36	200.27	286.17	185.78
PFT	157.60	116.26	643.63	-	-
Stevedoring		-	5.86	2.30	49.35
Unallocated liabilities	5,374.02	4,454.54	2,705.78	2,389.00	1,995.87
Total liabilities	6,364.25	5,400.24	4,265.70	3,051.12	2,853.17
Capital expenditure during the year					
Supply chain solutions	67.72	34.43	30.62	93.33	193.24
Freight and allied services	29.94	9.77	6.59	5.72	15.88
Container freight station	303.23	93.88	549.76	464.75	1,237.80
PFT	1,868.36	1,303.87	-	-	-
Stevedoring		-	-	-	2.91
Unallocated capital expenditure	5.99	18.63	4.37	9.08	36.60
Total capital expenditure	2,275.24	1,460.58	591.34	572.88	1,486.43

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Segment depreciation					
Supply chains solution	25.69	30.01	39.78	71.00	64.80
Freight and allied services	21.74	20.14	28.45	12.09	2.17
Container Freight Station	120.06	113.70	90.31	67.63	44.18
PFT	49.34	60.92	-	-	-
Stevedoring		-	13.81	15.58	12.95
Unallocated depreciation	12.56	15.83	6.66	10.94	1.26
Total depreciation	229.39	240.60	179.01	177.24	125.36

Other disclosure

The Group regards business segment as the primary segment. The composition of this segment is given below. Segments have been identified and reported taking into account nature of services, the differing risks and returns and the internal business reporting systems.

i) Revenue and expenses have been clearly identified to each segment on the basis of relationship to operating activities of the segment. Common corporate expenses that cannot be allocated to a segment on reasonable basis have been disclosed under “Unallocated expenses”

ii) Assets and liabilities have been clearly identified to each segment. Tax related assets, other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as “Unallocable”.

Secondary Segment

The Group’s operations are such that all activities are confined only to India and hence, there is no such secondary reportable segment relating to the Group’s business.

25 During the financial year March 31, 2012 to 2015, the Holding Company was unable to recruit a whole time company secretary as required under Section 383A of the Companies Act 1956 and Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014. However at the Board meeting held on September 23, 2015, the Holding Company has taken steps and appointed a whole time company secretary.

26 During the year ended March 31, 2012, the Holding Company granted loans amounting to Rs 196.94 million to Continental Multimodal Terminals Limited (CMTL), a company, in which a director of the Holding Company holds more than 25% of the total voting power without obtaining the requisite approval from the Central Government of India under Section 295 of the Companies Act, 1956. The Holding Company then filed an application for granting further loans upto Rs 320.00 million and also for condonation for the loan given earlier and submitted the documents requested by the Ministry of Companies Affairs and obtained the approval during the year ended March 31, 2014.

During the year ended March 31, 2013 and March 31, 2014, the Holding Company granted further loans amounting to Rs 75.48 million and Rs 165.56 million respectively to CMTL. Since the total loan exceeded the limit of Rs 320.00 million approved by the Central Government, by Rs 117.96 million, the Holding Company has filed similar applications for approval to the Central Government under Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company affairs on March 24, 2013 for seeking approval and reply against the same is awaited. CMTL has become a subsidiary with holding of 85% effective March 28, 2014.

27 During the financial year ended March 31, 2015, the Group has assessed the carrying value of its jetty license of Rs. 137.50 million acquired in an earlier year and included under capital work in progress. Based on such an assessment, the management of the Company, concluded that it is not viable to run the jetty operations and decided to Impair the carrying value as an exceptional item.

- 28** During the year ended March 31, 2013 to 2015, one of the Subsidiary Delex Cargo (India) Private Limited was unable to recruit a whole time company secretary as required under Section 203 of the Companies Act, 2013, read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014. During the financial year March 31, 2016, the Subsidiary Company has appointed a whole time company secretary.
- 29** During financial year ended March 31, 2012 to 2014, The Holding Company and Delex Cargo India Private Limited (Subsidiary) were in process of constituting Audit Committee as required under Section 292A of the Companies Act, 1956. Subsequently, the Subsidiary company has constituted Audit Committee.
- 30** During financial year ended March 31, 2012, Kaveri Warehousing Private Limited (Subsidiary) has applied for Central Government approval in respect of transactions entered with two parties covered under Section 297 of the Companies Act, 1956 aggregating to Rs. 240.60 million and subsequently received approval from Central Government.
- 31** During the financial year ended March 31, 2013, The Delex Cargo India Private Limited (Subsidiary) has applied for Central Government approval in respect of transactions entered with one party covered under Section 297 of the Companies Act, 1956 aggregating to Rs. 73.10 million and subsequently received approval from Central Government.
- 32** During the financial year ended March 31, 2013, Delex Cargo India Private Limited (Subsidiary) has got approval to hold AGM by December 31, 2013 from Registrar of Companies. However it could not hold AGM by December 31 2013, as it got physical copy of orders approving Scheme of Amalgamation post December 31, 2013 and hence could not finalise the accounts by then.
- 33** During the financial year March 31, 2013, Delex Cargo India Private Limited (Subsidiary) has not filed the Annual Return with Registrar of Companies by January 30, 2014 (due date).The Annual Return has been filed subsequently.
- 34** During the year, in case of Continental Multimodal Terminals Limited is was found out that stocks worth Rs. 17.00 million stored by various customers were missing from the warehouse due to wrong delivery by one of the employees. On complaint made, a case has been registered and on investigation, goods worth Rs.15.10 million has since been recovered. Provision for loss has been made for the balance Rs.1.9 million.

35 Derivative Instruments

	March 31, 2016		March 31, 2015		March 31, 2014	
Particulars	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency	₹ in million
a) Foreign currency exposure that are not hedged by derivative instrument						
- Trade Receivables (in USD)	284	-	-	-	48,861	2.39
- Trade Payables						
In USD	9,875	0.67	5,738	0.36	6,075	0.37
In GBP	-	-	3,819	0.36	-	-
- Cash and Bank Balances (in USD)						

	March 31, 2013		March 31, 2012	
Particulars	Amount in Foreign Currency	₹ in million	Amount in Foreign Currency	₹ in million
a) Foreign currency exposure that are not hedged by derivative instrument				
- Trade Receivables (in USD)	-	-	43,820	2.05
- Trade Payables	-	-		
In USD	-	-	15,194	0.69
In GBP	-	-	-	-
- Cash and Bank Balances (in USD)	-	-	51,483	2.62

36 Nature of Security of Continental Warehousing Corporation (Nhava Seva) Ltd, the Holding Company for the Financial year ended March 31, 2012 to 2014

₹ in million

Security	Rate of Interest	Terms of repayment	Loan Amount		
			March 31, 2014	March 31, 2013	March 31, 2012
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable assets, operating cash flows & receivables and all the insurance policies pertaining to the Ahmedabad and Panipat projects; - Second charge on all the present and future current assets pertaining to the Ahmedabad and Panipat projects; - First charge over all the borrowers right under all the Ahmedabad and Panipat project agreements & accounts, including escrow accounts, DSRA and any other accounts under any of the Ahmedabad and Panipat projects agreement/Finance Documents and any Permitted Investments. - DSRA equivalent to ensuring 3 month's debt service requirement. - Pledge on Promoter's shareholding in CWCNSL for 1.25 times cover subject to maximum of 26% to 30% of paid up capital of the Company. 	March 31, 2012: 12.5% March 31 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year	21.00	-	-
		1 Year but within 2 Years	47.25	49.63	-
		2 Years but within 5 Years	204.75	361.00	169.13
		5 years and more	714.47	189.38	280.88
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable (excluding already hypothecated) properties, assets and all the insurance policies; - Second charge on all the present and future current assets (except operating cash flows and receivable); - First charge of all the present and future operating cash flows & receivables from the project or otherwise, project agreements & accounts, including Escrow accounts, DSRA and any other accounts. - DSRA equivalent to ensuring 3 month's debt service requirement. - Personal Guarantee of the promoters of CWCNSL. - Pledge on Promoter's shareholding in CWCNSL representing 26% to 30% of paid up capital. 	March 31, 2012: 12.5% March 31 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year	21.28	10.50	63.32
		1 Year but within 2 Years	24.82	21.00	67.82
		2 Years but within 5 Years	122.34	68.50	108.36
		5 years and more	175.53	-	12.17
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable (excluding already hypothecated) properties, assets & insurance policies - Second charge on all the present and future current assets (except operating cash flows and receivable); - First charge of all the present and future operating cash flows and receivables; - First charge of all the present and future rights under all project agreement, project accounts, including escrow account, DSRA & any other accounts; - DSRA equivalent to ensuring 3 month's debt service requirement; - Pledge on Promoter's shareholding in CWCNSL representing 26% to 30% of paid up capital. 	March 31, 2012: 12.5% March 31 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year	135.01	177.10	151.68
		1 Year but within 2 Years	70.84	158.58	157.68
		2 Years but within 5 Years	72.92	120.09	285.68
		5 years and more	-	-	112.01
Total			1,610.21	1,155.78	1,408.73

Nature of Security the Company for the Financial year ended March 31, 2015 and 2016

₹ in million

Security	Rate of Interest	Terms of Repayment	Loan Amount	
			As at Mar 31, 2016	As at March 31, 2015
Security created in favor of SBI Cap Trustee Company Limited on behalf of Axis Bank Limited, IDFC Bank Limited, Indusind Bank Limited, Aditya Birla Finance Limited and J & K Bank Limited. (i) A first ranking mortgage / charge / assignment / Security Interest on: (1) All the immoveable properties of the Company (including the Ahmedabad and Panipat or otherwise), both present and future; (2) All moveable fixed assets of the Company (both intangible and tangible) (including Ahmedabad and Panipat or otherwise) (excluding assets charged to equipment finance lenders), present and future; (3) All of the Company's rights, titles and interest under each of the Project Documents and all the Company's rights, titles and interest under all approvals, including all licences, permits, concessions and consents in respect of or in connection with Ahmedabad and Panipat, to the extent assignable under Applicable Law; (4) All the Company's bank accounts in relation to Ahmedabad and Panipat and each of the other accounts required to be created by the Company under any Transaction Documents, including without limitation the Trust and Retention Account, Permitted Investments and the DSRA, including in each case, all monies lying credited/ deposited into such accounts; and (5) All the Insurance Contracts together with any receivables thereunder. (ii) A second ranking charge on all current assets of the Company, both present and future; (iii) A first ranking pledge having a cover of 1.25 times the Loan subject to a maximum of 26% of the Equity Shares of Company held by the Promoters and non disposal undertaking by the Promoters in relation to the remaining Equity Shares held by them in the Company; (iv) Negative lien on the immovable assets of the Company situated at Indore	Interest ranges from 12.35% to 12.75% (12.34% to 12.75%)	Within 1 Year	219.14	158.60
		After 1 Year but within 2 Years	166.05	214.61
		After 2 Years but within 5 Years	1,014.67	828.53
		After 5 Years but within 10 Years	1,612.87	1,637.74
Total A			3,012.73	2,839.48
Security created in favour of GDA Trusteeship Limited on behalf of Indostar Capital Finance Limited (i) First exclusive charge, in such form and manner as the Lender may require, over all present and future fixed (movable and Immoveable) and Second ranking charge on current assets of Continental Multimodal Terminal Limited ("CMTL"), subsidiary of the Company Including the private freight terminal project at Hyderabad (ii) First exclusive charge, In such form and manner as the Lender may require, over all	State Bank of India base rate plus spread 3.4% reset quarterly.	After 1 Year but within 2 Years	221.82	-

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

the assets acquired/to be acquired by Company using Indostar Facility with respect to the private freight terminal project at Bangalore. (iii) First exclusive charge, in such form and manner as the Lender may require, over all the specified assets acquired/to be acquired by the Promoters for the benefit of Company using Indostar Facility with respect to the private freight terminal project at Bangalore. (iv) Personal Guarantee from the Promoters which shall be valid and subsisting till the time adequate security is created by Company over the specified assets acceptable to the Lender; (v) Pledge of entire stake of Company in CMTL (being minimum of 92%); (In Demat Form); (vi) Assignment of Insurance policies in favor of the Lender for the assets charged to the Lender; (vii) Demand Promissory Note for full Facility by each Company and CMTL separately; (viii) Assignment by way of security of all rights, title and interest of (i) the Company in the Bangalore Private Freight Terminal Project including the right to acquire the Bangalore Private Freight Terminal Project land from the Promoters; and (ii) the Promoter to acquire the Bangalore Private Freight Terminal Project land admeasuring approximately upto 55 acres (The Charge would be created as and when the assets are acquired)		After 2 Years but within 5 Years	578.18	-
Total B			800.00	-
Total A+B			3,812.73	2,839.48

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Subsidiary Company - Erstwhile Kaveri Warehousing Private Limited

₹ in million

Security	Rate of Interest	Terms of repayment	Loan Amount		
			March 31, 2014	March 31, 2013	March 31, 2012
- Hypothecation of movable assets except which are funded by L&T Finance, Indusind BANK, ICICI BANK, HDFC BANK and Sundaram Finance - Extension of charges over primary security as applicable to cash credit Personal Guarantee of a directors	14.75%	Within 1 Year	-	-	5.08
Total			-	-	5.08

Subsidiary Company - Continental Multimodal Terminals Limited

₹ in million

Security	Rate of Interest	Terms of repayment	Loan Amount		
			March 31, 2014	March 31, 2013	March 31, 2012
- Secured Loans from IDBI and Bank of India has Joint Pari-passu first charge and mortgage on the movable and immovable assets of the Company, present and future. Further, Mortgage on the Land at Thimmapur Village, Kothur Mandal, Mahaboobnagar District and also the personal guarantee of Director & Corporate Guarantee of M/s. Continental Warehousing Corporation Limited	Base rate + 3.25% for IDBI and Base rate + 3.3% for Bank of India.	Within 1 Year	77.80	-	-
		1 Year but within 2 Years	108.00	-	-
		2 Years but within 5 Years	397.09	-	-
Total			582.89	-	-

Subsidiary Company -Continental Multimodal Terminals Limited ("CMTL")**For financial year ended March 31, 2015**

Long term borrowings consists of secured loans from IDBI and Bank of India for Rs 335.90 million and Rs 226.00 million respectively. The term loans carry an interest rate of Base rate + 3.25% for IDBI and Base rate + 3.3% for Bank of India. These loans are repayable in 19 quarterly installments after moratorium of 12 months from the cut off date i.e.

01.01.2014. These term loans have been secured by:

- Joint Pari-passu first hypothecation of the movable assets including Plant & Machinery etc, of the CMTL
- Joint Pari-passu first charge on land admeasuring Acres 46.75 situated at Thimmapur Village, Mahboobnagar
- Joint Pari-passu first charge on movable & immovable assets of the CMTL
- Joint Pari-passu second charge on entire current assets of both present & future of the CMTL
- Personal guarantee of Mr. N.Adikesavulu Reddy (Director) & Corporate guarantee of M/s. Continental Warehousing Corporation Limited.

For financial year ended March 31, 2016

* Long term borrowings for FY 2014-15 consists of loan taken from IDBI & Bank of India. This loan has been repaid during FY 2015-16 out of proceeds of loan taken from "M/s.IndoStar Capital Finance Limited" (ISCFL). Loan outstanding on 31st March 2016 consists of secured loans from "M/s.Indostar Capital Finance Limited" and "Ambit Finvest Private Limited" for Rs 300.00 million and Rs 50.00 million respectively. The term loans carry an interest rate of Base Rate plus 3.40% for ISCFL and 13.5% for "Ambit Finvest Private Limited"(AFPL). ISCFL loans are repayable in 35 equated monthly installments after the expiry of 24 months moratorium. AFPL loan is repayable in 12 equated monthly installments after the expiry of 12 months moratorium. These term loans have been secured by -

(i) With respect to IndoStar Capital Finance Limited loan:

- First exclusive charge on over all the present and future fixed (movable and immovable) and current assets of the borrower.
- First exclusive charge on over all the Assets acquired/to be acquired by CWCNSL using IndoStar facility with respect to the PFT project at Bangalore.
- Personal guarantee from promoters

(i) With respect to Ambit Finvest Private Limited loan:

- First exclusive charge by way of Hypotecation over present and future current assets of the borrower.

Vehicles Loan from bank for Holding Company -Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Rate of Interest	Terms of repayment	Loan Amount				
			March 31, 2016	As at March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Secured Vehicle loans are secured by hypothecation of vehicles	March 31,2012: to 2016: 9.65% to 11.75%	Within 1 Year	41.09	43.22	32.33	29.11	16.69
		1 Year but within 2 Years	10.32	39.86	33.46	30.74	16.30
		2 Years but within 5 Years	6.95	8.96	28.97	59.94	48.24
		After 5 Years but within 10 Years	-	4.03			
Total			58.36	96.06	94.76	119.79	81.22

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Yard Equipment Loan from bank for Holding Company -Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Rate of Interest	Terms of repayment	Loan Amount				
			March 31, 2016	As at March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Yard equipments finance loan are secured by way of hypothecation of Company's commercial vehicles (Reach stackers, forklift and tippers)	March 31,2012, to 2016: 9.95% to 12.75%	Within 1 Year	62.19	38.40	33.40	37.26	33.70
		1 Year but within 2 Years	55.83	25.68	25.94	35.26	37.59
		2 Years but within 5 Years	58.49	5.51	11.55	37.49	72.38
Total			176.51	69.58	70.89	110.00	143.67

Subsidiary Company - Delex Cargo (India) Private Limited ("Delex")

For the financial year March 31, 2016 and 2015

Secured Vehicle loans from Banks: For March 31, 2016: Rs. 22.40 millions and March 31, 2015: 34.70 million are secured by hypothecation of vehicles acquired under agreements and personal guarantees of directors.	Repayable in equal monthly instalments ranging from 35 months to 59 months along with interest ranging from 9.75% to 11.51% p.a and last instalment due in March 2018.
Secured Vehicle loans from Financial Institutions : For March 31, 2016: Rs. 3.60 million and March 31, 2015: Rs 6.40 are secured by hypothecation of vehicles acquired under agreements and personal guarantees of directors	Repayable in equal monthly instalments 35 to 36 months along with interest ranging from 9.69% to 11.66% last instalment due in Aug 2018.

Subsidiary Company - Delex Cargo India Private Limited for financial year ended March 31, 2012 to 2014

Particulars	Year	Interest	₹ in million	Term of repayment
Secured Vehicle loans are secured by hypothecation of equipments	March 31, 2012	8.78% to 13.00%	11.87	Repayable in equal monthly instalments ranging from 35 and 36 months and last instalment due in February 2012
	March 31, 2013	8.56% to 16.56%	195.93	Repayable in equal monthly instalments ranging from 22 months to 59 months and last instalment due in March 2016
	March 31, 2014	8.56% to 16.56%	105.30	Repayable in equal monthly instalments ranging from 22 months to 59 months and last instalment due in June 2016

Subsidiary Company - Erstwhile Kaveri Warehousing Private Limited

Particulars	Year	Interest	₹ in million	Term of repayment
Secured Vehicle loans are secured by hypothecation of vehicles	March 31, 2012	8.56% to 14.86%	251.55	Repayable in equal monthly instalments ranging from 22 months to 59 months and last instalment due in March 2016

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Holding Company -Continental Warehousing Corporation (Nhava Seva) Limited

Against borrowing for March 31, 2016: Rs 135.10 million and March 31, 2015: Rs 37.10 million Rs 53.10 million for March 31, 2014, Rs 2.90 million for March 31, 2013 and Rs 23.80 million for March 31, 2012

First ranking charge, on all current assets of the Borrower, both present and future (Excluding all cash flows, revenues, receivables in connection with Ahmadabad and Panipat Project).

Second ranking charge on, all immovable/moveable fixed assets of the Borrower (Excluding any equipment already hypothecated to equipment financiers). The Cash credit is repayable on demand.

Subsidiary Company -Continental Multimodal Terminals Limited (CMTL)

Against borrowing for March 31, 2016: Rs nil, March 31, 2015: 5.70 million Rs 8.40 million for March 31, 2014

First charge on entire current assets of the CMTL, both present & future, Second charge on entire fixed assets of the CMTL and Personal guarantee of Mr. N.Adikesavulu Reddy (Director) & Corporate guarantee of M/s. Continental Warehousing Corporation Limited.

Subsidiary Company - Delex Cargo (India) Private Limited

Against borrowing for March 31, 2016: Rs 6,370 million and March 31, 2015: Rs 6,253 million Rs 435.20 million for March 31, 2014, Rs 536.70 million for March 31, 2013 and Rs 2013 lakhs for March 31, 2012

Cash credit from bank is secured by hypothecation of current assets, corporate guarantee of Continental Warehousing Corporation (Nhava Seva) Ltd and personal guarantee of directors.

Subsidiary Company - Delex Cargo (India) Private Limited

Against Cash credit of Rs 60.10 million for March 31, 2012 and Seller credit of Rs 99.76 million for March 31, 2012

Cash credit and sellers credit loans from bank is secured by hypothecation of current assets and personal guarantee of directors.

Unsecured loan

Subsidiary Company - Erstwhile Kaveri Warehousing Private Limited

Particulars	Year	Interest	₹ in million	Term of repayment
Unsecured loan from bank	March 31, 2012	16.02%	5.00	Repayable in equal monthly instalments ranging from 22 months
	March 31, 2013	16.02%	2.70	

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

37 General Information:

Disclosures mandated by Schedule III of Companies Act 2013, by way of additional information.

For Financial year ended March 31, 2016

Name of the entities	Net assets i.e. Total assets minus total liabilities		Share in profit/(loss)	
	As a % of consolidated net assets	₹ in million	As a % of consolidated net profit	₹ in million
Holding Company				
Continental Warehousing Corporation (Nhava Seva) Li	79%	7,710.30	82%	408.07
Subsidiaries				
Delex Cargo India Private Limited	10%	1,013	19%	93.70
Chetana Multitrade Private Limited	0%	(0)	0%	(0.04)
Continental Mega Food Park Private Limited		(0)	0%	(0.04)
Continental Multimodal Terminals Limited	11%	1,058	-(1)%	(4.11)
Total		9,781.01		497.58
Inter Company eliminations and Consolidation adjustment		(1,612.92)		18.04
Total		8,168.09		515.62
Minority interest in subsidiaries	-(1)%	(56.94)	(0)%	(0.28)

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

For Financial year ended March 31, 2015

Name of the entities	Net assets i.e. Total assets minus		Share in profit/(loss)	
	As a % of consolidated net assets	₹ in million	As a % of consolidated net profit	₹ in million
Holding Company				
Continental Warehousing Corporation (Nhava Seva) Li	81%	7,057.72	96%	476.51
Subsidiaries				
Delex Cargo (India) Private Limited	11%	929.67	29%	141.57
Chetna Multitrade Private Limited	0%	(0.30)	0%	(0.03)
Huma Multitrade Private Limited	0%	(0.29)	0%	(0.03)
Continental Multimodal Terminals Limited	8%	747.10	-25%	(123.83)
Continental Mega Food Park Private Limited	0%	0.18	0%	(0.02)
Total		8,734.09		494.17
Inter Company eliminations and Consolidation adjustment		(1,326.41)		31.86
Total		7,407.68		526.03
Minority interest in subsidiaries	(1)%	51.60	-(3)%	(16.40)

For Financial year ended March 31, 2014

Name of the entities	Net assets i.e. Total assets minus total liabilities		Share in profit/(loss)	
	As a % of consolidated net assets	₹ in million	As a % of consolidated net profit	₹ in million
Holding Company				
Continental Warehousing Corporation (Nhava Seva) Li	86%	6,503.61	82%	506.79
Subsidiaries				
Delex Cargo India Private Limited	11%	820.97	24%	148.97
Huma Multitrade Private Limited	0%	(0.26)	0%	(0.04)
Chetana Multitrade Private Limited	0%	(0.26)	0%	(0.04)
Continental Multimodal Terminals Limited	3%	255.21	0%	-
Associates				
Continental Multimodal Terminals Limited	0%	-	-6%	(35.23)
Total		7,579.27		620.45

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Inter Company eliminations and Consolidation adjustment		(787.34)		17.41
Total		6,791.93		637.86
Minority interest in subsidiaries	(1)%	38.27	-	-
		6,830.20		637.86
For Financial year ended March 31, 2013				
Name of the entities	Net assets i.e. Total assets minus total liabilities		Share in profit/(loss)	
	As a % of consolidated net assets	₹ in million	As a % of consolidated net profit	₹ in million
Holding Company				
Continental Warehousing Corporation (Nhava Seva) Li	89%	5,825.19	98%	488.29
Subsidiaries				
Delex Cargo India Private Limited	11%	691.11	10%	47.71
Associates				
Continental Multimodal Terminals Limited	-	-	-8%	(39.72)
Total		6,516.30		496.28
Inter Company eliminations and Consolidation adjustment		(533.86)		7.70
Total		5,982.44		503.98

Annexure V-Notes to Restated Consolidated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

For Financial year ended March 31, 2012

Name of the entities	Net assets i.e. Total assets minus total liabilities		Share in profit/(loss)	
	As a % of consolidated net assets	₹ in million	As a % of consolidated net profit	₹ in million
Holding Company				
Continental Warehousing Corporation (Nhava Seva) Li	93%	4,664.16	106%	530.02
Subsidiaries				
Delex Cargo India Private Limited	-1%	(56.01)	-16%	(78.97)
Kaveri Warehousing Private Limited	8%	418.38	15%	73.41
Associates				
Continental Multimodal Terminals Limited	-	-	-4%	(22.49)
Total		5,026.53	100%	501.97
Inter Company eliminations and Consolidation adjustment	-(4)%	(220.81)	2%	9.69
Total		4,805.72		511.66

38 Corporate Social Responsibility Expenditure

Rs in Million

Gross amount required to be spent by the Group during financial year ended March 31, 2016	13.75
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Amount spent during financial year March 31, 2016: Rs Nil

39 In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the balance sheet, if realised in the ordinary course of the business. The provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary.

40 Amount below the norms adopted by the Group has been disclosed as nil.

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

Summarized below are the restatement adjustments made to the audited financial statements for the fiscal year ended March 31, 2016, 2015, 2014, 2013 and 2012 and their impact on the profit of the Group:

₹ in million

Particulars	For the year				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A. Adjustments:					
Material Restatement Adjustments (Excluding those on account of changes in accounting policies):					
(i) Audit Qualifications	-	-	-	-	-
Total:		-	-	-	-
(ii) Other material adjustments					
(a) Bad debts written off (Refer note a below)	-	-	7.90	(3.55)	1.45
(b) Provision for Doubtful debts (Refer note b below)	79.67	13.60	34.90	42.44	(28.64)
(c) Sundry balances written back (Refer note c below)	-	(5.99)	(3.88)	1.53	-
(d) Sundry balances written off (Refer note d below)	8.24	(6.77)	(1.47)	-	-
(e) Prior year tax adjustment (Refer note e below)	5.86	0.63	-	(5.86)	1.04
(f) MAT credit (Refer note f below)	(496.34)	48.81	108.90	47.71	103.86
Total: Other material adjustments	(402.57)	50.28	146.35	82.27	77.71
Less: Deferred tax on above adjustment	30.42	0.29	12.96	13.99	(9.41)
Other material adjustments after deferred tax	(432.99)	49.99	133.39	68.28	87.12
B. Adjustments on account of changes in accounting	-	-	-	-	-
Total impact of Adjustments	(432.99)	49.99	133.39	68.28	87.12

- (a) In the audited financial statements of the Group for the years ended March 31, 2012 to 2016, trade receivable, which were considered bad and written off for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (b) In the audited financial statements of the Group for the year ended March 31, 2012 to 2016, trade receivables, which were considered doubtful and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

- (c) In the audited financial statements of the Group for the financial years ended on March 31, 2012 to 2016, trade payable, which were considered no more payable and written back, appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (d) In the audited financial statements of the Group for the year ended March 31, 2012 to 2016, other advance which were considered bad and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (e) In the audited financial statements of the Group for the year ended March 31, 2012 to 2016 taxes have been accounted for pertaining to earlier years based on intimations/ orders received from Income-tax authorities. For the purpose of the statements, such items have been appropriately adjusted to the respective years to which they relate.
- (f) In the audited financial statements of the Group for the financial years ended on March 31, 2012 to 2016, Group has not accounted the MAT credit available under Section 80IA of Income tax Act on account of prudence as the Income Tax officer issued an order under Section 143(3) of the Income Tax Act, for various Assessment Years, disallowing the claim of deduction by the Group under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest. During the year ended March 31, 2016, the Honourable High Court of Bombay held the Group is eligible for deduction under this Section hence the Group has accounted MAT Credit and appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (g) The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on adjustments.

(h) Opening Reserve Reconciliation

	₹ in million
Surplus in statement of Profit and Loss, as per audited Standalone Financial Statement as at April 1, 2011	1,021.28
Adjustment on account of Restatements:-	
Bad Debts (Net of deferred tax)	(6.12)
Sundry balances Write back (Net of deferred tax)	9.24
Tax for earlier year	(1.67)
MAT Credit for earlier year	187.06
Surplus as per Restated Standalone Financial Information as at April 1, 2011	1,209.79

(A) Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2014-15:

- 1 In our opinion, and according to the information and explanations given to us and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Holding Company and its subsidiary and the nature of their respective businesses for the purchase of fixed assets and for the sale of services. Further, on the basis of our examination of the books and records of the aforesaid Holding Company and the reports of the other auditors on the subsidiary as furnished to us, and according to the information and explanations given to us, we have neither come across, nor have been informed of, any continuing failure to correct major weaknesses in the aforesaid internal control system.

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

In case of one of the subsidiary company, according to the information and explanations given to us and based on the reports of the other auditors on the subsidiary as furnished to us, generally there is an internal control commensurate with the size of the subsidiary company and the nature of its business with regard to purchase of fixed assets and sale of services. However during the year as mentioned in Note 45 to the financial statements, there were missing stocks worth Rs.17.00 million due to wrong delivery by one of the employee. The internal control is not adequate and to correct the major weakness in the internal control system, the Management of subsidiary company has taken steps to strengthen the same.

- 2 a) In our opinion and according to the information and explanations given to us and the records of the Holding Company as examined by us, and based on the reports of the other auditors of the Holding company's subsidiary company except for dues in respect of income tax, the aforesaid Holding Company and its subsidiary company are regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise and value added tax and other material statutory dues, as applicable, with the appropriate authorities.

In case of a subsidiary company, based on the reports of the other auditors of the subsidiary company, undisputed statutory dues including income-tax, service tax, provident fund, employees' state insurance and professional tax have not been regularly deposited with the appropriate authorities and there have been serious delays in a large number of cases

The extent of the arrears of statutory dues outstanding as at March 31, 2015, for a period of more than six months from the date they became payable are as follows:

₹ in million					
Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment
The Income Tax Act 1961	Advance Tax	22.56	A Y 15-16	September 15, 2014	Not yet paid
The Finance Act, 1994	Interest on service tax	2.45	April 2014 to September 2014	Various	Unpaid

(b) According to the information and explanations given to us and the records of the Holding Company examined by us, and based on the reports of the other auditors of the Holding company's subsidiaries, there are no dues of sales-tax, wealth-tax, duty of custom, duty of excise and value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax, service tax, as at March 31, 2015 which have not been deposited on account of a dispute, are as follows

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act 1961	Income Tax	55.99	A.Y 2009-10	ITAT Pune
The Income Tax Act 1961	Income Tax	99.94	A.Y 2010-11	Commissioner of Income Tax (Appeals) Thane*
The Income Tax Act 1961	Income Tax	68.42	A.Y.2011-12	Commissioner of Income Tax (Appeals) Thane
The Income Tax Act 1961	Income Tax	85.37	A.Y 2012-13	Commissioner of Income Tax (Appeals) Thane
The Finance Act, 1994	Service tax (including interest and penalty)	9.67	January 2003 to March 2004	CESTAT
The Finance Act, 1994	Service tax (including interest and penalty)	6.90	November 2007 to December 2007	Commissioner (Appeals)
The Finance Act, 1994	Service tax (including interest and penalty)	1.38	October 2008 to December 2008	Madras High Court
The Finance Act, 1994	Service tax (including interest and penalty)	42.65	February 2009 to December 2009	Commissioner (Appeals)

*The Commissioner of Income Tax (Appeals) vides its Order dated June 26, 2014 allowed the appeal of the Company and Company has filled the refund letter dated August 1, 2014.

- 3 According to the records of the Holding Company, examined by us and the information and explanations given to us and based on the reports of the other auditors furnished to us, except for dues to its bankers amounting to Rs.7.51 million by way of repayment of interest for the period February 2015 and March 2015 and dues to financial institution and bank for the period from April 01, 2014 to March 31, 2015 aggregating Rs. 10.13 million, with respect to various commercial vehicle loans by the subsidiary companies, the Holding Company and its subsidiaries have not defaulted in repayment of dues to any financial institution or bank. The Holding Company and its subsidiaries have not borrowed by issue of debentures during the year and accordingly there are no debentures holders as at the balance sheet date.

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

4 During the course of our examination of the books and records of the Holding Company carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us and based on the reports of the other auditors, we/the other auditors have neither come across any instance of material fraud on or by the Holding Company and its subsidiaries noticed or reported during the year, nor have we/the other auditors been informed of any such case by the respective Managements of the aforesaid Holding Company and its subsidiaries except in case of one of the subsidiary company as mentioned in Note No.45 to Consolidated Financial Statement , it was found that stock worth Rs.17.00 million stored by the various customers were missing from the warehouse due to wrong delivery by one of the employee. On a complaint made, a case has been registered and on investigation, goods worth Rs. 15.10 million have been recovered. Provision for loss has been made for the balance Rs.1.90 million.

(B) Emphasis of Matter

Financial year 2015-16

1 Note No. 46 to the Financial Statements, regarding loans granted by the Holding Company, aggregating Rs 118.00 million during the year ended March 31, 2014 to another company in which a Director of the Holding Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Holding Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.

Financial year 2014-15

- 1 Note No.43 (a) to the Consolidated Financial Statements, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to the holding Company.
- 2 Note No.43 (b) to the Consolidated Financial Statements, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 with regard to a subsidiary company.
- 3 Note No. 45 to the Consolidated Financial Statements in respect of missing stocks due to wrong delivery by an employee of goods stored in the warehouse is estimated at Rs. 17.00 million of which goods valued Rs. 15.10 million were since recovered and the balance Rs. 1.9 million has been provided for.
- 4 Note No. 44 to the Consolidated Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the previous year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.

Annexure VI Statement on Adjustments to Audited Consolidated Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

Financial year 2011-12, 2012-13 and 2013-14

- 1 Note 2(A)(i) to the special purpose consolidated financial statements, which describes the basis of its preparation. The special purpose consolidated financial statements are not the statutory financial statements of the Holding Company, and are not intended to, and do not, comply with the disclosure provisions applicable to statutory financial statements prepared under the Companies Act, 1956/Companies Act, 2013, as those are considered irrelevant by the Management and the intended users of the special purpose consolidated financial statements for the purposes for which those have been prepared. Our opinion is not qualified in respect of this matter.
- 2 Note 48 to the special purpose consolidated financial statements with respect to the loans granted by Holding Company aggregating to Rs. 1,180 lakhs during the year ended March 31, 2013 and March 31, 2014 to another company in which a director of the Holding Company holds more than 25% of the total voting power, without obtaining prior approval of the Central Government as required under section 295 of the Companies Act, 1956. The Holding Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter

Annexure VII-Restated Consolidated Statement of Secured Borrowings of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Long term borrowings (Refer annexure VIIA) Secured term loans:					
From banks					
Term loans	2,200.24	2,263.61	1,106.64	365.94	638.35
Vehicle Loan	25.78	55.60	96.33	184.38	203.60
Yard Equipment Loan	91.30	11.55	37.49	66.40	93.65
From Other than banks					
Term loans	1,743.35	876.74	831.35	602.34	555.47
Vehicle Loan	2.45	8.08	6.40	15.30	30.31
Yard Equipment Loan	22.97	19.64	-	6.34	16.34
Sub-total (A)	4,086.09	3,235.22	2,078.21	1,240.70	1,537.72
Short term borrowings (Refer annexure VIIA) Secured short term borrowings					
Cash credit	772.09	668.15	496.74	539.60	285.16
Sellers credit	-	-	-	-	99.76
Sub-total (B)	772.09	668.15	496.74	539.60	384.92
Current portion of Secured long term borrowings, included in Other Current Liabilities (Refer annexure VIIA) (Refer note 6 of annexure V)					
From bank					
Term loan	168.05	238.89	135.29	67.85	68.41
Vehicle loan	49.48	64.26	81.53	98.21	81.78
Yard equipment loan	41.11	25.87	33.40	37.26	33.70
From other than bank					
Term loan	51.09	22.21	119.80	119.76	151.68
Vehicle loan	6.59	9.28	15.80	17.78	28.98
Yard equipment loan	21.09	12.53	-	-	-
Sub-total (C)	337.41	373.04	385.82	340.86	364.55
Total (A+B+C)	5,195.59	4,276.41	2,960.77	2,121.16	2,287.19

Annexure VII (A) Restated Consolidation Statement of Principle Terms of Secured borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

Sl. No.	Lender	Nature of Facility (Term Loan-INR/FCY, Working Capital Facility-Cash credit/ Packing credit, Short term Loan, Loan for leased assets)	Loan currency	Amount Sanctioned (Rs. in million)	Amount Outstanding as at 31.03.16 (Rs. in Million)	Rate of Interest %	Repayment Terms	Other Principal Terms and Conditions
1	IDFC Bank Limited	Term Loan	INR	500.00	41.15	12.50	Principal Repayment payable in 22 Quarterly instalments commencing from Jan 1, 2012	Refer note-1
		Term Loan	INR	200.00	166.15	12.50	Principal Repayment payable in 31 Quarterly instalments commencing from Oct 1, 2013	Refer note-1
		Term Loan	INR	262.50	242.16	12.50	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
2	Indusind Bank Limited	Term Loan	INR	142.87	127.67	12.35	Principal Repayment payable in 27 Quarterly instalments commencing from Oct 1, 2014	Refer note-1
		Term Loan	INR	192.98	21.48	12.35	Principal Repayment payable in 20 Quarterly instalments commencing from July 1, 2012	Refer note-1
		Term Loan-Vehicle/Equipment loan	INR	18.00	18.00	12.00	Repayable in equal monthly instalments 35 months and last instalments due in February 2019	Refer note-4
		Cash credit	INR	50.00	32.48	12.35	Repayable on Demand	Refer note-3
3	Aditya Birla Finance Limited	Term Loan	INR	429.55	396.26	12.25	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
		Term Loan	INR	610.40	598.19	12.25	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
4	Axis Bank Limited	Term Loan	INR	357.93	330.19	12.00	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
		Term Loan	INR	952.00	942.48	12.00	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
		Term Loan-Vehicle/Equipment loan	INR	23.00	16.17	10.15 and 10.16	Repayable in equal monthly instalments 47 months and last instalments due in October 10, 2018	Refer note-4

Annexure VII (A) Restated Consolidation Statement of Principle Terms of Secured borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

		Term Loan-Vehicle/Equipment loan	INR	46.00	12.38	9.75	Repayable in equal monthly instalments 47 months and last instalments due in January 2017	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	47.00	9.83	10.93	Repayable in equal monthly instalments 60 months and last instalments due in January 2017	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	74.65	66.99	9.95	Repayable in equal monthly instalments 46 months and last instalments due in July 20, 2019	Refer note-4
		Cash credit	INR	130.00	102.587	12.00	Payable on demand	Refer note-3
		Cash credit	INR	670.00	637.03	12.00	Payable on demand	Refer note-7
5	The Jammu & Kashmir Bank Limited	Term Loan	INR	150.00	147.00	12.00	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
6	Indostar Capital Finance Limited	Term Loan	INR	800.00	800.00	12.70	Principal Repayment payable in 36 Monthly instalments commencing from June 15, 2017	Refer note-2
		Term Loan	INR	300.00	300.00	12.70	Principal Repayment payable in 36 Monthly instalments commencing from June 15, 2017	Refer note-5
7	ICICI Bank Limited	Term Loan-Vehicle/Equipment loan	INR	1.75	0.77	11.25	Repayable in equal monthly instalments 36 months and last instalments due in April 2017	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	24.88	4.71	10.93	Repayable in equal monthly instalments 60 months and last instalments due in December 2016	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	44.30	43.22	11.10	Repayable in equal monthly instalments 35 months and last instalments due in January 2019	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	1.00	0.82	10.25	Repayable in equal monthly instalments 35 months and last instalments due in August 2018	Refer note-4
		Vehicle loan	INR	32.26	2.17	11.10	Repayable in equal monthly instalments 59 months and last instalments due in June 2016	Refer note-4
8	HDFC Bank Limited	Term Loan-Vehicle/Equipment loan	INR	5.30	4.69	9.72	Repayable in equal monthly instalments 60 months and last instalments due in July, 2020	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	4.10	0.91	11.00	Repayable in equal monthly instalments 48 months and last instalments due in December 2016	Refer note-4

Annexure VII (A) Restated Consolidation Statement of Principle Terms of Secured borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

		Term Loan-Vehicle/Equipment loan	INR	5.11	0.64	10.52	Repayable in equal monthly instalments 36 months and last instalments due in July 2016	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	2.50	0.49	11.00	Repayable in equal monthly instalments 48 months and last instalments due in November 2016	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	9.70	1.64	11.00	Repayable in equal monthly instalments 59 months and last instalments due in November 2016	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	39.31	2.55	11.00	Repayable in equal monthly instalments 59 months and last instalments due in June 2016	Refer note-4
		Vehicle loan	INR	14.40	0.98	10.50	Repayable in equal monthly instalments 36 months and last instalments due in May 2017	Refer note-4
		Vehicle loan	INR	4.46	1.89	10.50	Repayable in equal monthly instalments 36 months and last instalments due in May 2017	Refer note-4
9	Sundaram Fianance Limited	Term Loan-Vehicle/Equipment loan	INR	12.00	6.35	11.91	Repayable in equal monthly instalments 36 months and last instalments due in August 2017	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	26.60	13.29	12.11	Repayable in equal monthly instalments 36 months and last instalments due in July 2017	Refer note-4
10	Tata Capital Finance Services Limited	Term Loan-Vehicle/Equipment loan	INR	12.46	6.94	11.75	Repayable in equal monthly instalments 35 months and last instalments due in September 2017	Refer note-4
		Term Loan-Vehicle/Equipment loan	INR	26.14	24.42	11.85	Repayable in equal monthly instalments 35 months and last instalments due in January 2019	Refer note-4
11	Ambit Finvest Private Limited loan	Working Capital term loan	INR	50.00	50.00	13.50	Repayable in equal monthly instalments 35 months and last instalments due in January 2019	Refer note-6
12	Yes Bank Limited	Vehicle loan	INR	23.00	16.46	10.75	Principal Repayment payable in 35 Monthly instalments commencing from March 2018	Refer note-4
13	Bank of Baroda	Vehicle loan	INR	2.00	0.85	11.10	Principal Repayment payable in 35 Monthly instalments commencing from February 2018	Refer note-4
14	Kotak Bank Limited	Vehicle loan	INR	0.68	0.47	10.46	Principal Repayment payable in 48 Monthly instalments commencing from October 2018	Refer note-4

Annexure VII (A) Restated Consolidation Statement of Principle Terms of Secured borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

15	SREI Equipment Finance Private Limited	Vehicle loan	INR	12.20	1.19	9.77	Principal Repayment payable in 35 Monthly instalments commencing from July 2016	Refer note-4
16	Toyota Financial Services	Vehicle loan	INR	2.29	1.94	9.69	Principal Repayment payable in 35 Monthly instalments commencing from August 2018	Refer note-4
			Total		5,195.59			

Note -1

(i) A first ranking mortgage / charge / assignment / Security Interest on;

(a) All the immoveable properties of the borrower (including the Ahmedabad and Panipat or otherwise), both present and future;

(b) All moveable fixed assets of the borrower (both intangible and tangible) (including the Ahmedabad and Panipat or otherwise) (excluding assets charged to equipment finance lenders), present and future;

(c) All of the borrower's rights, titles and interest under each of the project documents and all the borrower's rights, titles and interest under all approvals, including all licences, permits, concessions and consents in respect of or in connection with Ahmedabad and Panipat, to the extent assignable under Applicable Law;

(d) All the borrower's bank accounts in relation to Ahmedabad and Panipat and each of the other accounts required to be created by the borrower under any transaction documents, including without limitation the Trust and Retention Account, Permitted Investments and the DSRA, including in each case, all monies lying credited/ deposited into such accounts;

(e) All the Insurance Contracts together with any receivables there under.

(ii) A second ranking charge on all current assets of the borrower, both present and future;

(iii) A first ranking pledge having a cover of 1.25 times the Loan subject to a maximum of 26% of the equity shares of the borrower held by the Promoters and non disposal undertaking by the Promoters in relation to the remaining Equity Shares held by them in the Borrower;

(iv) Negative lien on the immovable assets of the Borrower situated at Indore.

(v) All cashflows, revenues and receivables of the borrower of or in connection with the Ahmedabad and Panipat, both present and future.

Note -2

(i) First exclusive charge, in such form and manner as the Lender may require, over all present and future fixed (movable and Immoveable) and Second ranking charge on current assets of Continental Multimodal Terminal Limited (CMTL), subsidiary of the borrower Including the private freight terminal project at Hyderabad;

(ii) First exclusive charge, In such form and manner as the Lender may require, over all the assets acquired/to be acquired by borrower using Indostar Facility with respect to the private freight terminal project at Bangalore;

(iii) First exclusive charge, in such form and manner as the Lender may require, over all the specified assets acquired/to be acquired by the Promoters for the benefit of borrower using Indostar Facility with respect to the private freight terminal project at Bangalore;

(iv) Personal Guarantee from the Promoters which shall be valid and subsisting till the time adequate security is created by borrower over the specified assets acceptable to the Lender;

(v) Pledge of entire stake of holding Company in CMTL (being minimum of 92% which is held as on date); (In Demat Form);

(vi) Assignment of Insurance policies in favour of the Lender for the assets charged to the Lender;

(vii) Demand promissory Note for full facility by each borrower and CMTL separately;

(viii) Such other security as mutually agreed between the borrower and the lender for further securing the Facility;

(ix) Assignment by way of security of all rights, title and interest of (i) the borrower in the Bangalore Private Freight Terminal Project including the right to acquire the Bangalore Private Freight Terminal Project land from the Promoters; and (ii) the Promoter to acquire the Bangalore Private Freight Terminal Project land admeasuring approximately upto 55 acres.

Note -3

(i) First ranking charge, on all current assets of the Borrower, both present and future;

(ii) Second ranking charge on, all immovable/moveable fixed assets of the Borrower (Excluding any equipment already hypothecated to equipment financiers).

Note -4

(i) Vehicles/equipments are secured by hypothecation of the vehicles for which the loan is taken.

Note -5

(i) With respect to IndoStar Capital Finance Limited loan:

(a) First exclusive charge on over all the present and future fixed (movable and immovable) and current assets of the borrower.

(b) First exclusive charge on over all the Assets acquired/to be acquired by Holding Company using IndoStar facility with respect to the PFT project at Bangalore.

(c) Personal guarantee from promoters

Note -6

(i) With respect to Ambit Finvest Private Limited loan:

(a) First exclusive charge by way of Hypothecation over present and future current assets of the borrower.

Note -7

Working capital loans from bank is secured by hypothecation of current assets, corporate guarantee of Holding Company and personal guarantee of directors.

Annexure VIII-Restated Consolidated Statement of Unsecured Borrowings of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Unsecured Long term loans:					
From bank (Refer note a)	-	-	-	-	2.68
From related party (Refer note b)	1.14	1.14	1.14	-	-
From director (Refer note c)	-	-	-	-	0.25
Sub-total (A)	1.14	1.14	1.14	-	2.93
Unsecured short term borrowings					
Inter corporate deposit (Refer note d)	10.00	-	-	-	-
Related party (Refer note e)	-	-	2.05	3.00	2.98
Sub-total (B)	10.00	-	2.05	3.00	2.98

Notes:

- (a) Unsecured loan from bank is repayable in equal monthly instalments 22 months equal instalments and carrying interest @ 13.25%
- (b) Interest free unsecured loan from Continental Warehousing Corporation Limited, a related party is repayable on demand after 3 years
- (c) Interest free unsecured loan from Mr. N. Adikesavulu Reddy, director is repayable on demand after 1 year
- (d) Inter corporate deposit is repayable on demand.
- (e) Interest free unsecured short term loan from related party is repayable on demand (Refer note 19 of annexure V)

The list of persons/entity classified as "Promoters and promoter group company" has been provided by the management and relied upon by the auditors.

Annexure IX-Restated Consolidated Statement of Other Long Term Liabilities of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Security deposits from customers	8.41	6.41	8.70	-	-
Total	8.41	6.41	8.70	-	-

Annexure X-Restated Consolidated Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

NON CURRENT INVESTMENT

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Unquoted Equity Instruments (Valued at cost unless otherwise stated)					
Long Term- Non trade Investment					
March 31, 2014 to March 31, 2016: 3,48,400 Equity shares and March 31, 2012 to March 31, 2013 : 2,10,400 Equity shares of Rs.10 each fully paid in Saastha Warehousing Limited	3.48	3.48	3.48	2.10	2.10
Investment in Associate-Long term Trade Investment					
Continental Multimodal Terminals Limited (Refer note 7 below)	-	-	-	213.91	167.13
March 31, 2013: 19,986,183 and March 31, 2012: 15,032,863 Equity shares of Rs.10 each fully paid up in Continental Multimodal Terminals Limited					
Opening accumulated loss				(22.49)	
Add: Share in profit/(loss) during the year	-	-	-	(39.72)	(22.49)
Total	3.48	3.48	3.48	153.80	146.74

1 During the financial year March 31, 2014, the Company acquired 23,577,323 shares in Continental Multimodal Terminals Limited ("CMTL") for a total consideration of Rs. 172.57 million which was paid by issuing 1,475,000 fully paid equity shares of the Company and increased the shareholding in CMTL from 39% to 85%, thereby resulting in Continental Multimodal Terminals Limited becoming a subsidiary of the Company with effect from March 28, 2014 and resulting goodwill on consolidation of Rs. 71.58 million.

During the financial year ended March 31, 2015, the Company acquired 60,117,700 equity shares in Continental Multimodal Terminals Limited ("CMTL") by way of conversion of loan amounting to Rs. 601.18 million in to equity shares and increased the shareholding in CMTL from 85% to 93.10% and resulting additional goodwill on consolidation of Rs. 30.40 million.

Further, during the financial year ended March 31, 2016, the Company acquired 31,538,267 equity shares in CMTL for a total consideration of Rs. 315.38 million and increased the shareholding in CMTL from 93.10% to 94.62% and resulting additional goodwill on consolidation of Rs. 5.56 million.

2 During the financial year March 31, 2015, the Company incorporated a subsidiary Continental Mega Food Park Private Limited and subscribed to 15,010 equity shares for a total consideration of Rs. 0.15 million for a 75% shareholding and, during the financial year ended March 31, 2016, the Group has further acquired 5,000 equity shares for a consideration of Rs. 0.05 million and increased the shareholding in Continental Mega Food Park Private Limited to 100%.

3 During the financial year March 31, 2014, the Company acquired the entire paid up equity capital in Huma Multitrade Private Limited and Chetana Multitrade Private Limited, thereby resulting in Huma Multitrade Private Limited and Chetana Multitrade Private Limited becoming a wholly owned subsidiary of the Company with effect from April 15, 2013 and resulting goodwill on consolidation of Rs. 0.60 million.

Annexure X-Restated Consolidated Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

- 4 During the financial year March 31, 2012, the Company acquired the entire paid up equity capital in Delex Cargo India Private Limited, thereby resulting in Delex Cargo India Private Limited becoming a wholly owned subsidiary of the Company with effect from April 08, 2011 and resulting goodwill on consolidation of Rs. 281.55 million.
- 5 During the financial year ended March 31, 2016, the Company has divested its entire stake in Huma Multitrade Private Limited, a wholly owned subsidiary of the Company, w.e.f. 30th March, 2016 and resulting goodwill write off of Rs 0.40 million.
- 6 The Board of Directors of Kaveri Warehousing Private Limited ("Kaveri") approved a Scheme of Arrangement (the Scheme) for merger of the business of Kaveri with effect from appointed date, April 1, 2012 ('the Scheme'). The Scheme resulted the merger of Kaveri business into Delex Cargo India Private Limited ("Delex") another subsidiary of the Company. The Scheme was approved by Hon'ble High Court of Chennai vide its order dated December 20, 2013.

Further pursuant to the scheme, every shareholder holding 1 fully paid equity shares with a face value of Rs. 100 each in Kaveri has been allotted 40 fully paid equity share with a face value of Rs. 10 each of Delex. The Company has received 23,407,600 fully paid equity shares of Rs. 10 each in Delex against 585,190 equity shares of Kaveri.

- 7 Includes goodwill of Rs. 17.00 million for March 31, 2013 and 2012.
- 8 Goodwill on consolidation in financial statements are shown net of capital reserve of Rs. 98.20 million on account of consolidation of erstwhile Kaveri Warehousing Private Limited (KWPL). The said subsidiary has been merged with Delex Cargo India Private Limited with effect from 1st April 2012.

Annexure X-Restated Consolidated Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

CURRENT INVESTMENT

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
<u>At cost or market value, whichever is less:</u>					
Quoted					
ICICI Prudential Ultra Short Term-Regular Plan-Growth March 31, 2013: 2,552,236 Units of Rs. 10 each	-	-	-	30.00	-
Taurus Ultra Short Term Bond Fund - Existing Plan - Super Institutional Growth March 31, 2013: 21,868 Units of Rs. 1,000 each	-	-	-	30.00	-
Taurus Liquid Fund - Existing Plan - Super Institutional Growth March 31, 2015: 48,009 and March 31, 2013: 8,269 Units of Rs. 1,000 each	-	71.60	-	10.45	-
UTI Floating Rate Fund-STP-Regular Plan-Growth March 31, 2013: 34,801 Units of Rs. 1,000 each	-	-	-	65.00	-
Religare Invesco Credit Opportunities Fund-Growth March 31, 2015: 31,615 Units of Rs 1,000 each	-	50.00	-	-	-
Religare Invesco Ultra Short Term Fund-Growth March 31, 2015: 5,377 Units of Rs 1,000 each	-	10.00	-	-	-
Birla Sun Life Cash Manager-Growth Regular Plan March 31, 2015: 61,667 Units of Rs 200 each	-	20.00	-	-	-
JP Morgan India Liquid Fund-Super Institutional Plan-Growth March 31, 2015: 4,159,726 Units of Rs 10 each	-	75.05	-	-	-
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth March 31, 2015: 59,529 Units of Rs. 1,000 each	-	100.00	-	-	-
Total	-	326.65	-	135.45	-
Aggregate amount of quoted investments (At Cost)		326.65		135.45	
Aggregate amount of quoted investments (At market value)	-	272.329.78		136.76	

Annexure XI-Restated Consolidated Statement of Trade Receivables of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Trade Receivables					
Secured, considered good :					
Outstanding for a period exceeding 6 months from the date they are due for payment					
Others	-	-	-	-	21.28
Unsecured , Considered good:					
Outstanding for the period exceeding 6 months from the date they are due for payment	163.61	197.91	206.37	158.24	121.62
Others	1,157.21	1,047.54	1,163.65	985.14	612.85
	1,320.82	1,245.45	1,370.02	1,143.38	734.47
Total (A)	1,320.82	1,245.45	1,370.02	1,143.38	755.75
Unsecured , Considered doubtful:					
Outstanding for the period exceeding 6 months from the date they are due for payment	169.61	208.62	281.86	274.86	178.74
Others	-	-	-	-	6.62
Less : Provision for doubtful debts	(169.61)	(208.62)	(281.86)	(274.86)	(185.36)
	-	-	-	-	-
Total (B)	-	-	-	-	-
Total current trade receivables	1,320.82	1,245.45	1,370.02	1,143.38	755.75

Includes amount receivables companies in which directors are interested (who are also part of promoter/promoter group)
(Refer note 19 of Annexure V)

38.76 136.13 127.24 100.95 93.19

1. There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.

2. The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

Annexure XII-Restated Consolidated Statement of Loans & Advances of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Long-term loans and advances: [A] (Unsecured and considered good, unless otherwise stated)					
Capital Advances*	863.42	966.03	774.54	371.63	146.36
Loans and advances to related party (Refer note 19 of annexure V)					
Associates	-	-	-	299.84	196.94
Others	-	-	-	36.54	47.62
Other loans and advances;					
Advances to vendors and others					
Deposits**	248.04	227.77	204.66	165.77	98.17
Advance tax	199.22	163.54	132.64	77.18	15.50
(Net of provision for tax for March 31, 2016: Rs 199.40 million, March 31, 2015: Rs 266.10 million, March 31, 2014: Rs 202.50, March 31, 2013: Rs 166.20 million and March 31, 2012: Rs 1.7 million)					
Loans to Employees	1.00	2.47	2.66	4.94	4.87
Prepaid expenses	5.68	12.44	19.19	27.81	35.10
Total (A)	1,317.36	1,372.25	1,133.69	983.71	544.56
Short-term loans and advances: [B] (Unsecured and considered good, unless otherwise stated)					
Loans and advances to related parties (Refer note 19 of annexure V)	32.34	47.40	77.35	32.47	25.70
Deposits with related party (Refer note 19 of annexure V)	-	-	4.00	-	-
<u>Other Loans and Advances</u>					
Advances to vendors and others	68.39	91.06	113.93	101.91	260.12
Prepaid Expenses	44.19	19.62	22.16	20.96	31.21
Advance tax	-	9.12	-	-	-
Loans and advances to employees	2.70	4.07	3.54	6.50	7.46
Balances with government/statutory authorities	20.05	24.20	16.27	16.93	12.56
Others	-	-	5.17	-	-
Total (B)	167.67	195.47	242.42	178.77	337.05
Total (A+B)	1,485.03	1,567.72	1,376.11	1,162.48	881.61

* Includes advances given to companies in which directors are interested. (who are also part of promoter/promoter group)

** Includes deposits given to related parties and companies in which directors are interested.(who are also part of promoter/promoter group)

Note:

- There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.
- The list of person/entity classified as "Promoters and Promoter group company" has been provided by the management and relied upon the auditors.

Annexure XIII-Restated Consolidated Statement of Other Income of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Nature (Recurring/ Non-recurring)	For the Year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Other Income:						
Interest income on fixed deposits	Recurring	34.37	31.51	30.40	35.39	12.73
Interest income on income tax refund	Recurring	1.60	0.60	-	-	-
Interest income on loans to associates	Non-recurring	-	-	29.98	24.51	7.29
Dividend income from current investment	Non-recurring	-	-	-	-	0.40
Net gain on sale of current investment	Recurring	13.77	2.78	3.27	7.41	20.36
Profit on sale of fixed assets (net)	Non-recurring	-	-	-	10.15	-
Other non-operating income:						
Liability no longer required written back	Non-recurring	4.11	5.99	3.88	8.34	-
Miscellaneous income	Recurring	18.25	8.51	16.93	3.52	4.55
Total		72.10	49.39	84.46	89.32	45.33
Add/(Less) Restatement adjustments						
Liability no longer required written back (Refer annexure- VI)		-	(5.99)	(3.88)	1.53	-
Sub Total Restatement Adjustments		-	(5.99)	(3.88)	1.53	-
Total Other Income net of restatement adjustments		72.10	43.40	80.58	90.85	45.33

Notes:

- (1) The classification of income into recurring and non-recurring is based on the current operations and business activities of the Group.
- (2) All items of other Income are from normal business activities.

Annexure XIV-Restated Consolidated Statement of Accounting Ratios of Continental Warehousing Corporation (Nhava Seva) Limited

Sr. No.	Particulars	For the period ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
1	Restated Profit after Tax (₹ in million)	515.62	526.03	673.09	543.70	534.15
	Preference dividend	-	-	-	-	-
	Corporate dividend tax on preference dividend	-	-	-	-	-
2	Net Profit available to Equity Shareholders (₹ in million)	515.90	542.43	637.86	503.98	511.66
3	Weighted average number of Equity Shares outstanding during the year	73,701,447	71,583,020	69,717,674	64,920,858	59,343,047
4	Number of Equity Shares outstanding at the end of the year	73,747,994	71,860,271	71,176,510	69,701,510	62,988,298
5	Net Worth for Equity Shareholders (₹ in million)	8,168.09	7,407.68	6,791.93	5,982.44	4,805.72
6	Accounting Ratios:					
	Basic & Diluted Earnings per Share (₹) (2)/(3)	7.00	7.58	9.15	7.76	8.62
	Return on Net Worth for Equity Shareholders(2)/(5)	6.32%	7.32%	9.39%	8.42%	10.65%
	Net Asset Value Per Share (₹) (5)/(4)	110.76	103.08	95.42	85.83	76.30

Note:

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighing factor. The time weighing factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Net worth for ratios mentioned in note 5 is = Equity share capital + Reserves and surplus (Capital Redemption Reserve , Securities Premium and Surplus)

3. The above ratios have been computed on the basis of the Summary of Restated Consolidated Financial Statements- Annexure I & Annexure II.

Annexure XV Restated Consolidated Statement of Capitalisation of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Pre Issue as at March 31, 2016
Debt:	
Short term borrowings	782.09
Long term borrowings	4,087.23
Current portion of Secured long term borrowings, included in Other Current Liabilities	337.41
Total debt	5,206.73
Shareholders Funds:	
Equity Share Capital*	737.48
Reserves and Surplus	7,430.61
Total Shareholders Funds	8,168.09
Total Debt/Shareholder fund	0.64
Long term borrowing/Shareholder fund	0.50

Notes:

i) The above has been computed on the basis of the Restated Consolidated Financial Statement - Annexure I & Annexure II.

(ii) The issue price and number of shares are being finalised and as such the post-issue capitalisation statement cannot be presented.

(iii) Short-term borrowing includes cash credit taken from the banks.

*Refer note 1(g) of annexure v)

To
The Board of Directors,
Continental Warehousing Corporation (Nhava Seva) Limited,
405, Windfall,
Sahar Plaza, Andheri Kurla Road,
J.B. Nagar, Andheri East,
Mumbai – 400059.

Auditors' Report on Restated Standalone Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

Dear Sirs,

1. This report is issued in accordance with the terms of our agreement dated March 4, 2016.
2. The accompanying restated standalone financial information, expressed in Indian Rupees, in Million of **Continental Warehousing Corporation (Nhava Seva) Limited** (hereinafter referred to as the "Company"), comprising Standalone Financial Information in paragraph A below and Other Standalone Financial Information in paragraph B below (hereinafter together referred to as "Restated Standalone Financial Information"), has been prepared by the Management of the Company in accordance with the requirements of section 26 of the Companies Act 2013 (hereinafter referred to as the "Act") read with Rule 4 to Rule 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 (the "Rules") and item (IX) of Part A of Schedule VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended to date issued by SEBI on August 26, 2009 read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (the "SEBI Regulations") issued by the Securities and Exchange Board of India (the "SEBI") in connection with the Proposed Initial Public Offering of Equity Shares of the Company (the "Issue") and has been approved by the IPO Committee of the Board of Directors and initialed by us for identification purposes only. For the purposes of our examination, we have placed reliance on the audited standalone financial statements of the Company for the years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 all of which were expressed in Indian Rupees in Lakhs and for the year ended March 31, 2012 which was expressed in Indian Rupees on which we have expressed unmodified audit opinions vide our reports dated September 2, 2016, September 24, 2015, September 26, 2014, September 13, 2013 and September 24, 2012, respectively. We have included emphasis of matters in the audit reports for the year ended March 31, 2016, March 31, 2015 and March 31, 2014, however the audit opinion was not qualified in respect of the said matters.

Management's Responsibility for the Restated Standalone Financial Information

3. The preparation of the Restated Standalone Financial Information, which is to be included in the Draft Red Herring Prospectus ("DRHP"), is the responsibility of the Management of the Company and has been approved by the IPO Committee of the Board of Directors, at its meeting held on September 29, 2016, for the purpose set out in paragraph 14 below. The Management's responsibility includes designing, implementing and maintaining internal control relevant to the preparation and presentation of the Restated Standalone Financial Information. The Management is also responsible for identifying and ensuring that the Company complies with the laws and regulations applicable to its activities.

Auditors' Responsibilities

4. Our work has been carried out in accordance with the Standards on Auditing under section 143(10) of the Act, (Revised) Guidance Note on Reports in Company Prospectuses and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India and pursuant to the requirements of section 26 of the Act read with applicable provisions within Rule 4 to Rule 6 of

Auditor's Report on Restated Standalone Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

the Rules and the SEBI Regulations. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

Our examination of the Restated Standalone Financial Information has not been carried out in accordance with the auditing standards generally accepted in the United States of America ("U.S."), Public Company Accounting Oversight Board and accordingly should not be relied upon by any one as if it had been carried out in accordance with those standards or any other standards besides the standards referred to in this report. Our work was performed solely to assist you in meeting your responsibilities in relation to your compliance with the Act and the SEBI Regulations in connection with the Issue.

A. Standalone Financial Information as per audited standalone financial statements:

5. We have examined the following summarized financial statements of the Company contained in Restated Standalone Financial Information of the Company:
 - a) the "Restated Standalone Statement of Assets and Liabilities " as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012. (enclosed as Annexure I);
 - b) the "Restated Standalone Statement of Profit and Loss" for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (enclosed as Annexure II) and
 - c) the "Restated Standalone Statement of Cash Flows" for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 (enclosed as Annexure III).
6. The Restated Standalone Financial Information, expressed in Indian Rupees, in Million, has been derived from the audited standalone financial statements of the Company read with paragraph 7 below, as at March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, all of which expressed in Indian Rupees in Lakhs and as at March 31, 2012 which was expressed in Indian Rupees and for years ended March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013, all of which expressed in Indian Rupees in Lakhs and for the year ended March 31, 2012 which was expressed in Indian Rupees.
7. We draw your attention to the following:
 - a) the Restated Standalone Financial Information should be read in conjunction with the basis of preparation and significant accounting policies given in Annexure IV (as described in paragraph 9(i) below);
 - b) the Restated Standalone Financial Information does not contain all the disclosures required by the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
8. We have not audited any financial statements of the Company as of any date or for any period subsequent to March 31, 2016. Accordingly, we do not express any opinion on the financial position, results of operations or cash flows of the Company as of any date or for any period subsequent to March 31, 2016.

B. Other Standalone Financial Information:

9. At the Company's request, we have also examined the following Other Standalone Financial Information relating to the Company as at March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012 and for the years ended March 31, 2016, March 31, 2015, March 31, 2014, March 31, 2013 and March 31, 2012, proposed to be included in the DRHP, prepared by the Management of the Company and as approved by the IPO Committee of the Board of Directors of the Company and annexed to this report:

Auditor's Report on Restated Standalone Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

- i) Basis of preparation and Significant Accounting Policies as enclosed in Annexure IV;
 - ii) Notes to the Restated Standalone Financial Information as enclosed in Annexure V;
 - iii) Statement of Adjustments to Audited Standalone Financial Statements as enclosed in Annexure VI;
 - iv) Restated Standalone Statement of Secured Borrowings as enclosed in Annexure VII;
 - v) Restated Standalone Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 as enclosed in Annexure VII(A);
 - vi) Restated Standalone Statement of Unsecured Borrowings as enclosed in Annexure VIII;
 - vii) Restated Standalone Statement of Investments as enclosed in Annexure IX;
 - viii) Restated Standalone Statement of Trade Receivables as enclosed in Annexure X;
 - ix) Restated Standalone Statement of Loans and Advances as enclosed in Annexure XI;
 - x) Restated Standalone Statement of Other Income as enclosed in Annexure XII;
 - xi) Restated Standalone Statement of Accounting Ratios as enclosed in Annexure XIII;
 - xii) Restated Standalone Statement of Capitalisation as enclosed in Annexure XIV;
 - xiii) Restated Standalone Statement of Tax Shelter as enclosed in Annexure XV.
10. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

Opinion

11. In our opinion:
- (i) the Restated Standalone Financial Information of the Company, as attached to this report and as mentioned in paragraphs A and B above, read with basis of preparation and respective significant accounting policies have been prepared in accordance with the Act, Rules, and the SEBI Regulations;
 - (ii) there have been no changes in accounting policies of the Company (as disclosed in Annexure IV to this report);
 - (iii) the material adjustments relating to previous years have been adjusted in the year to which they relate;
 - (iv) there are no qualifications in the Auditors' Report which require any adjustments; and
 - (v) there are no extra-ordinary items which need to be disclosed separately.
12. This report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by us on the stand alone financial statements of the Company.

Emphasis of Matter

13. We draw attention to Note 28 in Annexure V to the restated standalone financial information regarding loans granted by the Company, aggregating Rs. 117.96 million during the year ended March 31, 2014 to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of the above matter.

Restriction on Use

14. This report is addressed to and is provided to enable the Board of Directors of the Company to include

Auditor's Report on Restated Standalone Financial Information in connection with the Initial Public Offering of Continental Warehousing Corporation (Nhava Seva) Limited

this report in the DRHP, prepared in connection with the proposed Initial Public Offering of Equity Shares of the Company, to be filed by the Company with the SEBI, Registrar of Companies, Mumbai and the concerned Stock Exchanges.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Place:
Date: September 29, 2016

S. Venkatesh
Partner
Membership Number: 037942

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Annexure I-Restated Standalone Statement of Assets and Liabilities of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Annexure/Notes	As at				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Equity and Liabilities						
Shareholder's Funds						
Share capital	Annexure V, Note-1	737.48	718.60	711.76	697.01	629.88
Reserves and surplus	Annexure V, Note-2	6,972.82	6,339.12	5,791.85	5,128.18	4,034.28
Non-current liabilities						
Long-term borrowings	Annexure -VII, VIIA & VIII	3,725.12	2,764.93	1,532.86	1,131.70	1,368.59
Deferred tax liabilities (Net)	Annexure V, Note-24	165.99	113.65	110.14	96.98	68.01
Long-term provisions	Annexure V, Note-3	21.14	15.71	9.10	7.67	5.91
Current liabilities						
Short-term borrowings	Annexure -VII & VIIA	135.07	37.14	53.10	2.90	23.77
Trade payables						
- Outstanding dues of micro and small enterprises		-	-	-	-	-
- Outstanding dues of creditors other than micro and small enterprises	Annexure V, Note-4	116.86	93.73	81.03	107.74	136.38
Other current liabilities	Annexure V, Note-5	555.39	377.18	374.29	427.19	369.12
Short-term provisions	Annexure V, Note-6	32.94	47.71	54.61	36.46	67.94
Total		12,462.81	10,507.77	8,718.74	7,635.83	6,703.88
Assets						
Non Current Assets						
Fixed Assets	Annexure V, Note-7					
Tangible assets		6,809.79	4,170.90	3,919.96	3,769.91	2,731.67
Intangible assets		2.81	2.45	3.26	3.53	4.27
Capital work-in-progress		1,279.19	1,957.79	1,189.74	778.21	1,412.91
Non Current Investments	Annexure -IX	1,687.29	1,371.96	770.63	597.86	551.08
Long term loans and advances	Annexure -XI	860.97	1,051.43	1,491.64	1,124.01	549.81
Other Non Current Assets	Annexure V, Note-8	1,034.84	859.45	625.78	695.97	392.01
Current assets						
Current Investments	Annexure -IX	-	326.65	-	135.45	-
Trade receivables	Annexure -X	269.91	264.46	213.58	190.19	260.45
Cash and bank balances	Annexure V, Note-9	46.77	74.88	177.36	103.83	499.99
Short-term loans and advances	Annexure -XI	199.40	188.38	166.81	100.83	215.10
Other current assets	Annexure V, Note-10	271.84	239.42	159.98	136.04	86.59
Total		12,462.81	10,507.77	8,718.74	7,635.83	6,703.88
The above statement should be read with the basis of preparation and significant Accounting Policies appearing in Annexure IV, Notes to the Restated Standalone Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.						

Annexure II-Restated Standalone Statement of Profit and Loss of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	Notes	For the year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue						
Revenue from operations	Annexure V, Note-11	2,768.67	2,289.48	2,039.85	2,207.25	2,306.96
Other income	Annexure XII	45.13	77.99	57.65	61.82	39.74
Total revenue (A)		2,813.80	2,367.47	2,097.50	2,269.07	2,346.70
Expenses						
Employee benefits expense	Annexure V, Note-12	183.35	169.77	134.40	135.91	106.75
Finance costs	Annexure V, Note-13	246.43	109.95	125.03	170.67	153.32
Depreciation and amortization expense	Annexure V, Note-14	136.67	113.71	104.13	83.22	57.12
Other expenses	Annexure V, Note-15	1,795.50	1,336.89	1,204.27	1,361.26	1,468.99
Total expenses (B)		2,361.95	1,730.32	1,567.83	1,751.06	1,786.18
Profit before Tax, Exceptional items and Material Adjustment (C)		451.85	637.15	529.67	518.01	560.52
Less: Exceptional items (D)	Annexure V, Note-32	-	137.50	-	-	-
Profit before taxation (C-D) (E)		451.85	499.65	529.67	518.01	560.52
Tax expenses (F)						
Current tax		100.34	109.50	112.44	104.65	113.75
MAT credit entitlement		(592.09)	(55.83)	-	(53.95)	-
Deferred tax charge/(benefit)		47.88	9.27	15.28	28.21	20.21
Total (F)		(443.87)	62.94	127.72	78.91	133.96
Net profit after taxation (E-F)		895.72	436.71	401.95	439.10	426.56
Net profit before restatement adjustments		895.72	436.71	401.95	439.10	426.56
Restatement adjustments:						
Material adjustments relating to previous years						
Material restatement adjustments	Annexure VI	(483.19)	35.16	102.72	49.95	103.25
Less: Deferred tax on above adjustment	Annexure VI	4.46	(4.64)	(2.12)	0.76	(0.21)
Net Profit before the adjustments on account of changes in accounting policies		408.07	476.51	506.79	488.29	530.02
Adjustments on account of changes in accounting policies		-	-	-	-	-
Net Profit as restated		408.07	476.51	506.79	488.29	530.02
The above statement should be read with basis of preparation and Significant Accounting Policies appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.						

Annexure III -Restated Standalone Statement of Cash Flows of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

	Particulars	For year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A	Cash Flow from Operating Activities:					
	Restated Net Profit/(loss) before exceptional items, tax, after restatement adjustments	464.98	623.50	523.43	520.24	559.91
	Adjustments for:					
	Depreciation and amortisation	136.67	113.71	104.13	83.22	57.12
	Finance cost	246.43	109.95	125.03	170.67	153.32
	Interest income	(20.32)	(64.01)	(47.17)	(46.05)	(15.51)
	Interest income on loan	-	-	-	-	-
	Loss on sale/discard of assets (net)	1.54	1.67	3.54	0.05	0.91
	Dividend income from current investment	-	-	-	-	(0.40)
	Net gain on sale of current investment	(13.77)	(2.78)	(3.27)	(7.41)	(20.36)
	Operating Profit/ (Loss) before Working Capital Changes	815.53	782.04	705.69	720.72	734.99
	Adjusted for:					
	Increase / (Decrease) in other current liability	95.03	(0.53)	(51.35)	76.86	12.78
	Increase / (Decrease) in trade payable	23.13	12.70	(26.71)	(28.64)	61.98
	Increase / (Decrease) in Short term and Long term provisions	5.61	8.49	1.53	0.62	3.14
	(Increase) / Decrease in Other Non-Current assets	(79.63)	(129.03)	179.16	(177.30)	(9.03)
	(Increase) / Decrease in Other Current assets	(23.28)	(63.09)	(32.42)	(58.21)	19.46
	(Increase) in Trade Receivable	(5.45)	(50.88)	(23.39)	70.26	(76.25)
	(Increase)/ Decrease in Short term loans and advances	(11.02)	(21.57)	(65.98)	114.27	(177.39)
	(Increase)/ Decrease in long term loans and advances	(280.02)	123.97	(126.98)	(345.94)	(338.30)
		(275.63)	(119.94)	(146.14)	(348.08)	(503.61)
	Cash generated from/ (used in) operations	539.90	662.10	559.55	372.64	231.38
	Taxes (paid) / refunded (net)	(115.27)	(118.29)	(94.40)	(159.92)	(131.43)
	Net cash generated from/ (used in) Operating Activities (A)	424.63	543.81	465.15	212.72	99.95
B	Cash Flow from Investing Activities:					
	Purchase of Tangible, Intangible and Intangible assets under development	(1,799.76)	(1,359.92)	(822.47)	(690.46)	(1,073.03)
	Proceeds from sale of tangible and intangible fixed assets	1.52	0.55	4.79	10.46	0.32
	Proceeds from sale of Mutual Fund units	877.92	366.13	289.17	811.91	1,816.93
	Purchase of Mutual Fund units	(537.50)	(690.00)	(150.45)	(939.95)	(1,796.57)
	Dividend income from current investment	-	-	-	-	0.40
	Investment in Subsidiaries	0.10	-	(172.77)	(46.78)	(416.08)
	Interest Income	20.32	66.02	47.90	43.31	15.67
	Net Cash generated from/ (used in) Investing Activities (B)	(1,437.40)	(1,617.22)	(803.83)	(811.51)	(1,452.36)
C	Cash Flow from Financing Activities:					
	Proceeds/Repayment of shares in Subsidiaries					
	Proceeds from fresh issue of equity	245.00	80.00	172.58	675.00	1,724.00
	Share Issue expenses	(0.49)	(0.08)	(0.95)	(2.26)	(38.37)
	Proceeds from Short term and long term Borrowings (Net)	1,140.33	1,213.31	440.40	(269.17)	208.33
	Interest paid on Bank Loan and others	(391.04)	(303.94)	(207.57)	(212.44)	(165.21)
	Net Cash generated from/ (used in) in Financing Activities (C)	993.80	989.29	404.46	191.13	1,728.75
	Net increase/(decrease) in Cash and Cash equivalents (A)+(B)+(C)	(18.97)	(84.12)	65.78	(407.66)	376.34
	Cash and cash equivalents (Opening Balance)	65.74	149.86	84.08	491.74	115.40
	Cash and cash equivalents (Closing Balance)	46.77	65.74	149.86	84.08	491.74
	Cash and cash equivalents comprise of: (Refer Note - 10)					
	Cash on hand	0.93	0.68	0.97	0.31	0.67

Annexure III -Restated Standalone Statement of Cash Flows of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	For year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Cheques on Hand	19.95	6.18	9.16	2.18	11.56
Balances with Banks:					
In Current Accounts	22.03	58.88	39.73	81.51	472.13
In Fixed Deposit Accounts	3.86	-	100.00	0.08	7.38
Total	46.77	65.74	149.86	84.08	491.74

Notes:

1)The above Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard 3 (AS 3) 'Cash Flow Statements' as specified in Companies (Accounting Standards) Rules, 2006.

2)The above statement should be read with basis of preparation and Significant Accounting Policies, appearing in Annexure IV, Notes to the Restated Financial Information appearing in Annexure V and Statement of Adjustments to Audited Standalone Financial Statements appearing in Annexure VI.

3) Significant non-cash financial transaction: During financial year March 31, 2014: 1,475,000 Equity shares were allotted as fully paid up pursuant to contract without payment being received in cash against the consideration for the acquisition of 23,577,323 shares in Continental Multimodal Terminals Limited.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

1 The Company and nature of its operations

Continental Warehousing Corporation (Nhava Seva) Limited ('CWCNSL' or 'the Company'), is headquartered in Mumbai, Maharashtra. The Company is engaged in business of Container Freight Stations, Inland Container Depots, Stevedoring, Bonded warehousing and general warehousing at various locations in India and provide services for handling & temporary storage of Import/Export laden and empty containers, temperature controlled chambers, general warehousing and cargo carried under custom control.

2 (a) Basis of preparation

The Restated Standalone Statement of Assets and Liabilities of the Continental Warehousing Corporation (Nhava Seva) Limited ('the Company') as at March 31, 2016, 2015, 2014, 2013 and 2012 and the Restated Standalone Statement of Profit and Loss and the Restated Standalone Statement of Cash flows, for the years ended March 31, 2016, 2015, 2014, 2013 and 2012 (together referred as 'Restated Standalone Financial Information') and Other Standalone Financial Information have been extracted by the Management from the Audited Standalone Financial Statements of the Company for the respective years ("Audited Standalone Financial Statements").

The Audited Standalone Financial Statements were prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Standalone Financial Statements for the years ended March 31, 2016, March 31, 2015 and March 31, 2014 have been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956 [Companies (Accounting Standards) Rules, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

The Audited Standalone Financial Statements for the years ended March 31, 2013 and March 31, 2012 of the Company have been prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis, the applicable accounting standards under Section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

The Restated Standalone Financial Information and Other Standalone Financial Information have been prepared by the management in connection with the proposed listing of equity shares of the Company with BSE Limited and National Stock Exchange of India Limited (together 'the stock exchanges'), in accordance with the requirements of:

a) Section 26 read with applicable provisions within Rules 4 to 6 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 to the Companies Act, 2013; and

(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 from time to time read along with the SEBI circular SEBI/HO/CFD/DIL/CIR/P/2016/47 dated March 31, 2016 (together referred to as the "SEBI Regulations").

These Restated Standalone Financial Information and Other Standalone Financial Information have been extracted by the Management from the Audited Standalone Financial Statements and :

- there were no audit qualifications on these financial statements,
- there were no changes in accounting policies during the years of these financial statements,
- material amounts relating to adjustments for previous years in arriving at profit/loss of the years to which they relate, have been appropriately adjusted,
- adjustments for reclassification of the corresponding items of income, expenses, assets and liabilities, in order to bring them in line with the groupings as per the Audited Standalone Financial Statements of the Company as at and for the year ended March 31, 2016 and the requirements of the SEBI Regulations, and

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

- the resultant tax impact on above adjustments has been appropriately adjusted in deferred tax in the respective years to which they relate.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

These Restated Standalone Financial Information and Other Standalone Financial Information were approved by the IPO Committee of the Board of Directors of the Company on September 29, 2016.

2 (b) Significant Accounting Policies

(i) These Restated Standalone Financial Information and other standalone financial information have been extracted by the Management from the Audited Standalone Financial Statements:

a) There have been no changes in accounting policies during the years of these financial statements.

b) The material amount related to adjustment for previous years have been appropriately adjusted, and adjustments for reclassification of the corresponding items of income ,expenses, assets and liabilities, in order to bring them in line with the groupings as per the audited standalone financial statements of the Company as at and for the year ended March 31, 2016 and the requirements of the SEBI Regulations.

(ii) Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principle requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reporting period. Differences between actual results and estimates are recognized in the period in which the results are known/materialized.

(iii) Revenue Recognition

(a) Income from container handling, repairs and service charges is recognized on delivery of the container / cargo. Ground rent in respect of containers and warehouse rent is recognized on a time period basis. However, in case of long standing containers, Income from Ground Rent is not accrued beyond 75 days, income from Less than Container Load cargo (LCL) is not accrued from beyond one year and income from bonded cargo not accrued from beyond three years on a consistent basis as per the prevailing business practice.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

Income from auction sales is generated when the Company auctions long standing cargo that has not been cleared by the Customs.

Income from stevedoring activities is recognized on rendering of services.

(b) Interest and other income are recognized on accrual basis.

(iv) Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

(v) Fixed Assets, intangible assets and capital-work-in-progress

Fixed Assets and intangibles are stated at cost of acquisition or construction less accumulated depreciation, amortization and impairments, if any. Cost includes taxes, duties, freight and other incidental expenses related to acquisition and installation. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value. Fixed assets held for disposal are stated at lower of carrying value or their estimated net realizable value and are shown separately in the financial statement.

Other indirect expenditure during construction period for major projects are also capitalized, where appropriate.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use at the year end.

(vi) Borrowing cost.

General and specific borrowing cost directly attributable to acquisition, construction of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use. All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

(vii) Depreciation/Amortisation

(a) Tangible assets:

From April 01, 2014, depreciation is provided on a pro rata basis on the straight line method over the useful lives of the assets in the manner prescribed by Schedule II to the Companies Act, 2013, as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV to the Companies Act, 1956.

The estimate of useful life of the assets based on an technical evaluations, are lower or higher than the life stipulated in Schedule II to the Companies Act, 2013 as below.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

Assets	Useful life
Reach stackers	10 years (Lower)
Weather sheds	10 years (Higher)
Paver Blocks and Concrete Roads	15 Years (Higher)
Electrical Installations	15 Years (Higher)

Upto March 31, 2014, depreciation is provided on Straight line basis at higher of the rates based on the useful life of the assets as estimated by the management or those stipulated in Schedule XIV to the Companies Act, 1956. The useful life of the following assets as estimated by the management are higher from the rates prescribed under Schedule XIV to the Companies Act, 1956.

Assets	Depreciated over
Reach stackers	10 years
Weather sheds	10 years
Paver Blocks	15 Years

Leasehold improvements are amortised over the period of lease

(b) Intangible assets:

Intangible assets are amortised over their estimated useful lives on a straight line basis, as estimated by the management, over the useful life 3 to 6 years.

Upto March 31, 2014 Intangible assets are amortised over their estimated useful lives on a straight line basis, as estimated by the management, over the useful life 6 years.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

(c) Assets individually costing less than Rs. 5,000 are depreciated fully in the year of acquisition.

(viii) Impairment

Assessment is done at each balance sheet date as to whether there is any indication that assets (tangible and intangible) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the assets/cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognised for an asset in prior accounting periods may no longer exist or may have decreased.

(ix) Foreign Currency Transactions

a) Transactions in foreign currencies are recognised at the prevailing exchange rates on the transaction date. Realised gains and losses on settlement of foreign currency transactions are recognised in the Statement of Profit and Loss.

b) Monetary assets and liabilities in foreign currencies outstanding as at the year-end are translated at the year-end exchange rates and the resultant exchange difference is recognised in the Statement of Profit and Loss.

(x) Employee Benefits

(a) Gratuity

Liabilities with regards to the gratuity benefits payable in future are determined by actuarial valuation at each balance sheet date using the Projected Unit Credit method. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

(b) Leave encashment/Compensated absences

The Company provides for encashment of leave with pay subject to certain rules. The employees are entitled to accumulate leave subject to certain limits, for future encashment/availment. The liability is provided based on number of days of unutilized leave at each balance sheet date on the basis of an independent actuarial valuation using Projected Unit Credit Method. Actuarial gains and losses arising from changes in actuarial assumptions are recognised in the Statement of Profit and Loss in the period in which they arise.

(c) Provident Fund

Company's contribution to recognized provident fund and family pension fund is charged to the Statement of Profit and Loss on accrual basis being a defined contribution plan.

(xi) Taxes on Income

Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax (MAT) credit, which is equal to the excess of MAT (calculated in accordance with provisions of Section 115 JB of the Income tax Act, 1961) over normal income-tax is recognized as an asset by crediting the Statement of Profit and Loss only when and to the extent there is convincing evidence that the Company will be able to avail the said credit against normal tax payable during the period of ten succeeding assessment years.

Deferred tax expense or benefit is recognised on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forward losses, deferred tax assets are recognised only to the extent that there is virtual certainty that sufficient future taxable income will be available to realise such assets. In other situations, deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income is available to realise these assets.

(xii) Assets taken on Lease

a) In respect of finance lease arrangements, the assets are capitalized and depreciated. Finance charges are charged to the Statement of Profit and Loss account of the year in which they are incurred.

b) Operating lease payments are recognized as expenditure in the Statement of Profit and Loss on straight line basis, representative of the time pattern of benefits received from the use of the assets taken on lease.

Annexure IV -Basis of Preparation and Significant Accounting Policies of Continental Warehousing Corporation (Nhava Seva) Limited

(xiii) Investments

- a) Long term investments are valued at cost. Provision for diminution, if any, in the value of investments is made to recognise a decline, other than temporary.
- b) Current investments are valued at lower of cost and fair value, computed individually for each investment. In case of investments in mutual funds which are unquoted, net asset value is taken as fair value.

(xiv) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposit with banks, other short term highly liquid investments with original maturity of three months or less.

(xv) Provisions, Contingent Liabilities and Contingent Assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the Company. A Provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the year end date. Contingent Assets are not recognized or disclosed in the financial statements.

(xvi) Share issue expenses

Expenses incurred on issue of shares are first adjusted against securities premium account.

(xvii) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Earnings considered in ascertaining the Company's earnings per share are the net profit for the period. The weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period is adjusted for the effects of all dilutive potential equity shares.

(xviii) Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Revenue and expenses have been identified to segments on the basis of their relationships to the operating activities of the segment. Revenue and expenses, which relate to Company as a whole and are not allocable to segments on a reasonable basis, have been included under "Unallocated expenses".

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

1 SHARE CAPITAL

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Authorised Share Capital					
As at March 31, 2016, March 31, 2015, 2014 & 2013 : 87,500,000 Equity Shares and March 31, 2012: 63,000,000 Equity Share of Rs. 10/- each	875.00	875.00	875.00	875.00	630.00
March 31, 2012: 24,500,000 Compulsorily Convertible Preference Shares of Rs. 10/- each	-	-	-	-	245.00
	875.00	875.00	875.00	875.00	875.00
Issued, Subscribed and Paid up:					
Equity Share of Rs. 10/- each	737.48	718.60	711.76	697.01	629.88
As at March 31, 2016 : 73,747,994 Equity Shares of Rs 10/- each fully paid up					
As at March 31, 2015 : 71,860,271 Equity Shares of Rs 10/- each fully paid up					
As at March 31, 2014 : 71,176,510 Equity Shares of Rs 10/- each fully paid up					
As at March 31, 2013 : 69,701,510 Equity Shares of Rs 10/- each fully paid up					
As at March 31, 2012 : 62,988,298 Equity Shares of Rs 10/- each fully paid up					
Total	737.48	718.60	711.76	697.01	629.88

₹ in million

a) Reconciliation of Number of Equity Shares	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	71,860,271	718.60	71,176,510	711.76	69,701,510	697.01
Add : Equity Shares issued	1,887,723	18.88	683,761	6.84	1,475,000	14.75
Add : Compulsorily Convertible Preference Shares converted into Equity Shares (Refer note h)	-	-	-	-	-	-
Add : Differential Voting Rights Equity Shares converted into equity shares	-	-	-	-	-	-
Balance as at the end of the year	73,747,994	737.48	71,860,271	718.60	71,176,510	711.76

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Reconciliation of Number of Equity Shares	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	62,988,298	629.88	37,724,822	377.25
Add : Equity Shares issued	6,713,212	67.13	13,283,405	132.83
Add : Compulsorily Convertible Preference Shares converted into Equity Shares (Refer note- h below)	-	-	11,979,971	119.80
Add : Differential Voting Rights Equity Shares converted into equity shares	-	-	100	-
Balance as at the end of the year	69,701,510	697.01	62,988,298	629.88

₹ in million

b) Reconciliation of Number of Differential Voting Rights Equity Share Capital	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	-	-	-	-	-	-
Less : Shares converted into pari passu with the equity shares during the year	-	-	-	-	-	-
Balance as at the end of the year	-	-	-	-	-	-

₹ in million

Reconciliation of Number of Differential Voting Rights Equity Share Capital	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	-	-	100	-
Less : Shares converted into pari passu with the equity shares during the year	-	-	(100)	-
Balance as at the end of the year	-	-	-	-

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

c) Reconciliation of Number of Compulsorily Convertible Preference Shares	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	-	-	-	-	-	-
Less : Compulsorily Convertible Preference Shares (CCPS) converted into equity shares during the years (Refer note h)	-	-	-	-	-	-
Balance as at the end of the year	-	-	-	-	-	-

₹ in million

Reconciliation of Number of Compulsorily Convertible Preference Shares	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares	Amount	No of Shares	Amount
Balance as at the beginning of the year	-	-	24,434,287	244.34
Less : Compulsorily Convertible Preference Shares (CCPS) converted into equity shares during the years (Refer note h)	-	-	(24,434,287)	(244.34)
Balance as at the end of the year	-	-	-	-

d) Rights, preferences and restrictions attached to shares -

Equity shares have a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

During financial year March 31, 2012: Differential Voting Rights Equity Shares:- Until conversion of CCPS held by Aureos South Asia Fund LLC ("ASAF"), the voting rights of ASAF in relation to the ASAF Differential Voting Equity Shares shall be equal to 9.92 % of the Fully diluted Share capital.

Until conversion of CCPS held by Aureos Offshore India Opportunity Fund ("AOIOF"), the voting rights of AOIOF in relation to the AOIOF Differential Voting Equity Shares shall be equal to 3.16 % of the Fully diluted Share capital.

Until conversion of CCPS held by India Opportunity Fund ("IOF"), the voting rights of IOF in relation to the IOF Differential Voting Equity Shares shall be equal to 1.48 % of the Fully diluted Share capital.

Until conversion of CCPS held by ePlanet Ventures Limited ("ePlanet"), the voting rights of ePlanet in relation to the ePlanet Differential Voting Equity Shares shall be equal to 8.45% of the Fully diluted Share capital.

Until conversion of CCPS held by IL&FS & Associates ("IL&FS"), the voting rights of IL&FS in relation to the IL&FS Differential Voting Equity Shares shall be equal to 7.441 % of the Fully diluted Share capital.

During the financial year ended March 31, 2012, shares converted into paripassu with the equity shares.

Compulsorily Convertible Preference Shares:- Compulsorily Convertible Preference Shares are entitled to such voting rights as are prescribed under the Companies Act, 1956. From the date of conversion of all Preference Shares held by the Preference Shareholders, the voting rights of every shareholder placed before any General Meeting shall be in proportion to the Share Capital of the Company that the Equity Shares held by such shareholder represent.

₹ in million

e) Equity Shareholders holding shares more than 5%	As at		As at		As at	
	March 31, 2016		March 31, 2015		March 31, 2014	
	No of Shares	Amount	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :						
Mr. N. Adikesavulu Reddy	28,908,074	39.20%	28,908,074	40.23%	28,908,074	40.61%
Bridgeview Investment Limited	32,987,572	44.73%	31,099,849	43.28%	31,099,849	43.69%
NDR Warehousing Private Limited	4,429,946	6.01%	4,429,946	6.16%	3,746,185	5.26%
Mr. N. Amrutesh Reddy	-	-	-	-	-	-

₹ in million

e) Equity Shareholders holding shares more than 5%	As at		As at	
	March 31, 2013		March 31, 2012	
	No of Shares held	% of Shareholding	No of Shares held	% of Shareholding
Equity Shares :				
Mr. N. Adikesavulu Reddy	27,623,238	39.63%	27,623,238	43.85%
Bridgeview Investment Limited	31,099,849	44.62%	25,082,822	39.82%
NDR Warehousing Private Limited	3,746,185	5.37%	-	-
Mr. N. Amrutesh Reddy	3,513,018	5.04%	3,513,018	5.58%

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

f) Shares allotted as fully paid up pursuant to contract without payment being received in cash for the period of five years immediately preceding the date as at which the Balance Sheet is prepared:

During financial year March 31, 2014: 1,475,000 Equity shares were allotted as fully paid up pursuant to contract without payment being received in cash against the consideration for the acquisition of 23,577,323 shares in Continental Multimodal Terminals Limited.

g) Share reserved for issue under options

During financial year March 31, 2016, As at March 31, 2016, the Company has entered into a share holder agreement with International Finance Corporation (IFC), wherein IFC would subscribe to 7,953,215 Equity shares based on the terms and subject to the conditions of the Agreement. The shares would be subscribed at a price of Rs.207.46 per subscription share. Further on September 14, 2016, shares were allotted to investor for total consideration of 1649.97 million under the share holders agreement.

During the financial year March 31, 2016, Under the share holder agreement entered with an investor dated February 25, 2011 and as amended on March 30, 2014, Bridgeview Investment Limited has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 (1,887,723) shares for a total consideration of Rs. 245.00 million subject to approval of regulatory authorities. During the year the Bridgeview Investment Limited has exercised its right and was allotted 1,887,723 equity shares for a total consideration of Rs. 245 million under the share holders agreement.

During the financial year ended March 31, 2015 : under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the Bridgeview Investment Limited has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 shares for a total consideration of Rs. 245.00 million subject to approval of regulatory authorities. 683,761 equity shares were allotted to NDR Warehousing Private Limited for total consideration of 80.00 million under the share holders agreement

During the financial year ended March 31, 2014 : Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 1,887,723 shares for a total consideration of Rs. 245.00 million within two years in one or more tranches subject to approval of regulatory authorities.

During the financial year ended March 31, 2014: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on March 30, 2014 the promoters have the right, at their sole and absolute discretion, to subscribe up to 683,761 shares for a total consideration of Rs. 80.00 million within one year in one or more tranches subject to approval of regulatory authorities.

During the financial year ended March 31, 2013: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on November 21, 2012 the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 577,874 shares for total consideration of Rs. 74.99 million within three years in one or more tranches.

During the financial year March 31, 2013: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011 and as amended on November 21, 2012 the promoters have the right, at their sole and absolute discretion, to subscribe up to 616,399 shares for total consideration of Rs. 79.99 million within three years in one or more tranches. 696,185 equity shares were allotted to NDR Warehousing Private Limited for total consideration of 70.00 million under the share holders agreement

During the financial year March 31, 2012: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011, the investor has the right (but not the obligation), at their sole and absolute discretion, to subscribe up to 5,239,394 shares for total consideration of Rs. 679.99 million within three years and to subscribe up to 1,309,849 shares for total consideration of Rs. 170.00 million within four years in one or more tranches.

During the financial year March 31, 2012: Under the share holder agreement entered with Bridgeview Investment Limited, the investor, dated February 25, 2011, the promoters have the right, at their sole and absolute discretion, to subscribe up to 1,155,749 shares for total consideration of Rs 150.00 million within three years in one or more tranches.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

The above shares are not dilutive potential equity shares. These have been subscribed by respective parties before March 31, 2016 except those in share holder agreement dated March 31, 2016 with IFC.

- h) During the financial year March 31, 2012: the Company has converted 24,434,287 Compulsory Convertible Preference Shares of face value of Rs. 10 each into 11,979,971 Equity Shares of face value of Rs. 10 each and balance amount of Rs. 124.54 million has been transferred to security premium account.
- j) During the reporting periods except financial year ended March 31, 2012, there are no securities that are convertible into equity shares.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

2 RESERVES AND SURPLUS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Capital Redemption Reserve					
Balance as at the beginning of the year	175.00	175.00	175.00	175.00	175.00
Balance at end of the year	175.00	175.00	175.00	175.00	175.00
Securities Premium Account					
Balance as at the beginning of the year	3,114.96	3,041.88	2,885.00	2,279.39	602.05
Add : Securities Premium Credited on issue of Equity Shares	226.12	73.16	157.83	607.87	1,591.17
Add : On conversion of Compulsorily Convertible Preference Shares into Equity shares (Refer note 1 (h))	-	-	-	-	124.54
Less: Share Issue Expenses	(0.49)	(0.08)	(0.95)	(2.26)	(38.37)
Balance as at the end of the year	3,340.59	3,114.96	3,041.88	2,885.00	2,279.39
Surplus/ (Deficit) in Statement of Profit and Loss					
Balance as at the beginning of the year	3,049.16	2,574.97	2,068.18	1,579.89	1,049.87
Add/(Less): Profit/(Loss) for the year	408.07	476.51	506.79	488.29	530.02
Less: Adjustment pursuant to enactment of Schedule II of the Companies Act 2013 (Refer note 26)	-	(2.32)	-	-	-
Balance as at the end of the year	3,457.23	3,049.16	2,574.97	2,068.18	1,579.89
Reserves & Surplus	6,972.82	6,339.12	5,791.85	5,128.18	4,034.28

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited Services Limited

3 LONG TERM PROVISIONS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Provision for employee benefits					
Gratuity (Refer note 21 of annexure V)	14.08	10.53	6.10	5.16	3.91
Leave Encashment Payable* (Refer note 21 of annexure V)	7.06	5.18	3.00	2.51	2.00
Total	21.14	15.71	9.10	7.67	5.91

* Leave Encashment liability is provided as per the actuarial valuation reports obtained for years ended March 31, 2016, 2015, 2014, 2013 and 2012.

4 TRADE PAYABLES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Trade payables					
- Outstanding dues of micro and small enterprises	-	-	-	-	-
- Outstanding dues of creditors other than micro and small enterprises	116.86	93.73	81.03	107.74	136.38
Total	116.86	93.73	81.03	107.74	136.38

The Company has not received any information from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 & hence disclosures, if any, relating to the amounts as at year end together with interest paid/ payable as required under the said Act have not been given.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited Services Limited

5 OTHER CURRENT LIABILITIES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
From banks (Refer Annexure -VII)					
Term loan	168.05	136.39	57.49	67.85	63.32
Vehicle loan	36.60	39.24	32.33	29.11	16.69
Yard Equipment Loan	41.11	25.87	33.40	37.26	33.70
From Other than banks (Refer Annexure -VII)					
Term loan	51.09	22.21	119.80	119.76	151.68
Vehicle loan	4.49	3.98	-	-	-
Yard Equipment Loan	21.09	12.53	-	-	-
Employees Benefits Payable	19.31	17.71	10.79	14.97	11.23
Statutory dues (including Provident Fund, Tax Deducted at Source)	19.83	15.50	17.59	16.69	7.84
Security deposits from customers and others	13.05	6.52	6.98	0.37	0.26
Book Overdraft	1.38	-	-	14.06	4.11
Interest accrued but not due on borrowings	19.33	18.36	12.14	2.73	10.11
Advances from customers	18.63	10.46	10.49	10.59	12.00
Creditors for capital goods	58.54	9.66	1.79	7.42	2.89
Creditors for commission	73.07	49.82	41.21	47.51	30.89
Advances from vendors and others	-	-	15.10	0.20	-
Insurance claim payable to customers*	8.20	8.20	13.39	54.49	23.05
Others	1.62	0.73	1.79	4.18	1.35
Total	555.39	377.18	374.29	427.19	369.12

*The same represents amounts payable to customers against insurance claim received from insurance Company.

6 SHORT TERM PROVISIONS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Provision for employee benefits					
Gratuity (Refer note 21 of annexure V)	1.53	1.52	0.31	0.26	0.83
Leave encashment* (Refer note 21 of annexure V)	1.04	0.87	0.20	0.15	0.72
Others;					
Income tax (Net of advance tax) (Refer note 25 of annexure V)@	30.37	45.32	54.10	36.05	66.39
Total	32.94	47.71	54.61	36.46	67.94

@ Provision for income tax is net off advance tax and other tax payments

760.16 642.62 520.86 424.11 286.26

* Leave Encashment liability is provided as per the actuarial valuation reports obtained for years ended March 31, 2016, 2015, 2014, 2013 and 2012.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

7 FIXED ASSETS

Tangible assets-March 31, 2016

₹ in million

Particulars	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-15	Additions	Deductions/ Adjustments	As at 31-Mar-16	Upto 01-Apr-15	For the Year	Deductions	Adjustments	Upto 31-Mar-16	As at 31-Mar-16
Freehold land	2,629.27	519.33	0.32	3,148.28	-	-	-	-	-	3,148.28
Buildings	1,199.24	1,292.08	-	2,491.32	146.50	47.14	-	-	193.64	2,297.68
Yard Equipments	287.82	110.37	-	398.19	133.62	26.23	-	-	159.85	238.34
Plant and machinery	119.75	27.30	-	147.05	21.07	8.35	-	-	29.42	117.63
Electrical installations	46.02	40.72	-	86.74	14.19	5.82	-	-	20.01	66.73
Office equipments	27.91	6.57	-	34.48	14.85	5.30	-	-	20.15	14.33
Computers	23.69	6.65	0.14	30.20	17.92	4.12	0.12	-	21.92	8.28
Furniture and fixtures	19.62	0.82	-	20.44	7.75	2.52	-	-	10.27	10.17
Vehicles	253.11	11.11	6.56	257.66	79.63	29.45	3.84	-	105.24	152.42
Railway Siding	-	762.79	-	762.79	-	6.86	-	-	6.86	755.93
Total (A)	4,606.43	2,777.74	7.02	7,377.15	435.53	135.79	3.96	-	567.36	6,809.79

Intangible assets-March 31, 2016

₹ in million

Particulars	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-15	Additions	Deductions/ Adjustments	As at 31-Mar-16	Upto 01-Apr-15	For the Year	Deductions	Adjustments	Upto 31-Mar-16	As at 31-Mar-16
Software	8.74	1.24	-	9.98	6.29	0.88	-	-	7.17	2.81
Total (B)	8.74	1.24	-	9.98	6.29	0.88	-	-	7.17	2.81

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Capital Work in progress		₹ in million
Particulars		As at 31-Mar-16
Capital Work in progress (Net of impairment -(Refer annexure -V note 30) (Refer note 2 below)		1,279.19

1. Yard equipment includes Reach stackers costing Rs. 333.90 million and having net book value Rs.180.20 million.
2. Capital work in progress includes land of 15.28 acres amounting to Rs. 141.64 million held by Mr.N.Adikesavulu Reddy on behalf of Company.
3. During the year the Group has capitalised Private Freight Terminal Project at Ahmedabad and Panipat
4. There is no revaluation of fixed assets during the period

Tangible assets for March 31, 2015

₹ in million

Particulars	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-14	Additions	Deductions	As at 31-Mar-15	Upto 01-Apr-14	For the Year	Deductions	Adjustment to retained earning (Refer note 27)	Upto 31-Mar-15	As at 31-Mar-15
Freehold land	2,383.49	245.78	-	2,629.27	-	-	-	-	-	2,629.27
Buildings	1,136.93	62.31	-	1,199.24	113.09	33.41	-	-	146.50	1,052.74
Yard Equipments	275.41	12.41	-	287.82	108.96	24.66	-	-	133.62	154.20
Plant and machinery	116.18	3.57	-	119.75	13.13	7.94	-	-	21.07	98.68
Electrical installations	42.85	3.17	-	46.02	9.59	4.60	-	-	14.19	31.83
Office equipments	21.82	6.09	-	27.91	5.40	6.70	-	2.75	14.85	13.06
Computers	22.34	1.35	-	23.69	11.70	5.54	-	0.68	17.92	5.77
Furniture and fixtures	18.03	1.59	-	19.62	5.37	2.38	-	-	7.75	11.87
Vehicles	224.20	33.17	4.26	253.11	54.05	27.62	2.04	-	79.63	173.48
Total (A)	4,241.25	369.44	4.26	4,606.43	321.29	112.85	2.04	3.43	435.53	4,170.90

Intangible assets for March 31, 2015

₹ in million

Particulars	Gross block				Depreciation / amortisation					Net block
	As at 01-Apr-14	Additions	Deductions	As at 31-Mar-15	Upto 01-Apr-14	For the Year	Deductions	Adjustment to retained earning (Refer note 27)	Upto 31-Mar-15	As at 31-Mar-15
Software	8.69	0.05	-	8.74	5.43	0.86	-	-	6.29	2.45
Total (B)	8.69	0.05	-	8.74	5.43	0.86	-	-	6.29	2.45

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Capital Work in progress		₹ in million
Particulars		As at 31-Mar-15
Capital Work in progress (Net of impairment -(Refer annexure -V note 30) (Refer note 2 below)		1,957.79

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs.125.50 million.
2. Capital work in progress includes land of 15.28 acres amounting to Rs. 141.64 million held by Mr.N.Adikesavulu Reddy on behalf of Company.
3. There is no revaluation of fixed assets during the period.

Tangible assets for March 31, 2014

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-13	Additions	Deductions/ Adjustments	As at 31-Mar-14	Upto 01-Apr-13	For the Year	Deductions/ Adjustments	Upto 31-Mar- 14	As at 31-Mar-14
Freehold land (Refer note 2 below)	2,262.17	121.32	-	2,383.49	-	-	-	-	2,383.49
Buildings	1,084.72	52.21	-	1,136.93	82.19	30.90	-	113.09	1,023.84
Yard Equipments	274.12	1.29	-	275.41	82.04	26.92	-	108.96	166.45
Plant and machinery	105.67	10.51	-	116.18	7.95	5.18	-	13.13	103.05
Electrical installations	33.36	9.49	-	42.85	7.14	2.45	-	9.59	33.26
Office equipments	20.14	1.68	-	21.82	4.08	1.32	-	5.40	16.42
Computers	17.78	4.56	-	22.34	8.99	2.71	-	11.70	10.64
Furniture and fixtures	16.50	1.53	-	18.03	4.29	1.08	-	5.37	12.66
Vehicles	180.96	58.93	15.69	224.20	28.83	32.58	7.36	54.05	170.15
Total (A)	3,995.42	261.52	15.69	4,241.25	225.51	103.14	7.36	321.29	3,919.96

Intangible assets for March 31, 2014

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-13	Additions	Deductions/ Adjustments	As at 31-Mar-14	Upto 01-Apr-13	For the Year	Deductions/ Adjustments	Upto 31-Mar- 14	As at 31-Mar-14
Software	7.97	0.72	-	8.69	4.44	0.99	-	5.43	3.26
Total (B)	7.97	0.72	-	8.69	4.44	0.99	-	5.43	3.26

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Capital Work in progress

₹ in million

Particulars		As at 31-Mar-14
Capital Work in progress (Refer note 2 below)		1,189.74

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs. 148.33 million.
2. Freehold land and Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Company.
3. There is no revaluation of fixed assets during the period.

Tangible assets for March 31, 2013

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-12	Additions	Deductions/ Adjustments	As at 31-Mar-13	Upto 01-Apr-12	For the Year	Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13
Freehold land (Refer note 2 below)	1,489.43	782.14	9.40	2,262.17	-	-	-	-	2,262.17
Buildings	955.30	129.42	-	1,084.72	56.70	25.49	-	82.19	1,002.53
Yard Equipments	229.34	44.78	-	274.12	55.22	26.82	-	82.04	192.08
Plant and machinery	45.54	60.13	-	105.67	2.97	4.98	-	7.95	97.72
Electrical installations	32.19	1.17	-	33.36	5.58	1.56	-	7.14	26.22
Office equipments	16.89	3.25	-	20.14	2.91	1.17	-	4.08	16.06
Computers	15.00	3.68	0.90	17.78	7.51	1.95	0.47	8.99	8.79
Furniture and fixtures	15.67	0.83	-	16.50	3.29	1.00	-	4.29	12.21
Vehicles	76.72	105.58	1.34	180.96	10.23	19.26	0.66	28.83	152.13
Total (A)	2,876.08	1,130.98	11.64	3,995.42	144.41	82.23	1.13	225.51	3,769.91

Intangible assets for March 31, 2013

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-12	Additions	Deductions/ Adjustments	As at 31-Mar-13	Upto 01-Apr-12	For the Year	Deductions/ Adjustments	Upto 31-Mar-13	As at 31-Mar-13
Software	7.77	0.31	0.11	7.97	3.50	0.99	0.05	4.44	3.53
Total (B)	7.77	0.31	0.11	7.97	3.50	0.99	0.05	4.44	3.53

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Capital Work in progress

₹ in million

Particulars		As at 31-Mar-13
Capital Work in progress (Refer note 2 below)		778.21

Notes :-

1. Yard equipment includes Reach stackers costing Rs. 251.12 million and having net book value Rs. 173.00 million.
2. Freehold land and Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Company.
3. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Tangible assets for March 31, 2012

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-11	Additions	Deductions/ Adjustments	As at 31-Mar-12	Upto 01-Apr-11	For the Year	Deductions/ Adjustments	Upto 31-Mar-12	As at 31-Mar-12
Freehold land	1,336.90	152.53	-	1,489.43	-	-	-	-	1,489.43
Buildings	773.46	181.84	-	955.30	30.82	25.88	-	56.70	898.60
Yard equipment	120.01	109.33	-	229.34	36.94	18.28	-	55.22	174.12
Plant and machinery	15.89	29.65	-	45.54	1.90	1.07	-	2.97	42.57
Electrical installations	24.65	7.54	-	32.19	4.20	1.38	-	5.58	26.61
Office equipment	10.42	6.47	-	16.89	1.98	0.93	-	2.91	13.98
Computers	11.13	3.87	-	15.00	5.31	2.20	-	7.51	7.49
Furniture and fixtures	12.69	2.98	-	15.67	2.42	0.87	-	3.29	12.38
Vehicles	44.26	34.84	2.38	76.72	5.96	5.42	1.15	10.23	66.49
Total (A)	2,349.41	529.05	2.38	2,876.08	89.53	56.03	1.15	144.41	2,731.67

Intangible assets for March 31, 2012

₹ in million

Particulars	Gross block				Depreciation / amortisation				Net block
	As at 01-Apr-11	Additions	Deductions/ Adjustments	As at 31-Mar-12	Upto 01-Apr-11	For the Year	Deductions/ Adjustments	Upto 31-Mar-12	As at 31-Mar-12
Software	5.41	2.36	-	7.77	2.41	1.09	-	3.50	4.27
Total (B)	5.41	2.36	-	7.77	2.41	1.09	-	3.50	4.27

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation

Capital Work in progress		₹ in million
Particulars		As at 31-Mar-12
Capital Work in progress (Refer note 3 below)		1,412.91

Notes:-

1. Yard equipment includes Reach Stackers costing Rs. 210.00 million and having net book value Rs. 156.00 million
2. During the year, the Company has revised the economic useful life of paver block to 15 years based on revised technical estimate, retrospective from April 1, 2007. Had the previous year basis of depreciation been followed, the depreciation charged to statement of Profit and loss during the year ended March 31, 2012 would be lower by Rs. 4.46 million and net profit from ordinary activity before taxation and net book value of tangible assets would have been higher by an equivalent amount.
3. Capital work in progress includes land of 34.10 acres amounting of Rs 335.13 million held by Mr. N. Adikesavulu Reddy on behalf of the Company.
4. There is no revaluation of fixed assets during the period.

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

8 OTHER NON-CURRENT ASSETS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Unsecured and considered good, unless otherwise stated)					
Income tax payment made under protest (Refer note 25)	99.15	99.15	99.15	99.15	74.15
Rent paid under protest	-	-	-	9.50	6.00
Fringe benefit tax payments (net of provision)	0.07	0.07	0.07	0.07	0.07
Mat credit entitlement (Refer note 25)	701.86	606.10	501.46	392.49	290.83
Term deposits with banks with maturity period more than 12 months*	233.76	154.13	25.10	194.76	20.96
Total	1,034.84	859.45	625.78	695.97	392.01

*Above fixed deposits are held as lien by banks against bank guarantees issued on behalf of the Company and against Debt Service Reserve Account.

9 CASH AND BANK BALANCES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Cash and cash equivalents					
Cash on hand	0.93	0.68	0.97	0.31	0.67
Cheques on hand	19.95	6.18	9.16	2.18	11.56
Bank balances					
In current accounts	22.03	58.88	39.73	81.51	472.13
Fixed Deposit (with less than 3 months maturity)	3.86	-	100.00	0.08	7.38
	46.77	65.74	149.86	84.08	491.74
Other bank balances					
In Fixed Deposit Accounts (more than 3 months but less than 12 months)	-	9.14	27.50	19.75	8.25
	-	9.14	27.50	19.75	8.25
Total	46.77	74.88	177.36	103.83	499.99
	3.86	9.14	27.50	19.75	15.63

Fixed deposits held as lien by banks against bank guarantees issued on behalf of the Company

10 OTHER CURRENT ASSETS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(Unsecured and considered good, unless otherwise stated)					
Unbilled Revenue	215.84	185.23	150.88	124.69	84.08
Interest accrued on Loan	34.63	46.31	2.88	-	-
Interest accrued on deposits	-	-	2.01	2.74	-
Insurance Claim Receivable	19.39	-	-	-	-
Others	1.98	7.88	4.21	8.61	2.51
Total	271.84	239.42	159.98	136.04	86.59

11 REVENUE FROM OPERATIONS

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Revenue from operations					
Revenue from Ground Rent, Container storage, handling and transportation, Warehousing, other rental income, Stevedoring Income and Auction proceeds	2,768.67	2,289.48	2,039.85	2,207.25	2,306.96
Total Revenue from operations	2,768.67	2,289.48	2,039.85	2,207.25	2,306.96

12 EMPLOYEE BENEFIT EXPENSES

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Salaries, wages and bonus	162.39	152.46	117.94	119.91	95.29
Contribution to provident and other funds	6.26	3.85	2.77	3.52	4.04
Staff welfare expenses	14.70	13.46	13.69	12.48	7.42
Total	183.35	169.77	134.40	135.91	106.75

13 FINANCE COSTS

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Interest on Loans					
Interest on;					
Long term borrowings	191.95	84.98	102.50	148.69	120.78
Short term borrowings	11.16	7.28	4.77	4.39	0.40
Other borrowing costs	33.48	12.34	11.88	12.09	22.21
Interest on shortfall of advance tax payable	4.15	3.70	2.36	2.85	6.25
Bank and other financial charges	5.69	1.65	3.52	2.65	3.68
Total	246.43	109.95	125.03	170.67	153.32
Borrowing cost capitalised	281.43	200.21	91.95	37.00	139.00

14 DEPRECIATION AND AMORTISATION EXPENSES

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Depreciation on tangible assets (Refer note 7 of annexure V)	135.79	112.85	103.14	82.23	56.03
Amortisation on intangible assets (Refer note 7 of annexure V)	0.88	0.86	0.99	0.99	1.09
Total	136.67	113.71	104.13	83.22	57.12

15 OTHER EXPENSES

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Container scanning charges	26.48	25.94	17.25	25.04	11.97
Customs recovery charges	11.43	9.69	12.67	13.06	5.43
Auction expenses	8.13	12.03	7.67	6.96	2.33
Equipment hire charges	127.80	109.11	108.91	116.56	98.80
Labour charges	110.24	88.79	73.83	99.12	282.15
Power & fuel	153.51	110.04	93.96	84.39	69.99
Transportation charges	420.44	303.56	292.54	394.48	445.13
Water charges	3.16	3.40	3.16	3.31	3.51
Repairs and maintenance					
Building / yard	6.96	8.93	7.59	12.24	5.26
Plant and machinery / yard equipments	70.43	34.99	34.01	37.80	34.08
Others	95.74	89.04	65.76	61.92	77.67
Rent	141.16	127.13	122.87	94.16	86.19
Rates and taxes	8.37	7.45	4.16	4.00	6.52
Insurance	10.88	7.57	11.51	16.65	14.09
Printing and stationery	4.72	4.54	4.03	4.12	3.65
Legal and professional charges	21.61	17.20	17.71	10.64	11.48
Travelling and conveyance	20.47	13.02	14.06	18.38	15.48
Vehicle expenses	9.28	7.64	7.11	4.58	2.81
Postage, telephone and telegrams	7.70	6.93	6.32	6.02	5.33
Auditor's remuneration					
Statutory audit	3.50	2.10	2.10	2.10	1.70
For other services	0.04	0.05	0.03	0.40	0.30
Commission	416.32	271.30	230.58	280.35	229.24
Provision for doubtful debts	5.30	-	-	-	-
Advertising and business promotion expenses	26.51	17.17	11.74	14.74	11.03
Security service charges	31.24	25.34	26.99	25.53	22.90
Loss on sale/discard of assets	1.54	1.67	3.54	0.05	0.91
Sundry balances written off	7.84	-	-	-	-
Miscellaneous expenses	44.70	32.26	24.17	24.66	21.04
Total	1,795.50	1,336.89	1,204.27	1,361.26	1,468.99

Annexure V Notes to Restated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

16 CONTINGENT LIABILITY

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Claims against the Company not acknowledged as debts					
- Income tax matters (Refer note 25)	487.96	361.75	276.95	99.94	179.28
- Premises taken on lease	-	-	-	23.65	13.98
Total	487.96	361.75	276.95	123.59	193.26

It is not practicable for the Company to estimate the timing of cash outflows, if any, in respect of the above pending resolution of the respective proceedings.

The Company does not expect any reimbursements in respect of above contingent liabilities.

17 CAPITAL AND OTHER COMMITMENTS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(a) Capital Commitments	515.05	927.93	1,293.43	699.37	-
Estimated value of contracts on capital account remaining to be executed (net of advances)					
(b) Other Commitments	614.23	424.83	427.31	503.18	409.70
Guarantees given by bank on behalf of the Company to Statutory authorities and others*					
(c) Corporate guarantee given by Company on behalf of subsidiary for loans taken**	987.00	628.50	435.20	539.20	-
(d) Export obligation towards duty saved on import of assets	55.25	23.20	23.20	200.20	177.00
(e) Consideration for acquisition of shares in Continental Multimodal Terminals Limited as per share subscription agreement entered with private equity investors.	-	-	-	307.20	200.00
Total	2,171.53	2,004.46	2,179.14	2,249.15	786.70

*includes guarantee given on behalf of subsidiaries

**Gross amount of corporate guarantee

130.00	100.00	100.00	132.50	132.50
1,020.00	670.00	570.00	-	-

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

18 EXPENDITURE IN FOREIGN CURRENCIES

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Travelling expenses	0.90	-	-	1.80	-
Spare Parts	-	-	-	10.79	-
Other Expenses	2.69	-	-	-	1.23
Total	3.59	-	-	12.59	1.23

19 CIF VALUE OF IMPORTS

₹ in million

Particulars	For the year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Capital goods	92.74	-	-	-	93.77
Total	92.74	-	-	-	93.77

20 LEASE

The Company has entered into Operating Lease arrangements towards use of CFS, Bonded Warehouse premises, office facilities and guest houses. The arrangements ranges between 11 months to 5 years and are generally renewable by mutual consents. The minimum future payments during non-cancellable period under the foregoing arrangements in the aggregate for each of the following period are as follows. Under these arrangements refundable interest free deposits have been given.

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Lease rental recognised in Statement of Profit and loss	141.16	127.13	122.87	94.16	86.19
Future minimum lease rentals payments payable:					
Not later than one year	132.52	119.50	108.71	86.67	48.82
later than one year but not later than five years	359.90	514.88	460.38	273.15	220.93
Later than 5 year	-	-	-	-	-

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

21 EMPLOYEE BENEFITS - GRATUITY

The Following table sets forth the funded status of the plan and the amounts relating to gratuity and leave encashment recognized in the Company's Financials:

A Define Benefit Plan (Gratuity):

Actuarial assumptions for Gratuity benefits and Compensated absence of employees

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
I. Assumptions					
Discount Rate	8.04%	7.99%	9.31%	8.25%	8.75%
Future Salary Increases	8.00%	8.00%	5.00%	5.00%	5.00%
Attrition	3.00%	3.00%	2.00%	2.00%	2.00%
II. Change in present value benefit obligation:					
Present value of obligation at the beginning of the year	12.05	6.41	5.42	4.74	2.38
Interest cost	0.96	0.60	0.45	0.41	0.20
Current service cost	1.76	0.93	0.92	0.88	0.82
Benefits paid	(0.25)	(0.04)	(0.04)	(0.55)	-
Actuarial (gain) loss on obligation due to change in financial assumptions	(0.09)	3.93	(0.34)	(0.06)	1.34
Actuarial (gain) loss on obligation due to experience	1.18	0.22	-	-	-
Present Value Of obligation at the end of the year	15.61	12.05	6.41	5.42	4.74
III. Amount recognised in balance sheet					
Liability at end of the year	15.61	12.05	6.41	5.42	4.74
Fair Value of plan assets	-	-	-	-	-
Unfunded liability	(15.61)	(12.05)	(6.41)	(5.42)	(4.74)
Unrecognised past service cost	-	-	-	-	-
(Assets)/liability recognised	15.61	12.05	6.41	5.42	4.74
IV. Expenses recognition in statement of profit and loss					
Current Service Cost	1.76	0.93	0.92	0.88	0.82
Interest Cost	0.96	0.60	0.45	0.41	0.20
Net Actuarial gain (loss) recognised in the year	1.09	4.15	(0.34)	(0.06)	1.34
Expenses Recognised in the statement of Profit and Loss	3.81	5.68	1.03	1.23	2.36
V. Balance sheet reconciliations					
Opening net liability	12.05	6.41	5.42	4.74	2.38
(Income)/expenses	3.81	5.68	1.03	1.23	2.36
Employers continuations	-	-	-	-	-
Benefit paid	(0.25)	(0.04)	(0.04)	(0.55)	-
Liability (asset) recognised in the Balance Sheet	15.61	12.05	6.41	5.42	4.74
VI. Experience adjustment					
Experience adjustment on Plan liabilities loss / (gain)	1.17	0.22	0.24	0.16	1.50
Experience adjustment on Plan assets	-	-	-	-	-
Total experience adjustment	1.17	0.22	0.24	0.16	1.50
VII. Current and Non-Current Liability					
Current	1.53	1.52	0.31	0.26	0.83
Non-current	14.08	10.53	6.10	5.16	3.91

Note:

The estimates of future salary increase considered in the actuarial valuation take account of the inflation, seniority, promotion, and other relevant factors such as supply and demand factors in the employment market

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

b Privileged leave (Compensated Absence for Employees):

The Company permits encashment of privileged leave accumulated by its employees on retirement, separation and during the course of service. The liability for unexpired leave is determined and provided on the basis of actuarial valuation at the Balance Sheet date. The privileged leave liability is not funded.

Amount recognized in the Balance Sheet and movements in net liability

₹ in million

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Opening Balance of Compensated Absences (a)	6.05	3.20	2.66	2.72	1.92
Present value of Compensated Absences (As per actuary valuation) as at the year end (b)	8.10	6.05	3.20	2.66	2.72
(Excess)/ Unfunded liability of Compensated Absences recognized in the Statement Profit and Loss for the year (b - a)	2.05	2.85	0.54	(0.06)	0.80

c During the year the Company has recognised the following amounts in the Statement of Profit and Loss:-

₹ in million

Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Amount recognised towards contribution to provident fund	5.75	3.80	2.74	2.25	1.69
Total	5.75	3.80	2.74	2.25	1.69

Annexure V-Notes to Restated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

22 Related Party Disclosure

SL No.	Subsidiary Companies
1	Delex Cargo India Private Limited (From April 08, 2011)
2	Huma Multitrade Private Limited (From April 15, 2013 to March 20, 2016)
3	Chetana Multitrade Private Limited (From April 15, 2013)
4	Continental Multimodal Terminals Limited (From March 28, 2014)
5	Continental Mega Food Park Private Limited (From July 1, 2014)
6	Kaveri Warehousing Private Limited (till March 31, 2012)

SL No.	Associate Enterprise
1	Continental Multimodal Terminals Limited (From April 11, 2011 to March 27, 2014)

SL No.	Enterprises over which Key Management personnel thereof are having significant Influence with whom transaction have taken place
1	Continental Warehousing Corporation Limited
2	Saastha Warehousing Limited
3	NDR Warehousing Private Limited
4	NDR Estates
5	Sree Mookambica Enterprises
6	Amrutesh Warehousing Company
7	Sri Kamakshi Enterprises
8	Continental Multimodal Terminals Limited
9	Delex Cargo India Private Limited (till April 07, 2011)

SL No.	Key Management Personnel	Designation
1	Mr. D. K. Jalnawalla	Whole-time director
2	Mr. N. Adikesavulu Reddy	Chairman & Managing Director
3	Mr. N. Amrutesh Reddy	Executive Director

SL No.	Relative of key management personnel with whom transaction taken place
1	Mrs. N. Kamakshamma Reddy

Related party disclosure

₹ in million

SL No.	Particulars	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
1	Continental Warehousing Corporation Limited					
	Transactions					
	Sale of services	-	-	-	-	47.43
	Purchase of assets/business of Stevedoring	-	-	-	-	-
	Advance given	-	-	-	-	7.39
	Advance repaid	-	-	-	9.59	-
	Expenses incurred on behalf of CWCL	-	-	-	-	0.26
	Land purchased	91.42	-	-	-	-
	Land advance given	-	7.24	25.75	28.63	-
	Closing balance					
	Trade receivable	-	49.44	49.44	49.44	54.93
	Land advance receivable	-	41.98	34.74	22.44	-
	Advance receivable	-	-	-	-	7.39
	Other payable	-	-	-	-	-
2	NDR Warehousing Private Limited					
	Transactions					
	Rent expense	5.99	7.10	14.98	1.82	-
	Subscription of shares	-	80.00	-	70.00	-
	March 31, 2015: 683,761 and March 31, 2013 696,185					
	Closing balance					
	Deposit	8.83	8.83	8.83	8.83	-
	Trade Payable	0.48	0.72	0.98	1.26	-
3	Delex Cargo India Private Limited					
	Transactions					
	Revenue	14.15	12.95	10.70	7.18	6.12
	Transportation charges/ Services received	4.51	0.08	0.11	0.94	-
	Loan given	314.20	18.30	29.51	178.90	197.20
	Interest income	-	1.68	2.88	3.15	-
	Reimbursement of expenses	-	1.75	0.17	0.85	0.92
	Rent expenses	-	-	0.26	-	-

Annexure V-Notes to Restated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

	Closing balance					
	Trade receivable	2.58	3.36	3.11	0.39	4.49
	Trade payable	1.03	-	-	-	-
	Loan and advance receivable	61.64	5.76	200.15	278.28	193.20
	Interest receivable	-	1.68	2.88	-	-
	Guarantee given to banks and others	637.00	628.50	535.20	671.70	-
4	NDR Estates					
	Transactions					
	Rent expense	31.27	29.91	26.38	25.12	24.19
	Closing balance					
	Deposit	18.09	18.09	18.09	18.09	18.09
	Rent payable	2.66	2.26	3.61	3.10	0.89
5	Saastha Warehousing Limited					
	Advance given	-	-	-	42.65	22.60
	Deposit given	-	-	30.00	-	-
	Rent Expenses	42.00	42.00	27.00	8.00	-
	Expenses reimbursement	7.32	7.62	6.28	5.34	-
	Expenses on our behalf	-	-	-	0.11	-
	Closing balance					
	Deposit	22.50	80.00	80.00	50.00	-
	Loan and advance receivable	0.52	0.89	2.00	0.47	22.60
6	Amrutesh Warehousing Company					
	Transactions					
	Rent expense	11.21	10.72	10.21	9.72	10.22
	Closing balance					
	Deposit	7.00	7.00	7.00	7.00	7.00
	Trade Payable	0.98	-	0.87	0.83	4.50
	Advance Rent	-	0.04	-	-	-
7	Sree Mookambica Enterprises					
	Transactions					
	Rent expense	1.51	1.51	1.51	1.51	1.67
	Rental deposit given	-	-	-	-	1.26
	Closing balance					
	Deposit	1.26	1.26	1.26	1.26	1.26
	Trade Payable	0.13	0.13	0.26	0.51	0.13
8	Sri Kamakshi Enterprises					
	Transactions					
	Rent expense	14.28	13.65	13.00	-	-
	Closing balance					
	Trade Payable	1.25	1.17	1.11	-	-
	Deposit	8.91	8.91	-	-	-
9	Continental Multimodal Terminals Limited (CMTL)					
	Transactions					
	Loan given	13.09	98.92	165.56	75.47	178.18
	Subscription of equity shares	315.38	601.18	172.58	46.78	22.96
	(In Financial year ended March 31, 2015, by way of conversion of loan in to equity shares)					
	Expenses on behalf of CMTL	4.92	0.09	9.22	5.38	14.17
	Interest income	-	49.59	29.98	24.51	7.29
	Guarantee given for Loans	350.00	-	-	-	-
	Closing balance					
	Loan and advance receivable	12.27	2.43	504.60	299.84	196.94
	Interest receivable	34.63	44.63	-	-	-
	Guarantee given for Loans	350.00	-	-	-	-

Annexure V-Notes to Restated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

10	Huma Multi Trade Private Limited					
	Transactions					
	Subscription of 10,000 equity shares	-	-	0.10	-	-
	Loan given	-	-	49.27	-	-
	Closing balance					
	Interest free loan and advance receivable	-	49.27	49.27	-	-
11	Chetana Multi Trade Private Limited					
	Transactions					
	Subscription of 10,000 equity shares	-	-	0.10	-	-
	Loan given	-	-	60.40	-	-
	Closing balance					
	Interest free loan and advance receivable	40.77	60.40	60.40	-	-
12	Continental Mega Food Park Private Limited					
	Transactions					
	Subscription of March 31, 2016: 5,000 and March 31, 2015: 15,010 equity shares	0.05	0.15	-	-	-
13	Mr. N Adikesavulu Reddy - Chairman & Managing Director					
	Transactions					
	Remuneration & Other Perquisites	12.00	12.00	9.00	12.00	12.00
	Purchase of March 31, 2014: 20,537,622 and March 31, 2012: 5,977,879 Equity Shares of Continental Multimodal Terminals Limited	-	-	150.33	-	70.26
	Issue of Equity Share	-	-	150.33	-	-
	Advance given	-	-	13.45	-	120.23
	Closing balance					
	Salary payable	0.61	0.68	0.59	0.71	0.68
	Loan payable	-	-	-	-	0.25
	Loan and advance receivable	-	-	-	-	-
	Guarantee given	800.00	-	-	-	-
	(Jointly with other director)					
14	Mr. D. K. Jalnawalla - Whole-time Director					
	Transactions					
	Remuneration & Other Perquisites	9.38	9.24	8.04	7.90	6.56
	Closing balance					
	Salary payable	0.49	0.46	0.44	0.32	0.34
15	Mr. N. Amrutesh Reddy - Executive Director					
	Transactions					
	Remuneration & Other Perquisites	7.50	7.50	5.63	7.50	7.50
	Purchase of Equity Shares of Delex Cargo (India) Private Limited	-	-	-	-	246.57
	Closing balance					
	Salary payable	0.45	0.45	0.44	0.46	0.47
	Guarantee given	800.00	-	-	-	-
	(Jointly with other director)					
16	Mrs N Kamakshamma Reddy					
	Transactions					
	Rent expenses	-	-	-	12.38	13.01
	Purchase of equity shares of Continental Multimodal Terminals Limited	-	-	22.25	-	23.91
	Purchase of Equity Shares of Delex Cargo (India) Private Limited	-	-	-	-	3.43
	Issue of equity shares	-	-	22.25	-	-
	Closing balance					
	Deposit receivable	-	-	8.91	8.91	8.91
	Trade Payable	-	-	-	1.06	5.91

Annexure V-Notes to Restated Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

17	Kaveri Warehousing Pvt Ltd					
	Transactions					
	Purchase of fixed assets	-	-	-	31.42	-
	Loan given	-	-	-	88.50	57.58
	Expenses incurred on behalf of the Company	-	-	-	0.01	0.18
	Rent expense	-	-	-	1.95	1.02
	Balances write off	-	-	-	-	0.29
	Services obtained	-	-	-	0.15	-
	Closing balance					
	Loan and advance receivable	-	-	-	51.57	52.08
	Trade Payable	-	-	-	0.30	0.20
	Payable against purchases	-	-	-	0.02	-

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

23 Segment Reporting

- a "Container Freight Station" segment includes common user facilities located at various locations in India, offering services for handling and temporary storage of Import/Export laden and empty containers and cargo carried under custom control. The segment includes Container Freight Stations located near seaports and inland container depots located in the interiors of the country away from the ports.
- b "Stevedoring" segment includes loading, unloading bulk cargo from ships, warehousing and repacking of cargo.
- c Inland Container Depots (ICD)/Private Freight Terminal (PFT) includes bonded warehousing, related warehousing, transportation and handling services for Import/Export laden, empty containers, domestic Container, and bulk cargo at PFT Terminal.

₹ in million

		For the year ended				
	Segment	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
(i) Segment Revenue						
External Revenue						
	Container Freight Station	2,743.55	2,289.48	2,008.72	2,119.53	1,860.96
	Stevedoring	-	-	31.13	87.72	446.00
	ICD/PFT	25.12	-	-	-	-
Total Revenue		2,768.67	2,289.48	2,039.85	2,207.25	2,306.96
(ii) Segment Results						
	Container Freight Station	752.46	672.82	647.28	686.25	728.80
	Stevedoring	-	-	(35.49)	(25.62)	(6.85)
	ICD/PFT	0.57	-	-	-	-
Total Results		753.03	672.82	611.79	660.64	721.95
Unallocable expenses (net of other income)		41.62	77.99	(36.67)	(30.27)	8.72
Finance Cost		246.43	109.95	125.03	170.67	153.32
Current tax		100.34	109.50	112.44	104.65	113.75
MAT credit entitlement		(95.77)	(104.64)	(108.96)	(101.67)	(103.86)
Deferred tax charge/(benefit)		52.34	3.51	13.16	28.97	20.00
Total tax		56.91	8.37	16.64	31.95	29.89
Profit after tax		408.07	476.51	506.79	488.29	530.02

₹ in million

Annexure V-Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

		For the year ended				
	Segment	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Other Information (iii) Segment Assets						
	Container Freight Station	4,632.12	5,298.13	6,453.58	5,708.48	5,013.50
	Stevedoring	-	-	421.67	452.54	567.01
	ICD/PFT	4,954.85	3,286.84	-	-	-
Unallocable assets		2,875.84	1,922.80	1,843.49	1,474.81	1,123.37
Total assets		12,462.81	10,507.77	8,718.74	7,635.83	6,703.88
(iv) Segment liabilities						
	Container Freight Station	442.66	289.67	194.50	281.14	182.20
	Stevedoring	-	-	5.86	2.30	49.35
	ICD/PFT	46.62	-	-	-	-
Unallocable liabilities		4,263.23	3,160.38	2,014.77	1,527.20	1,808.17
Total liabilities		4,752.51	3,450.05	2,215.13	1,810.64	2,039.72
(v) Capital Expenditure						
	Container Freight Station	303.24	93.93	673.77	442.10	528.51
	Stevedoring	-	-	-	54.49	2.91
	ICD/PFT	1,797.14	1,181.11	-	-	-
Total Capital Expenditure		2,100.38	1,275.04	673.77	496.59	531.42
(vi) Depreciation/ Amortization						
	Container Freight Station	120.06	113.71	90.32	67.64	44.17
	Stevedoring	-	-	13.81	15.58	12.95
	ICD/PFT	16.61	-	-	-	-
Total Depreciation/ Amortization		136.67	113.71	104.13	83.22	57.12

Other disclosure

The Company regards business segment as the primary segment. The composition of this segment is given below. Segments have been identified and reported taking into account nature of services, the differing risks and returns and the internal business reporting systems.

i) Revenue and expenses have been clearly identified to each segment on the basis of relationship to operating activities of the segment. Common corporate expenses that cannot be allocated to a segment on reasonable basis have been disclosed under "Unallocated expenses"

ii) Assets and liabilities have been clearly identified to each segment. Tax related assets, other assets and liabilities that cannot be allocated to a segment on reasonable basis have been disclosed as "Unallocable".

Secondary Segment

The Company's operations are such that all activities are confined only to India and hence, there is no such secondary reportable segment relating to the Company's business.

Annexure V-Restated Standalone Statement of Deferred tax Liability of Continental Warehousing Corporation (Nhava Seva) Limited
24 Deferred tax (Net)

₹ in million

Deferred tax Liability		As at				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Deferred tax liability						
On Depreciation		176.38	124.36	115.46	99.29	68.56
Total deferred tax liability		176.38	124.36	115.46	99.29	68.56
Deferred tax assets						
Liability that are deducted for tax purpose when paid/provision for doubtful debts		(10.39)	(10.71)	(5.32)	(2.31)	(0.55)
Total deferred tax assets		(10.39)	(10.71)	(5.32)	(2.31)	(0.55)
Deferred tax liability (Net)		165.99	113.65	110.14	96.98	68.01

25 During the financial year March 31, 2016:

Based on the opinion from advisor, the Management has taken a view that the Company will be able to comply with the conditions of the provisions of Section 80IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Company deposited Rs. 39.15 million till March 31, 2014, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA (4) (i) of the Income-tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. In F.Y. 2013-14, the Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million. The Commissioner of Income Tax (Appeals) challenged the ITAT Mumbai order in Hon'ble Bombay High Court and Hon'ble Bombay High Court also upheld order issued by ITAT Mumbai vide its order dated April 21, 2015. During the current year the Commissioner of Income Tax -II has filed an appeal in Hon'ble Supreme Court against the order issued by the Hon'ble Bombay High Court.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2009-2010, disallowing the claim of deduction by the Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) vide his Order dated December 17, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) (i) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the order of the Commissioner of Income Tax (Appeals), the Assistant Commissioner of Income Tax has filed an appeal before ITAT Pune, Pune Bench on April 25, 2013. ITAT Pune dismissed the appeal filed by the Assistant Commissioner of Income Tax vide its order dated November 18, 2014 and upheld the order issued by the Commissioner of Income Tax (Appeals).

During the F.Y 2012-13, the Joint Commissioner of Income Tax issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Company u/s 80IA (4) (i) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013, requested the Joint Commissioner of Income Tax to keep the demand in abeyance.

The Commissioner of Income Tax (Appeals), vide its Order dated June 26, 2014, allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014 and May 12, 2015.

During the F.Y. 2013-14, the Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Company u/s 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 2, 2014, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Company, vide its application dated April 15, 2014, has also requested the Joint Commissioner of Income Tax to keep demand in abeyance.

The Commissioner of Income Tax (Appeals), vide its Order dated July 27, 2015, allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act.

During the F.Y. 2014-15, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2012-2013, disallowing the claim of deduction by the Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 125.56 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 10, 2015, before the Commissioner of Income Tax (Appeals) against the Assessment Order issued by the Deputy Commissioner of Income Tax. The Company, vide its application dated April 7, 2015, has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

During Current Year, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2013-2014, disallowing the claim of deduction by the Company under Section 80IA (4) (i) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 59.37 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 20, 2016, before the Commissioner of Income Tax (Appeals), against the Assessment Order issued by the Deputy Commissioner of Income Tax. The Company, vide its application dated April 26, 2016, has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

Consequently, the income tax liability for the current financial year has been determined under "Minimum Alternate Tax" pursuant to section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 116.00 millions for the year. The cumulative additional tax liability as at the year-end would be Rs. 535.50 millions which includes Rs.488.00 millions already disclosed under Note 16 of annexure V contingent liability in restated standalone financial Information.

The Company is eligible for deduction under Section 80IA (4) (i) of the Income Tax Act, 1961 of India (the "Income Tax Act") and accounted for Minimum Alternate Tax credit of Rs. 95.70 millions for the current year based on the assessment of future profitability pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. During the current year, considering the balance term of Section 80-IA (4) (i) of the Income Tax Act and based on the assessment of future profitability, the Company has also accounted for eligible Minimum Alternate Tax Credit from Assessment Year 2011-12 to Assessment Year 2015-16 amounting to Rs. 496.40 million as MAT credit to be set-off against future tax liability. The Company is eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for further one succeeding assessment year.

However the same has now been considered in the restated standalone financial information in the respective years. (Refer annexure VI)

During the financial year March 31, 2015:

Based on the opinion from advisor, the Management has taken a view that the Company will be able to comply with the conditions of the provisions of Section 80IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Company deposited Rs.39.15 million till March 31,2014, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. In F.Y. 2013-14, the Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million. The Commissioner of Income Tax (Appeals) challenged the ITAT Mumbai order in Bombay High Court and Bombay High Court also upheld order issued by ITAT Mumbai vide by its order dated April 21, 2015.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2009-2010, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) vide his Order Dated December 17, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA (4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the Commissioner of Income Tax (Appeals) order the Assistant Commissioner of Income Tax (Appeals) has filed an appeal at ITAT Pune, Pune Bench on April 25, 2013. ITAT Pune dismissed the appeal filed by Assistant Commissioner of Income Tax (Appeals) by its order dated November 18, 2014 and upheld the order issued by Commissioner of Income Tax (Appeals).

During the F.Y 2012-13, The Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013 requested to the Joint Commissioner of Income Tax to keep the demand in abeyance.

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

The Commissioner of Income Tax (Appeals) vide its Order dated June 26, 2014 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA (4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014.

During the F.Y 2013-14, the Joint Commissioner of Income Tax has issued an Assessment Order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 15, 2014, against the Assessment Order issued by the Joint Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Company vide its application dated April 15, 2014 has also requested the Joint Commissioner of Income Tax to keep demand in abeyance.

During the current year, the Deputy Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the Assessment Year 2012-2013, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 125.55 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 10, 2015, against the Assessment Order issued by the Deputy Commissioner of Income Tax before the Commissioner of Income Tax (Appeals). The Company vide its application dated April 7, 2015 has also requested the Deputy Commissioner of Income Tax to keep demand in abeyance.

Consequently, the income tax liability for the current financial year has been determined under "Minimum Alternate Tax" pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 1,15.50 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 419.53 million which includes Rs. 361.75 million already disclosed under Note 16 of annexure V contingent liabilities in the restated standalone financial information .

The Company is eligible for Minimum Alternate Tax credit of Rs.94.50 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for further two succeeding assessment years, the Company as a matter of prudence, has accounted for eligible Minimum Alternate Tax credit only for assessment year 2010-11 amounting to Rs 55.83 million. The Company has not accounted for the eligible Minimum Alternate Tax credit of Rs. 533.60 million from assessment year 2011-2012 to assessment year 2015-2016.

However the same has now been considered in the restated financial information in the respective years. (Refer annexure VI)

During financial year March 31, 2014

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Company deposited Rs.39.15 million till March 31, 2014, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009. During the current year, the Company has received refund of Rs. 2.90 million out of additional tax of Rs. 39.15 million.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Company filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). The Company deposited Rs. 60.00 million till March 31, 2013. The Commissioner of Income Tax (Appeals) Vide his Order Dated December 17, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010. Against the Commissioner of Income Tax (Appeals) order the Assistant Commissioner of Income Tax (Appeals) has filed an appeal at ITAT Pune, Pune Bench on April 25, 2013.

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During the F.Y 2012-13, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals) and also vide its application dated April 16, 2013 requested to the Joint Commissioner of Income Tax to keep the demand in abeyance.

The Commissioner of Income Tax (Appeals) Vide his Order Dated June 26, 2014 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2010-2011 on August 1, 2014.

During the F.Y 2013-14, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2011-2012, disallowing the claim of deduction by the Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 68.41 million and initiated proceedings to levy penalty.

The Company has filed an appeal vide application dated April 15, 2014, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals). The Company vide its application dated April, 15, 2014 has requested the Joint Commissioner of Income Tax to keep demand in abeyance.

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2010-11 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under "Minimum Alternate Tax" pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 27.08 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 304.03 million which includes Rs. 276.95 million already disclosed under Note-16 of annexure V Contingent liability in the restated financial information.

The Company has not accounted for the eligible Minimum Alternate Tax credit from assessment year 2011-2012 to assessment year 2014-2015.

However the same has now been considered in the restated financial information in the respective years. (Refer annexure VI)

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

During financial year March 31, 2013:

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the F.Y. 2010-11, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals) which was dismissed. The Company has deposited Rs.39.15 million till March 31, 2013, pursuant to the directions from the Assistant Commissioner of Income-tax.

The Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated August 31, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2008-2009.

During the F.Y. 2011-12, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals), the Company has deposited Rs. 60.00 million till August 31, 2012. The Commissioner of Income Tax (Appeals) Vide his Order Dated December 17, 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income Tax Act. The Company has filed the refund letter for refund of additional tax paid for Assessment Year 2009-2010.

During the Current year, The Joint Commissioner of Income Tax has issued an Assessment order u/s 143(3) of the Income Tax Act, for the Assessment Year 2010-2011, disallowing the claim of deduction by the Company u/s 80IA (4) of the Income tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 99.93 million and initiated proceedings to levy penalty.

The Company filed an appeal vide application dated April 12, 2013, against the Assessment Order issued by Joint Commissioner of Income Tax before The Commissioner of Income Tax (Appeals). The Company vide its application dated April, 16, 2013 has requested the Joint Commissioner of Income Tax to keep demand in abeyance.

The Assistant Commissioner of Income Tax has issued a demand notice of Rs. 99.93 million for Assessment Year 2010-11 dated May 20, 2013. Against the same, the Company has resubmitted the request to keep demand in abeyance vide its application letter dated June 26, 2013.

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2010-11 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under "Minimum Alternate Tax" pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs. 40.35 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 216.35 million.

The Company is eligible for Minimum Alternate Tax credit of Rs. 98.00 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for the further four succeeding assessment years, the Company, as a matter of prudence, has accounted for eligible Minimum Alternate Tax credit only for assessment year 2008-2009 and 2009-2010 amounted to Rs. 53.95 million. The Company has not accounted for the eligible Minimum Alternate Tax credit of Rs. 334.30 million from assessment year 2010-2011 to assessment year 2013-2014 as a matter of prudence.

However the same has now been considered in the restated financial information in the respective years. (Refer annexure VI)

During financial year March 31, 2012:

Based on the opinion obtained from a tax consultant, the Management has taken a view that the Company will be able to comply with the conditions of the provisions of Section 80-IA (4) (i) of the Income Tax Act, 1961 of India ("the Income Tax Act") and, therefore, the Company is eligible for tax holiday under the Income Tax Act in respect of the Container Freight Station activities.

During the previous year, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2008-2009, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 63.29 million and initiated proceedings to levy penalty. The Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals).which was dismissed. The Company has deposited Rs.39.15 million till March 31, 2012, pursuant to the directions from the Assistant Commissioner of Income-tax.

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

The Company preferred an appeal against the order of Assistant Commissioner of Income Tax (Appeals) before ITAT, Mumbai. ITAT, Mumbai vide its order dated 31st August 2012 allowed the appeal of the Company and held that the Company is entitled to claim deduction u/s 80IA(4) of the Income-tax Act, 1961.

During the current year, the Assistant Commissioner of Income Tax has issued an order under Section 143(3) of the Income Tax Act, for the assessment year 2009-2010, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest amounting to Rs. 115.99 million and initiated proceedings to levy penalty. The Company has filed an appeal against the assessment order before the Commissioner of Income Tax (Appeals). Pending conclusion of the appeal, the Company has deposited Rs. 60.00 million till August 31, 2012.

Based on tax consultants opinion and the order of the ITAT, the management is of the opinion that the Company is entitled to deduction under Section 80IA (4) of the Income Tax Act for the assessment year 2009-10 and hence no provision for the aforesaid demand has been considered necessary by the management.

Consequently, the income- tax liability for the current financial year has been determined under "Minimum Alternate Tax" pursuant to Section 115JB of the Income Tax Act. If the tax holiday claim of the Company is eventually not accepted by the Income Tax authorities, it would result in additional tax liability of Rs.60.00 million for the year. The cumulative additional tax liability as at the year-end would be Rs. 317.60 million.

The Company is eligible for Minimum Alternate Tax credit of Rs. 103.40 million for the year pursuant to Section 115JAA of the Income Tax Act, 1961 for set off against normal tax payable during the period of ten succeeding assessment years. As the Company is also eligible for the tax holiday under the Income Tax Act, 1961 in respect of the container freight station activities for the further five succeeding assessment years, the Company, as a matter of prudence, has not accounted for the eligible MAT credit of Rs. 290.24 million as at March 31, 2012.

However the same has now been considered in the restated financial information in the respective years. (Refer annexure VI)

- 26 During the financial year ended March 31, 2015, Pursuant to Schedule II to the Companies Act 2013 ("Schedule") becoming effective April 1, 2014, the Company revised the useful life of assets as prescribed in Schedule II, for the purpose of computing depreciation. Had the Company not revised the useful life of assets, the depreciation for the year ended March 31, 2015 would have been lower by Rs. 2.42 million. Further, in case of assets which have completed their useful life as at 1st April 2014, the carrying value (net of residual value) amounting to Rs. 3.43 million (net of tax effect of Rs. 1.11 million) has been adjusted in the opening balance of retained earnings.
- 27 During the financial year March 31, 2012 to 2015, the Company was unable to recruit a whole time company secretary as required under Section 203 of the Companies Act, 2013 (earlier under Section 383A of the Companies Act 1956) read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2014. However at the Board meeting held on September 23, 2015, the Company has taken steps and appointed a whole time company secretary.
- 28 During the financial year March 31, 2012, the Company granted loans amounting to Rs 196.94 million to Continental Multimodal Terminals Limited (CMTL), a company, in which a director of the Company holds more than 25% of the total voting power without obtaining the requisite approval from the Central Government of India under Section 295 of the Companies Act, 1956. The Company then filed an application for granting further loans upto Rs 320 million and also for condonation for the loan given earlier and submitted the documents requested by the Ministry of Companies Affairs and obtained the approval during the year ended March 31, 2014.

During the financial year March 31, 2013 & March 31, 2014, the Company granted further loans amounting to Rs 75.48 million and Rs 165.56 million respectively to CMTL. Since the total loan exceeded the limit of Rs 320.00 million approved by the Central Government, by Rs 117.96 million, the Company filed similar applications for approval to the Central Government under Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company affairs on March 24, 2013 for seeking approval and reply against the same is awaited. CMTL has become a subsidiary of the Company with holding of 93.10% (85%) effective March 28, 2014.

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

29 During the financial year March 31, 2015, 2014 & 2013, as per disclosure under Section 186 of the Companies Act 2013: The operations of the Company are classified as 'infrastructure facilities' as defined under Schedule VI to the Act. Accordingly, the disclosure requirements specified in sub-Section 4 of Section 186 of the Act in respect of loans given, investment made or guarantee given or security provided and the related disclosures on purposes/ utilization by recipient companies are not applicable to the Company.

30 During the financial year March 31, 2015, the Company had assessed the carrying value of its jetty license of Rs. 137.50 million acquired in an earlier year and included under capital work in progress. Based on such an assessment, the management of the Company, concluded that is not viable to run the jetty operations and decided to impair the carrying value as an exceptional item.

31 Nature of Security the Company for the Financial year ended March 31, 2012 to 2014

₹ in million

Security	Rate of Interest	Terms of repayment	Loan Amount		
			March 31, 2014	March 31, 2013	March 31, 2012
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable assets, operating cash flows & receivables and all the insurance policies pertaining to the Ahmedabad and Panipat projects; - Second charge on all the present and future current assets pertaining to the Ahmedabad and Panipat projects; - First charge over all the borrowers right under all the Ahmedabad and Panipat project agreements & accounts, including escrow accounts, DSRA and any other accounts under any of the Ahmedabad and Panipat projects agreement/Finance Documents and any Permitted Investments. - DSRA equivalent to ensuring 3 month's debt service requirement. - Pledge on Promoter's shareholding in CWCNSL for 1.25 times cover subject to maximum of 26% to 30% of paid up capital of the Company. 	March 31, 2012: 12.5% March 31, 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year (Refer Note 11)	21.00	-	-
		1 Year but within 2 Years	47.25	49.63	-
		2 Years but within 5 Years	204.75	361.00	169.13
		5 years and more	714.47	189.38	280.88
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable (excluding already hypothecated) properties, assets and all the insurance policies; - Second charge on all the present and future current assets (except operating cash flows and receivable); - First charge of all the present and future operating cash flows & receivables from the project or otherwise, project agreements & accounts, including Escrow accounts, DSRA and any other accounts. - DSRA equivalent to ensuring 3 month's debt service requirement. - Personal Guarantee of the promoters of CWCNSL. - Pledge on Promoter's shareholding in CWCNSL representing 26% to 30% of paid up capital. 	March 31, 2012: 12.5% March 31, 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year (Refer Note 11)	21.28	10.50	63.32
		1 Year but within 2 Years	24.82	21.00	67.82
		2 Years but within 5 Years	122.34	68.50	108.36
		5 years and more	175.53	-	12.17
<ul style="list-style-type: none"> - First charge over all the present and future immovable/movable (excluding already hypothecated) properties, assets & insurance policies - Second charge on all the present and future current assets (except operating cash flows and receivable); - First charge of all the present and future operating cash flows and receivables; - First charge of all the present and future rights under all project agreement, project accounts, including escrow account, DSRA & any other accounts; - DSRA equivalent to ensuring 3 month's debt service requirement; - Pledge on Promoter's shareholding in CWCNSL representing 26% to 30% of paid up capital. 	March 31, 2012: 12.5% March 31, 2013: 12.5% March 31, 2014: 12.25% to 12.75%	Within 1 Year (Refer Note 11)	135.01	177.10	151.68
		1 Year but within 2 Years	70.84	158.58	157.68
		2 Years but within 5 Years	72.92	120.09	285.68
		5 years and more	-	-	112.01
Total			1,610.21	1,155.78	1,408.73

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Nature of Security the Company for the Financial year ended March 31, 2015 and 2016

₹ in million

Security	Rate of Interest	Terms of Repayment	Loan Amount	
			As at Mar 31,2016	As at March 31, 2015
<p>Security created in favor of SBI Cap Trustee Company Limited on behalf of Axis Bank Limited , IDFC Bank Limited, Indusind Bank Limited, Aditya Birla Finance Limited and J & K Bank Limited.</p> <p>(i) A first ranking mortgage / charge / assignment / Security Interest on:</p> <p>(1) All the immoveable properties of the Company (including the Ahmedabad and Panipat or otherwise), both present and future;</p> <p>(2) All moveable fixed assets of the Company (both intangible and tangible) (including Ahmedabad and Panipat or otherwise) (excluding assets charged to equipment finance lenders), present and future;</p> <p>(3) All of the Company's rights, titles and interest under each of the Project Documents and all the Company's rights, titles and interest under all approvals, including all licences, permits, concessions and consents in respect of or in connection with Ahmedabad and Panipat, to the extent assignable under Applicable Law;</p> <p>(4) All the Company's bank accounts in relation to Ahmedabad and Panipat and each of the other accounts required to be created by the Company under any Transaction Documents, including without limitation the Trust and Retention Account, Permitted Investments and the DSRA, including in each case, all monies lying credited/ deposited into such accounts; and</p> <p>(5) All the Insurance Contracts together with any receivables thereunder.</p> <p>(ii) A second ranking charge on all current assets of the Company, both present and future;</p> <p>(iii) A first ranking pledge having a cover of 1.25 times the Loan subject to a maximum of 26% of the Equity Shares of Company held by the Promoters and non disposal undertaking by the Promoters in relation to the remaining Equity Shares held by them in the Company;</p> <p>(iv) Negative lien on the immovable assets of the Company situated at Indore</p>	Interest ranges from 12.35% to 12.75% (12.34% to 12.75%)	Within 1 Year (Refer Note 10 - Current Maturities of Long Term Debts)	219.14	158.60
		After 1 Year but within 2 Years	166.05	214.61
		After 2 Years but within 5 Years	1,014.67	828.53
		After 5 Years but within 10 Years	1,612.87	1,637.74
Total A			3,012.73	2,839.48

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

<p>Security created in favour of GDA Trusteeship Limited on behalf of Indostar Capital Finance Limited</p> <p>(i) First exclusive charge, in such form and manner as the Lender may require, over all present and future fixed (movable and Immovable) and Second ranking charge on current assets of Continental Multimodal Terminal Limited ("CMTL"), subsidiary of the Company Including the private freight terminal project at Hyderabad</p> <p>(ii) First exclusive charge, In such form and manner as the Lender may require, over all the assets acquired/to be acquired by Company using Indostar Facility with respect to the private freight terminal project at Bangalore.</p> <p>(iii) First exclusive charge, in such form and manner as the Lender may require, over all the specified assets acquired/to be acquired by the Promoters for the benefit of Company using Indostar Facility with respect to the private freight terminal project at Bangalore.</p> <p>(iv) Personal Guarantee from the Promoters which shall be valid and subsisting till the time adequate security is created by Company over the specified assets acceptable to the Lender;</p> <p>(v) Pledge of entire stake of Company in CMTL (being minimum of 92%); (In Demat Form);</p> <p>(vi) Assignment of Insurance policies in favor of the Lender for the assets charged to the Lender;</p> <p>(vii) Demand Promissory Note for full Facility by each Company and CMTL separately;</p> <p>(viii) Assignment by way of security of all rights, title and interest of (i) the Company in the Bangalore Private Freight Terminal Project including the right to acquire the Bangalore Private Freight Terminal Project land from the Promoters; and (ii) the Promoter to acquire the Bangalore Private Freight Terminal Project land admeasuring approximately upto 55 acres (The Charge would be created as and when the assets are acquired)</p>	State Bank of India base rate plus spread 3.4% reset quarterly.	After 1 Year but within 2 Years	221.82	-
		After 2 Years but within 5 Years	578.18	-
Total B			800.00	-
Total A+B			3,812.73	2,839.48

Vehicles Loan from bank

₹ in million

Particulars	Rate of Interest	Terms of repayment	Loan Amount			
			March 31, 2016	As at March 31, 2015	March 31, 2014	March 31, 2013
Secured Vehicle loans are secured by hypothecation of vehicles	March 31,2012: 10.89% to 11.26% March 31,2013 and 2014 : 9.65% to 11.26%	Within 1 Year	41.09	43.22	32.33	29.11
		1 Year but within 2 Years	10.32	39.86	33.46	30.74
		2 Years but within 5 Years	6.95	8.96	88.18	113.81
		After 5 Years but within 10 Years	-	4.03		
Total			58.36	96.06	153.97	173.66

Annexure V Notes to Restated Standalone Financial Information of Continental Warehousing Corporation (Nhava Seva) Limited

Yard Equipment Loan from bank

₹ in million

Particulars	Rate of Interest	Terms of repayment	Loan Amount				
			March 31, 2016	As at March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Yard equipments finance loan are secured by way of hypothecation of Company's commercial vehicles (Reach stackers, forklift and tippers)	March 31,2012, to 2016: 9.95% to 12.75%	Within 1 Year	62.194	38.397	33.40	37.26	33.70
		1 Year but within 2 Years	55.825	25.68	25.94	35.26	37.59
		2 Years but within 5 Years	58.489	5.505	65.05	102.65	136.54
Total			176.51	69.58	124.39	175.16	207.83

Short term borrowings

First ranking charge, on all current assets of the Borrower, both present and future (Excluding all cash flows, revenues, receivables in connection with Ahmadabad and Panipat Project).

Second ranking charge on, all immovable/moveable fixed assets of the Borrower (Excluding any equipment already hypothecated to

- 32** In the opinion of the Board, current assets, loans and advances have a value of at least equal to the amounts shown in the balance sheet, if realised in the ordinary course of the business. The provision for all the known liabilities is adequate and not in excess of the amount reasonably necessary
- 33** The company has no outstanding derivative instruments and unhedged foreign currency exposure as at March 31,2016 and March 31,2015
- 34** Expenses towards Corporate Social Responsibility:
- (a) Gross amount required to be spent by the Company during March 31, 2016: Rs. 10.18 and March 31, 2015: Rs. 10.50 million
- (b) Amount spent March 31, 2016: Rs. Nil and March 31, 2015: Rs. Nil.
- 35** There are no amounts due and outstanding to be provided to the Investor Education and Protection Fund under as at the year end.
- 36** Amount below the norms adopted by the Group has been disclosed as nil.

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

Summarized below are the restatement adjustments made to the audited financial statements for the year period ended March 31, 2016, 2015, 2014, 2013 and 2012 and their impact on the profit of the Company:

₹ in million

Particulars	For the Year ended				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
A. Adjustments:					
Material Restatement Adjustments (Excluding those on account of changes in accounting policies):					
(i) Audit Qualifications	-	-	-	-	-
Total:	-	-	-	-	-
(ii) Other material adjustments					
(1) Liabilities written back to the extend no longer required (Refer note (a) below)	-	(5.99)	(1.38)	2.23	-
2) MAT credit entitlement (Refer note (b) below)	(496.32)	48.81	108.96	47.72	103.86
3) Sundry balances write off (Refer note (c) below)	7.84	(6.37)	(1.47)	-	-
4) Provision for doubtful debts (Refer note (d) below)	5.29	(1.29)	(3.39)	-	(0.61)
Total other material adjustment	(483.19)	35.16	102.72	49.95	103.25
Less: Deferred tax on above adjustments	4.46	(4.64)	(2.12)	0.76	(0.21)
Other material adjustment after deferred tax	(487.65)	39.80	104.84	49.19	103.46
B. Adjustments on account of changes in accounting policies	-	-	-	-	-
Total:	-	-	-	-	-
Total impact of Adjustments (A+B)	(487.65)	39.80	104.84	49.19	103.46

(a) In the audited financial statements of the Company for the financial years ended on March 31 2013, 2014, and 2015, creditors, which were considered no more payable and written back, have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

- (b) In the audited financial statements of the Company for the financial years ended on March 31, 2012 to 2015, Company has not accounted the MAT credit available under Section 115JAA of Income tax Act on account of prudence as the Income Tax officer issued an order under Section 143(3) of the Income Tax Act, for various Assessment Years, disallowing the claim of deduction by the Company under Section 80IA (4) of the Income Tax Act and issued a notice of demand under Section 156 of the Income Tax Act for recovery of additional income tax and interest. During the year ended March 31, 2016, the Honourable High Court of Bombay held that the Company is eligible for deduction under this Section, hence the Company has accounted MAT Credit and appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (c) In the audited financial statements of the Company for the year ended March 31, 2016, sundry balances write off, which were considered doubtful and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (d) In the audited financial statements of the Company for the year ended March 31, 2016, trade receivables, which were considered doubtful and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (e) The tax rate applicable for the respective periods/years has been used to calculate the deferred tax impact on adjustments.

(f) Opening Reserve Reconciliation

	₹ in million
Surplus in statement of Profit and Loss, as per audited Standalone Financial Statement as at April 1, 2011	859.52
Adjustment on account of Restatements:-	
MAT Credit	186.96
Sundry balances write back (net of deferred tax)	3.39
Surplus as per Restated Standalone Financial Information as at April 1, 2011	1,049.87

- (A) Statutory Auditors have made the following comments in terms with the requirements of the Companies (Auditor's Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies act, 2013 of India for Financial Year 2015-16 and 2014-15 and in terms with the requirements of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act, 1956 of India for Financial Year 2013-14, 2012-13 and 2011-12:

FY 2015-16

- The title deeds of immovable properties, as disclosed in Note 12 (A) on fixed assets to the financial statements, are held in the name of the Company, except for in case of land of 15.28 acres situated at Khopta village, Taluka Uran, having gross and net block value of Rs.141.64 million whose title deeds is held by chairman and managing director on behalf of the Company and is in the process being transferred in the name of the Company.
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2016, for a period of more than six months from the date they became payable are as follows

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Name of the statute	Nature of dues	Amount	Period to which	Due date	Date of Payment
The Income Tax Act, 1961	Advance tax	9.263	A.Y.2016-17	September 15, 2015	Not yet paid

3 According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, duty of customs, duty of excise, value added tax which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2016 which have not been deposited on account of a dispute, are as follows:

₹ in million

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Forum where the dispute is pending
The Income Tax Act 1961	Income Tax	24.14	AY 2008-2009	Hon'ble Supreme Court
The Income Tax Act 1961	Income Tax	85.37	AY 2012-2013	Commissioner of Income Tax (Appeals) Thane
The Income Tax Act 1961	Income Tax	59.38	AY 2013-2014	Commissioner of Income Tax (Appeals) Thane

FY 2014-15

1 According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Income Tax the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2015, for a period of more than six months from the date they became payable are as follows.

₹ in million

Name of the statute	Nature of dues	Amount	Period to which the amount relates	Due date	Date of Payment
The Income Tax Act 1961	Advance Tax	13.91	AY15-16	September 15, 2014	Unpaid

2 According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, duty of customs, duty of excise, value added tax, which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2015 which have not been deposited on account of a dispute, are as follows

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Name of the statute	Nature of dues	Amount	Period to which t	Forum where the dispute is pending
The Income Tax Act 1961	Income Tax	55.99	AY 2009-2010	ITAT Pune
The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals) Thane*
The Income Tax Act 1961	Income Tax	68.42	AY 2011-2012	Commissioner of Income Tax (Appeals) Thane
The Income Tax Act 1961	Income Tax	85.37	AY 2012-2013	Commissioner of Income Tax (Appeals) Thane

* The Commissioner of Income Tax (Appeals) vide its Order dated June 26, 2014 allowed the appeal of the Company and Company has filed the refund letter dated August 1, 2014

FY 2013-14

- 1 The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. *However, no physical verification was carried out by the Management during the year at stevedoring business and the Container Freight Stations and Bonded warehouse located at Chennai, Redhills, Poochi and Tuticorin. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account at the above locations.*
- 2 According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of shortfall in payment of advance tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, excise duty, sales tax, investor education and protection fund, service tax, wealth tax, customs duty and other material statutory dues, as applicable, with the appropriate authorities.
- 3 According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2014 which have not been deposited on account of a dispute, are as follows

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Name of the statute	Nature of dues	Amount	Period to which t	Forum where the dispute is pending
The Income Tax Act 1961	Income Tax	55.99	AY 2009-2010	ITAT Pune
The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals)
The Income Tax Act 1961	Income Tax	68.42	AY 2011-2012	Commissioner of Income Tax (Appeals)

FY 2012-13

1 The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the Management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of account. However, no physical verification was carried out by the Management during the year at stevedoring business and the Container Freight Stations and Bonded warehouse located at Chennai, Redhills Kaverpeth, Poochi and Tuticorin. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account at the above locations.

2 Except that the scope of the internal audit does not include the stevedoring business and Bonded warehouse located at Kaverpeth and Poochi, in our opinion, the internal audit system of the Company is commensurate with its size and nature of business

3 According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of shortfall in payment of advance tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, service tax, customs duty, and other material statutory dues, as applicable, with the appropriate authorities.

4 According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, wealth-tax, service-tax and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2013 which have not been deposited on account of a dispute, are as follows

₹ in million

Name of the statute	Nature of dues	Rs in million	Period to which t	Forum where the dispute is pending
The Income Tax Act 1961	Income Tax	99.94	AY 2010-2011	Commissioner of Income Tax (Appeals)

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

FY 2011-12

- The fixed assets are physically verified by the Management according to a phased programme designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. However, no physical verification was carried out by the Management during the year. Accordingly, the discrepancies, if any, could not be ascertained and therefore, we are unable to comment on whether the discrepancies, if any, have been properly dealt with in the books of account.
- Except that the scope of the internal audit does not include the Stevedoring business and the Container Freight Stations and Bonded warehouses located at Chennai, Kaverpeth and Tuticorin, in our opinion, the internal audit system of the Company is commensurate with its size and nature of business
- According to the information and explanations given to us and the records of the Company examined by us, in our opinion, except for dues in respect of Service Tax and shortfall in payment of advance tax, the Company is generally regular in depositing undisputed statutory dues, including provident fund, employees' state insurance, income tax, sales tax, customs duty and other material statutory dues, as applicable, with the appropriate authorities. The extent of the arrears of statutory dues outstanding as at March 31, 2012, for a period of more than six months from the date they became payable are as follows:

₹ in million				
Name of the statute	Nature of dues	Amount	Period to which the Due date	Date of Payment
The Central Excise Act, 1944	Service tax	5.13	Financial year 10-April 30, 2011	Not yet paid

- According to the information and explanations given to us and the records of the Company examined by us, there are no dues of sales-tax, service-tax, wealth tax, excise duty and customs duty which have not been deposited on account of any dispute. The particulars of dues of income tax as at March 31, 2012 which have not been deposited on account of a dispute, are as follows

₹ in million				
Name of the statute	Nature of dues	Amount	Period to which the	Forum where the dispute is pending
The Income Tax Act, 1961	Income Tax	24.14	AY 2008-2009	Income Tax Appellate Tribunal- Mumbai
The Income Tax Act, 1961	Income Tax	80.99	AY 2009-2010	Commissioner of Income Tax Appeals Mumbai

(B) Emphasis of Matter

FY 2015-16

- Note No. 45 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the year ended March 31, 2014 to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited.

Annexure -VI Statement on Adjustments to Standalone Audited Financial Statements of Continental Warehousing Corporation (Nhava Seva) Limited

FY 2014-15

- 1 Note 44 to Financial Statement, regarding non appointment of whole time company secretary during the year as required under section 203 of the Act read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014.
- 2 We draw attention to Note No. 45 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the previous year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter.

FY 2013-14

- 1 We draw attention to Note No. 46 to the Financial Statements, regarding loans granted by the Company, aggregating Rs. 117.96 million during the current year to another company in which a Director of the Company holds more than 25% of the total voting power, without obtaining the prior approval of the Central Government as required by Section 295 of the Companies Act, 1956. The Company has since applied to Ministry of Company Affairs on March 24, 2013 for seeking approval and reply against the same is awaited. Our opinion is not qualified in respect of this matter.

Annexure VII -Restated Standalone Statement of Secured Borrowings of Continental Warehousing Corporation (Nhava Seva) Limited
Secured Borrowings

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Long term borrowings					
Secured term loans: (refer annexure VII A)					
From banks					
Term loans	1,850.24	1,804.15	601.59	365.94	638.35
Vehicle Loan	14.81	45.91	62.43	90.68	64.53
Yard Equipment Loan	91.30	11.55	37.49	66.40	93.65
From Other than banks					
Term loans	1,743.35	876.74	831.35	602.34	555.47
Vehicle Loan	2.45	6.94	-	-	-
Yard Equipment Loan	22.97	19.64	-	6.34	16.34
Sub-total (A)	3,725.12	2,764.93	1,532.86	1,131.70	1,368.34
Current portion of Secured long term borrowings, included in Other Current Liabilities (refer annexure V note 5) & (refer annexure VII A)					
From banks					
Term loan	168.05	136.39	57.49	67.85	63.32
Vehicle loan	36.60	39.24	32.33	29.11	16.69
Yard Equipment Loan	41.11	25.87	33.40	37.26	33.70
From Other than banks					
Term loan	51.09	22.21	119.80	119.76	151.68
Vehicle loan	4.49	3.98	-	-	-
Yard Equipment Loan	21.09	12.53	-	-	-
Sub-total (B)	322.43	240.22	243.02	253.98	265.39
Secured short term borrowings from bank					
Cash credit (Refer annexure- VIIA)	135.07	37.14	53.10	2.90	23.77
Sub-total (C)	135.07	37.14	53.10	2.90	23.77
Total (A+B+C)	4,182.62	3,042.29	1,828.98	1,388.58	1,657.50

ANNEXURE VII A
Restated Standalone Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

Sl. No.	Lender	Nature of Facility (Term Loan-INR/FCY, Working Capital Facility- Cash credit/ Packing credit, Short term Loan, Loan for leased assets)	Loan currency	Amount Sanctioned (Rs. in million)	Amount Outstanding as at 31.03.16 (Rs. in Million)	Rate of Interest %	Repayment Terms	Other Principal Terms and Conditions
1	IDFC Bank Limited	Term Loan	INR	500.00	41.15	12.50	Principal Repayment payable in 22 Quarterly instalments commencing from Jan 1, 2012	Refer note-1
		Term Loan	INR	200.00	166.15	12.50	Principal Repayment payable in 31 Quarterly instalments commencing from Oct 1, 2013	Refer note-1
		Term Loan	INR	262.50	242.16	12.50	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
2	Indusind Bank Limited	Term Loan	INR	142.87	127.67	12.35	Principal Repayment payable in 27 Quarterly instalments commencing from Oct 1, 2014	Refer note-1
		Term Loan	INR	192.98	21.48	12.35	Principal Repayment payable in 20 Quarterly instalments commencing from July 1, 2012	Refer note-1
		Term Loan- Vehicle/Equipment loan	INR	18.00	18.00	12.00	Repayable in equal monthly instalments 35 months and last instalments due in February 2019	Refer note-4
		Cash credit	INR	50.00	32.48	12.35	Repayable on Demand	Refer note-3
3	Aditya Birla Finance Limited	Term Loan	INR	429.55	396.26	12.25	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
		Term Loan	INR	610.40	598.19	12.25	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
4	Axis Bank Limited	Term Loan	INR	357.93	330.19	12.00	Principal Repayment payable in 39 Quarterly instalments commencing from July 1, 2014	Refer note-1
		Term Loan	INR	952.00	942.48	12.00	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
		Term Loan- Vehicle/Equipment loan	INR	23.00	16.17	10.15 and 10.16	Repayable in equal monthly instalments 47 months and last instalments due in October 10, 2018	Refer note-4

ANNEXURE VII A
Restated Standalone Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

		Term Loan- Vehicle/Equipment loan	INR	46.00	12.38	9.75	Repayable in equal monthly instalments 47 months and last instalments due in January 2017	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	47.00	9.83	10.93	Repayable in equal monthly instalments 60 months and last instalments due in January 2017	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	74.65	66.99	9.95	Repayable in equal monthly instalments 46 months and last instalments due in July 20, 2019	Refer note-4
		Cash credit	INR	130.00	102.587	12.00	Payable on demand	Refer note-3
5	The Jammu & Kashmir Bank Limited	Term Loan	INR	150.00	147.00	12.00	Principal Repayment payable in 37 Quarterly instalments commencing from Jan 1, 2016	Refer note-1
6	Indostar Capital Finance Limited	Term Loan	INR	800.00	800.00	12.70	Principal Repayment payable in 36 Monthly instalments commencing from June 15, 2017	Refer note-2
7	ICICI Bank Limited	Term Loan- Vehicle/Equipment loan	INR	1.75	0.77	11.25	Repayable in equal monthly instalments 36 months and last instalments due in April 2017	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	24.88	4.71	10.93	Repayable in equal monthly instalments 60 months and last instalments due in December 2016	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	44.30	43.22	11.10	Repayable in equal monthly instalments 35 months and last instalments due in January 2019	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	1.00	0.82	10.25	Repayable in equal monthly instalments 35 months and last instalments due in August 2018	Refer note-4
8	HDFC Bank Limited	Term Loan- Vehicle/Equipment loan	INR	5.30	4.69	9.72	Repayable in equal monthly instalments 60 months and last instalments due in July, 2020	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	4.10	0.91	11.00	Repayable in equal monthly instalments 48 months and last instalments due in December 2016	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	5.11	0.64	10.52	Repayable in equal monthly instalments 36 months and last instalments due in July 2016	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	2.50	0.49	11.00	Repayable in equal monthly instalments 48 months and last instalments due in November 2016	Refer note-4

ANNEXURE VII A**Restated Standalone Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited**

		Term Loan- Vehicle/Equipment loan	INR	9.70	1.64	11.00	Repayable in equal monthly instalments 59 months and last instalments due in November 2016	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	39.31	2.55	11.00	Repayable in equal monthly instalments 59 months and last instalments due in June 2016	Refer note-4
9	Sundaram Fianance Limited	Term Loan- Vehicle/Equipment loan	INR	12.00	6.35	11.91	Repayable in equal monthly instalments 36 months and last instalments due in August 2017	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	26.60	13.29	12.11	Repayable in equal monthly instalments 36 months and last instalments due in July 2017	Refer note-4
10	Tata Capital Finance Services Limited	Term Loan- Vehicle/Equipment loan	INR	12.46	6.94	11.75	Repayable in equal monthly instalments 35 months and last instalments due in September 2017	Refer note-4
		Term Loan- Vehicle/Equipment loan	INR	26.14	24.42	11.85	Repayable in equal monthly instalments 35 months and last instalments due in January 2019	Refer note-4
			Total		4,182.62			

Note -1

(i) A first ranking mortgage / charge / assignment / Security Interest on;

(a) All the immoveable properties of the Company (including the Ahmedabad and Panipat or otherwise), both present and future;

(b) All moveable fixed assets of the Company (both intangible and tangible) (including the Ahmedabad and Panipat or otherwise) (excluding assets charged to equipment finance lenders), present and future;

(c) All of the Company's rights, titles and interest under each of the Project Documents and all the Company's rights, titles and interest under all approvals, including all licences, permits, concessions and consents in respect of or in connection with Ahmedabad and Panipat, to the extent assignable under Applicable Law;

(d) All the Company's bank accounts in relation to Ahmedabad and Panipat and each of the other accounts required to be created by the Company under any Transaction Documents, including without limitation the Trust and Retention Account, Permitted Investments and the DSRA, including in each case, all monies lying credited/ deposited into such accounts;

(e) All the Insurance Contracts together with any receivables there under.

(ii) A second ranking charge on all current assets of the Company, both present and future;

(iii) A first ranking pledge having a cover of 1.25 times the Loan subject to a maximum of 26% of the Equity Shares of the Borrower held by the Promoters and non disposal undertaking by the Promoters in relation to the remaining Equity Shares held by them in the Borrower;

(iv) Negative lien on the immovable assets of the Borrower situated at Indore.

(v) All cashflows, revenues and receivables of the borrower of or in connection with the Ahmedabad and Panipat, both present and future.

Note -2

(i) First exclusive charge, in such form and manner as the Lender may require, over all present and future fixed (movable and Immoveable) and Second ranking charge on current assets of Continental Multimodal Terminal Limited ("CMTL"), subsidiary of the Company Including the private freight terminal project at Hyderabad;

(ii) First exclusive charge, In such form and manner as the Lender may require, over all the assets acquired/to be acquired by Company using Indostar Facility with respect to the private freight terminal project at Bangalore;

ANNEXURE VII A

Restated Standalone Statement of Principle Terms of Secured Borrowings outstanding as at March 31, 2016 of Continental Warehousing Corporation (Nhava Seva) Limited

- (iii) First exclusive charge, in such form and manner as the Lender may require, over all the specified assets acquired/to be acquired by the Promoters for the benefit of Company using Indostar Facility with respect to the private freight terminal project at Bangalore;
- (iv) Personal Guarantee from the Promoters which shall be valid and subsisting till the time adequate security is created by Company over the specified assets acceptable to the Lender;
- (v) Pledge of entire stake of Company in CMTL (being minimum of 92% which is held as on date); (In Demat Form);
- (vi) Assignment of Insurance policies in favour of the Lender for the assets charged to the Lender;
- (vii) Demand Promissory Note for full Facility by each Company and CMTL separately;
- (viii) Such other security as mutually agreed between the Company and the Lender for further securing the Facility;
- (ix) Assignment by way of security of all rights, title and interest of (i) the Company in the Bangalore Private Freight Terminal Project including the right to acquire the Bangalore Private Freight Terminal Project land from the Promoters; and (ii) the Promoter to acquire the Bangalore Private Freight Terminal Project land admeasuring approximately upto 55 acres.

Note -3

- (i) First ranking charge, on all current assets of the Borrower, both present and future;
- (ii) Second ranking charge on, all immovable/moveable fixed assets of the Borrower (Excluding any equipment already hypothecated to equipment financiers).

Note -4

- (i) Vehicles/equipments are secured by hypothecation of the vehicles for which the loan is taken.

Annexure VIII-Restated Statement of Unsecured borrowings of Continental Warehousing Corporation (Nhava Seva) Limited

UNSECURED LONG TERM BORROWING

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Unsecured long term borrowings: Loan from directors*	-	-	-	-	0.25
Total	-	-	-	-	0.25

*Interest free unsecured loan from Mr. N Adikesavulu Reddy, director is repayable on demand after 1 year

Annexure IX-Restated Standalone Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

NON-CURRENT INVESTMENTS

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Non-current investments					
<u>Trade investments (valued at cost)</u>					
Equity Shares -Unquoted Instruments (Investments in Subsidiaries)					
Kaveri Warehousing Private Limited (wholly owned) (Refer note 1 below)	-	-	-	85.00	85.00
March 31, 2013 & 2012: 585,190 Equity shares of Rs. 100/- each fully paid up					
Delex Cargo India Private Limited (wholly owned) (Refer note 2 below)	383.95	383.95	383.95	298.95	298.95
March 31, 2016, 2015 and 2014 : 26,461,190 Equity shares of Rs. 10/- each fully paid up					
March 31, 2013 & 2012: 3,053,590 Equity shares of Rs. 10/- each fully paid up					
Continental Multimodal Terminals Limited (Refer note 3 below)	1,303.04	987.66	386.48	-	-
March 31, 2016: 135,219,473 Equity shares of Rs. 10/- each fully paid up					
March 31, 2015: 103,681,206 Equity shares of Rs. 10/- each fully paid up					
March 31, 2014: 43,563,506 Equity shares of Rs. 10/- each fully paid up					
Chetana Multi Trade Private Limited (wholly owned) (Refer note 5)	0.10	0.10	0.10	-	-
March 31, 2016, 2015 and 2014: 10,000 Equity shares of Rs. 10/- each fully paid up					
March 31, 2013 & 2012: Nil Equity shares of Rs. 10/- each fully paid up					
Huma Multi Trade Private Limited (wholly owned) (Refer note 5 and 6)	-	0.10	0.10	-	-
March 31, 2016: Nil Equity shares of Rs. 10/- each fully paid up					
March 31, 2015 and 2014: 10,000 Equity shares of Rs. 10/- each fully paid up					
March 31, 2013 & 2012: Nil Equity shares of Rs. 10/- each fully paid up					
Continental Mega Food Park Private Limited (Refer note 4 below)	0.20	0.15	-	-	-
March 31, 2016 : 20,010 Equity shares of Rs. 10/- each fully paid up (wholly owned)					
March 31, 2015 : 15,010 Equity shares of Rs. 10/- each fully paid up					
March 31, 2014, 2013 & 2012: Nil Equity shares of Rs. 10/- each fully paid up					
Investment in associate Company					
Continental Multimodal Terminals Limited (Refer note 3 below)	-	-	-	213.91	167.13
March 31, 2013: 19,986,183 Equity shares of Rs. 10/- each fully paid up					
March 31, 2012: 15,032,863 Equity shares of Rs. 10/- each fully paid up					
Total	1,687.29	1,371.96	770.63	597.86	551.08

Annexure IX-Restated Standalone Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

- 1 The Board of Directors of Kaveri Warehousing Private Limited ("Kaveri") approved a Scheme of Arrangement (the Scheme) for merger of the business of Kaveri with effect from appointed date, April 1, 2012 ('the Scheme'). The Scheme envisages the merger of Kaveri business into Delex Cargo India Private Limited ("Delex") another subsidiary of the Company. The Scheme was approved by Hon'ble High Court of Chennai vide its order dated December 20, 2013.
Further pursuant to the scheme, every shareholder holding 1 fully paid equity shares with a face value of Rs. 100 each in Kaveri has been allotted 40 fully paid equity share with a face value of Rs. 10 each of Delex. The Company has received 23,407,600 fully paid equity shares of Rs. 10 each in Delex against 585,190 equity shares of Kaveri.
- 2 During the financial year March 31, 2012, the Company acquired the entire paid up equity capital in Delex Cargo India Private Limited, thereby resulting in Delex Cargo India Private Limited becoming a wholly owned subsidiary of the Company with effect from April 08, 2011
- 3 During the financial year March 31, 2014, the Company acquired 23,577,323 shares in Continental Multimodal Terminals Limited ("CMTL") for a total consideration of Rs. 172.57 million which was paid by issuing 1,475,000 fully paid equity shares of the Company and increased the shareholding in CMTL from 39% to 85%, thereby resulting in Continental Multimodal Terminals Limited becoming a subsidiary of the Company with effect from March 28, 2014.
During the financial year ended March 31, 2015, the Company acquired 6,01,17,700 equity shares in Continental Multimodal Terminals Limited ("CMTL") by way of conversion of loan amounting to Rs. 601.18 million in to equity shares and increased the shareholding in CMTL from 85% to 93.10%.
Further, during the financial year ended March 31, 2016, the Company acquired 3,15,38,267 equity shares in CMTL for a total consideration of Rs. 315.38 million and increased the shareholding in CMTL from 93.10% to 94.62%.
- 4 During the financial year ended March 31, 2015 , the Company incorporated a subsidiary Continental Mega Food Park Private Limited and subscribed for 15,010 equity shares for a total consideration of Rs. 0.15 million for a 75% shareholding and during financial year ended MArch 31, 2016 , the Company acquired 5,000 shares from Rasa Foods Private Limited, for a consideration of Rs .05 million thus making it a wholly owned subsidiary.
- 5 During the financial year March 31, 2014 , the Company acquired the entire paid up equity capital in Huma Multitrade Private Limited and Chetana Multitrade Private Limited, thereby resulting in Huma Multitrade Private Limited and Chetana Multitrade Private Limited becoming a wholly owned subsidiary of the Company with effect from April 15, 2013.
- 6 During the financial year ended March 31, 2016, the Company has divested its entire stake in Huma Multitrade Private Limited, a wholly owned subsidiary of the Company, w.e.f. 30th March, 2016.

Annexure IX-Restated Standalone Statement of Investments of Continental Warehousing Corporation (Nhava Seva) Limited

CURRENT INVESTMENT (At lower of cost or fair value)

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Mutual fund (quoted)					
ICICI Prudential Ultra Short Term-Regular Plan-Growth March 31, 2013: 2,552,236 Units of Rs. 10 each	-	-	-	30.00	-
Taurus Ultra Short Term Bond Fund - Existing Plan - Super Institutional Growth March 31, 2013: 21,868 Units of Rs. 1,000 each	-	-	-	30.00	-
Taurus Liquid Fund - Existing Plan - Super Institutional Growth March 31, 2015: 48,009 and March 31, 2013: 8,269 Units of Rs. 1,000 each	-	71.60	-	10.45	-
UTI Floating Rate Fund-STP-Regular Plan-Growth March 31, 2013: 34,801 Units of Rs. 1,000 each	-	-	-	65.00	-
Religare Invesco Credit Opportunities Fund-Growth March 31, 2015: 31,615 Units of Rs 1,000 each	-	50.00	-	-	-
Religare Invesco Ultra Short Term Fund-Growth March 31, 2015: 5,377 Units of Rs 1,000 each	-	10.00	-	-	-
Birla Sun Life Cash Manager-Growth Regular Plan March 31, 2015: 61,667 Units of Rs 200 each	-	20.00	-	-	-
JP Morgan India Liquid Fund-Super Institutional Plan-Growth March 31, 2015: 4,159,726 Units of Rs 10 each	-	75.05	-	-	-
Taurus Ultra Short Term Bond Fund - Direct Plan - Super Institutional Growth March 31, 2015: 59,529 Units of Rs. 1,000 each	-	100.00	-	-	-
Total	-	326.65	-	135.45	-
Aggregate amount of quoted investments (At cost)	-	326.65	-	135.45	-
Aggregate amount of quoted investments (At market value)	-	329.78	-	136.76	-

Annexure X-Restated Standalone Statement of Trade Receivables of Continental Warehousing Corporation (Nhava Seva) Limited

TRADE RECEIVABLES

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Short term Trade receivables:					
<u>Unsecured , Considered good:*</u>					
Outstanding for the period exceeding Six months from the date they are due for payment	43.54	66.35	75.32	76.81	76.25
Others	226.37	198.11	138.26	113.38	184.20
	269.91	264.46	213.58	190.19	260.45
<u>Unsecured, Considered doubtful:</u>					
Outstanding for the period exceeding Six months from the date they are due for payment	6.60	6.59	5.29	1.90	1.90
Less : Provision for doubtful debts	6.60	6.59	5.29	1.90	1.90
	-	-	-	-	-
Current trade receivables	269.91	264.46	213.58	190.19	260.45
* Includes amount receivables from subsidiary and companies in which directors are interested (who are also part of promoter/promoter group) (Refer note 22 of Annexure V)	2.58	52.80	52.55	49.83	59.42

1. There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.

2. The list of person/entity classified as “Promoters and Promoter group company” has been provided by the management and relied upon the auditors.

Annexure XI-Restated Standalone Statement of Loans & Advances of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

Particulars	As at				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Long-term loans and advances: [A] (Unsecured and considered good, unless otherwise stated)					
Capital Advances*	739.22	894.27	609.18	368.53	140.27
Loans and advances to related parties (Refer note Annexure V-Note 22)					
Subsidiary	-	-	711.93	278.28	100.00
Associate	-	-	-	299.84	196.94
Others	-	-	-	22.44	14.00
<u>Other loans and advances</u>					
Advances to vendors and others	-	-	-	-	2.86
Deposits**	115.07	142.25	148.68	122.17	55.77
Loans to Employees	1.00	2.47	2.66	4.94	4.87
Prepaid expenses	5.68	12.44	19.19	27.81	35.10
Total (A)	860.97	1,051.43	1,491.64	1,124.01	549.81
Short-term loans and advances: [B] (Unsecured and considered good, unless otherwise stated)					
Loans and advances to related parties (Refer note Annexure V-Note 22)					
Subsidiaries	114.68	117.86	102.49	51.25	145.28
Others	0.52	0.89	2.00	0.47	15.99
<u>Other loans and advances</u>					
Advances to vendors and others	25.42	27.99	25.52	12.62	17.14
Balances with government/statutory authorities	18.69	24.09	16.20	16.93	12.37
Prepaid expenses	37.39	14.02	17.64	16.86	22.02
Loans and advances to employees	2.70	3.53	2.96	2.70	2.30
Total (B)	199.40	188.38	166.81	100.83	215.10
Total (A+B)	1,060.37	1,239.81	1,658.45	1,224.84	764.91
	-	41.98	34.74	-	-

* Includes advances given to companies in which directors are interested. (who are also part of promoter/promoter group)

** Includes deposits given to related parties and companies in which directors are interested. (who are also part of promoter/promoter group)

1. There are no amount recoverable from the promoters/directors or entity related to directors or the promoters of the company except as disclosed above.

2. The list of person/entity classified as "Promoters and Promoter group company" has been provided by the management and relied upon the auditors.

Annexure XII-Restated Standalone Statement of Other Income of Continental Warehousing Corporation (Nhava Seva) Limited

OTHER INCOME

₹ in million

Particulars	Nature (Recurring/ Non-recurring)	For the year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Other Income:						
Interest income on fixed deposits	Recurring	20.32	12.74	14.30	18.39	8.22
Interest income on loan	Recurring	-	51.27	32.87	27.66	7.29
Dividend income from current investment	Non-recurring	-	-	-	-	0.40
Net gain on sale of current investment	Recurring	13.77	2.78	3.27	7.41	20.36
Other non-operating income; Liability no longer required written back	Recurring	-	5.99	1.38	5.14	-
Miscellaneous income	Recurring	11.04	5.21	5.83	3.22	3.47
Total		45.13	77.99	57.65	61.82	39.74
Add/(Less) Restatement adjustments						
Liability no longer required written back (Refer annexure- VI)		-	(5.99)	(1.38)	2.23	-
Sub Total Restatement Adjustments		-	(5.99)	(1.38)	2.23	-
Total Other Income net of restatement adjustments		45.13	72.00	56.27	64.05	39.74

Notes:

- (1) The classification of income into recurring and non-recurring is based on the current operations and business activities of the Group.
- (2) All items of other Income are from normal business activities.

Annexure XIII-Restated Standalone Statement of Accounting Ratios of Continental Warehousing Corporation (Nhava Seva) Limited

Sr. No.	Particulars	For the year ended				
		March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
1	Restated Profit after Tax (₹ in million)	408.07	476.51	506.79	488.29	530.02
	Preference dividend	-	-	-	-	-
	Corporate dividend tax on preference dividend	-	-	-	-	-
2	Net Profit available to Equity Shareholders (₹ in million)	408.07	476.51	506.79	488.29	530.02
3	Weighted average number of Equity Shares outstanding during the year	73,701,447	71,583,020	69,717,674	64,920,858	59,343,047
4	Number of Equity Shares outstanding at the end of the year	73,747,994	71,860,271	71,176,510	69,701,510	62,988,298
5	Net Worth for Equity Shareholders (₹ in million)	7,710.30	7,057.72	6,503.61	5,825.19	4,664.16
6	Accounting Ratios:					
	Basic & Diluted Earnings / (Loss) per Share (₹) (2)/(3)	5.54	6.66	7.27	7.52	8.93
	Return on Net Worth for Equity Shareholders(2)/(5)	5.29%	6.75%	7.79%	8.38%	11.36%
	Net Asset Value Per Share (₹) (5)/(4)	104.55	98.21	91.37	83.57	74.05

Note:

1. Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the year adjusted by the number of equity shares issued during the year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the year.

2 Net worth for ratios mentioned in Sr.no. 5 is = Equity share capital + Reserves and surplus (including Subsidy, Securities Premium and Surplus/ (Deficit)

3. The above ratios have been computed on the basis of the Restated Summary Statements- Annexure I & Annexure II.

Annexure XIV-Restated Standalone Statement of Capitalisation of Continental Warehousing Corporation (Nhava Seva) Limited

Capitalisation statement

₹ in million

Particulars	Pre-Issue as at March 31, 2016
Debt:	
Short-term borrowings	135.07
Long term borrowings	3,725.12
Current Maturity of Long Term Loans included in Other Current Liabilities	322.43
Total debt	4,182.62
Shareholders Funds:	
Equity Share Capital*	737.48
Reserves and Surplus	6,972.82
Total Shareholders Funds	7,710.30
Total Debt/Equity Ratio	0.54
Long term borrowings/Equity Ratio	0.48

Notes:

i) The above has been computed on the basis of the Restated Summary Statements - Annexure I & Annexure II.

(ii) The issue price and number of shares are being finalised and as such the post-issue capitalisation statement cannot be presented

(iii) Short-term borrowing includes cash credit taken from the banks.

*Refer note 1(g) of annexure v)

Annexure XV - Restated Statement of Tax Shelter of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

S. No.	Particulars	As at				
		31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
A	Profit before taxation and Restatement adjustments	451.85	499.65	529.67	518.01	560.52
B	Tax at applicable Rates	33.06%	32.45%	32.45%	32.45%	32.45%
C	Tax thereon at the above rate	149.40	162.11	171.85	168.07	181.86
	Adjustments:					
D	<u>Permanent Differences</u>					
	Net Disallowances / (Allowances) under the Income Tax Act	7.52	156.41	3.45	5.55	8.40
	Donations	1.07	0.60	0.75	0.40	0.62
	Disallowances in respect of expenditure incurred to earn exempt income	8.46	5.36	3.84	0.00	0.00
	Dividend Income	-	-	-	-	(0.40)
	Deduction u/s 80-IA of the Income Tax Act	(334.43)	(576.75)	(477.66)	(426.64)	(477.83)
	Total Permanent Differences	(317.38)	(414.38)	(469.62)	(420.69)	(469.21)
E	<u>Timing Differences</u>					
	Difference in depreciation as per Income Tax and Companies Act	(136.00)	(40.34)	(58.04)	(74.94)	(69.63)
	Deduction u/s 43B of the Income Tax Act	5.60	8.62	1.53	8.65	9.60
	Loss on Sale of Assets	1.54	1.67	3.54	0.05	0.91
	Others	8.30	0.80	15.57	0.09	0.03
	Total Timing Differences	(120.56)	(29.25)	(37.40)	(66.15)	(59.09)

Annexure XV - Restated Statement of Tax Shelter of Continental Warehousing Corporation (Nhava Seva) Limited

₹ in million

S. No.	Particulars	As at				
		31-Mar-16	31-Mar-15	31-Mar-14	31-Mar-13	31-Mar-12
F	Items having different tax rate					
	Long Term Capital Gain on Profit on sale of Investment	-	-	-	(7.42)	-
	Total items having Different Tax Rate	-	-	-	(7.42)	-
G	Net Adjustments (D+E+F)	(437.94)	(443.63)	(507.02)	(494.26)	(528.30)
H	Tax Expense/ (savings) thereon (GxB)	(144.80)	(143.93)	(164.50)	(160.36)	(171.41)
I	Tax Liability ob Business Income (C+H)	4.60	18.18	7.35	7.71	10.45
	Tax on Capital Gain	-	-	-	0.76	-
	Total Tax Liability	4.60	18.18	7.35	8.47	10.45
J	Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes					
	Tax Rate as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act	21.34%	20.96%	20.96%	20.01%	20.01%
	Tax Liability as per Minimum Alternate Tax under Sec. 115 JB of Income Tax Act including other taxes	100.34	109.50	112.44	104.65	113.75
K	Total Current Tax - (Higher of I and J)	100.34	109.50	112.44	104.65	113.75
L	Impact of Material Adjustments for Restatement in corresponding years	13.13	(13.65)	(6.24)	2.23	(0.61)
M	Current Tax Liability on Material Adjustments for restatement in corresponding years	-	-	-	-	-
N	Taxable Profit before Taxation and after adjustments as Restated (A+G+L, restricted to zero)	27.04	42.37	16.41	25.98	31.61
O	Total Tax Liability after Tax impact of adjustments (K+M)	100.34	109.50	112.44	104.65	113.75

SUMMARY OF SIGNIFICANT DIFFERENCES BETWEEN INDIAN GAAP AND IND AS

The unconsolidated and consolidated financial statements and other financial information of the Company have been prepared in accordance with Standards under Indian GAAP (existing Indian GAAP i.e before considering the amendments in the Accounting Standards as amended by the Companies (Accounting Standards) Amendment Rules 2016 issued on 30 March 2016), which differs in certain material respects from Ind AS.

The areas in which differences between existing Indian GAAP vis-a-vis Ind AS could be significant to the financial position of the Company. Ind AS being the exhaustive sets of standards, rules and interpretations, no assurance can be given that the differences listed below cover all possible differences. Further, no attempt has been made to identify differences between existing Indian GAAP and Ind AS as a result of prescribed changes in accounting standards that are effective in future periods. Regulatory bodies that promulgate the standards have significant projects ongoing that could affect future comparisons such as this one. Finally, no attempt has been made to identify future differences between the existing Indian GAAP and the Ind AS that may affect the financial information as a result of transactions or events that may occur in the future.

Certain principal differences between Indian GAAP and Ind AS that may have a material effect on the Company's financial statements are summarized below. We have not quantified all of the effects of the differences discussed below. Accordingly, no assurance can be provided to investors that the financial statements would not be materially different if prepared in accordance with Ind AS.

Potential investors should consult their own advisers for an understanding of the principal differences between the existing Indian GAAP and the Ind AS, and how these differences might affect the financial statements appearing in this document.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
1.	Ind AS 1	Presentation of Financial Statements	<p>Statement of Change in Equity: Under Indian GAAP, a statement of changes in equity is not required.</p> <p>Movements in share capital, retained earnings and other reserves are presented in the Schedules to Financial Statements.</p>	<p>Statement of Change in Equity: Ind AS-1 requires the presentation of a statement of changes in equity showing:</p> <p>a) Transactions with owners in their capacity as owners, showing separately contributions by and distributions to equity holders.</p> <p>b) The total comprehensive income for the period. Amounts attributable to owners of the parent and non-controlling interests are to be shown separately.</p> <p>c) Effects of retrospective application or restatement on each component of equity.</p> <p>d) For each component of equity, a reconciliation between the opening and closing balances separately disclosing each change.</p>
			<p>Other Comprehensive Income: There is no concept of "other comprehensive income" under Indian GAAP, which is required under Ind AS. The items that would form part of Other Comprehensive Income under Ind AS are included in the income statement under Indian GAAP.</p>	<p>Other Comprehensive Income: Ind AS-1 requires the presentation of a statement of other comprehensive income as part of the financial statements. This statement presents all the items of income and expense (including reclassification adjustments) that are not recognized in profit or loss as required or permitted by other Ind ASs.</p>
			<p>Other disclosures: There are no specific disclosure requirements under Indian GAAP for :</p> <p>(a) Critical judgments made by the management in applying accounting</p>	<p>Other disclosures: Ind AS-1 requires disclosure of:</p> <p>(a) Critical judgments made by the management in applying accounting</p>

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			<p>policies;</p> <p>(b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and</p> <p>(c) Information that enables users of its financial and processes for managing capital.</p>	<p>policies;</p> <p>(b) Key sources of estimation uncertainty that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year; and</p> <p>(c) Information that enables users of its financial statements to evaluate the entity's objectives, policies and processes for managing capital.</p>
			<p>Extraordinary items: Under Indian GAAP Extraordinary items are to be disclosed separately in the statement of profit and loss and are included in determination of net profit or loss.</p> <p>Items of income or expense to be disclosed as extraordinary should be distinct from the ordinary activities and are determined by the nature of the event or transaction in relation to the business ordinarily carried out by an entity.</p>	<p>Extraordinary items: Ind AS prohibits the presentation of any items of income or expense as extraordinary, either on the face of the income statement or in the notes to accounts.</p>
			<p>Change in Accounting Policies: Indian GAAP requires changes in accounting policies should be presented in the financial statements on a prospective basis (unless transitional provisions, if any, of an accounting standard require otherwise) together with a disclosure of the impact of the same, if material.</p> <p>If a change in the accounting policy has no material effect on the financial statements for the current period, but is expected to have a material effect in the later periods, the same should be appropriately disclosed.</p>	<p>Change in Accounting Policies: Ind AS requires retrospective application of changes in accounting policies by adjusting the opening balance of each affected component of equity for the earliest prior period presented and the other comparative amounts for each period presented as if the new accounting policy had always been applied, unless transitional provisions of an accounting standard require otherwise.</p>
			<p>Dividends: Under Indian GAAP, proposed dividend is shown as appropriation of profit in profit and loss account balance forming part of reserves.</p>	<p>Dividends: As per Ind AS-1 proposed dividend is not to be recognised. The presentation of such disclosures in profit and loss account balance is not permitted until approved by the shareholders at an annual general meeting.</p>
2.	Ind AS 12	Deferred Taxes	Under Indian GAAP, the Company determines deferred tax to be recognized in the financial statements with reference to the income statement approach i.e. with reference to the timing differences between profit offered for income taxes and profit as per the financial statements.	As per Ind AS 12 Income Taxes, deferred tax is determined with reference to the balance sheet approach i.e. based on the differences between carrying value of the assets/ liabilities and their respective tax base.
3.	Ind AS 16	Property, plant and equipment – Reviewing depreciation	Under Indian GAAP, the Company currently provides depreciation on straight line method over the useful lives of the assets as specified under schedule II to the Companies Act or as estimated by the	Ind AS 16 mandates reviewing the method of depreciation, estimated useful life and estimated residual value of an asset at least once in a year. The effect of any change in the estimated useful and residual value

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
		and residual value	Management based on technical evaluation.	shall be taken prospectively. Ind AS 101 allows current carrying value under Indian GAAP for items of property, plant and equipment to be carried forward as the cost upon first time adoption under Ind AS
4.	Ind AS 17	Leases	Leasehold Land: Leasehold land is recorded and classified as fixed assets and is excluded from lease standard.	Leasehold Land: Land lease is classified as operating or finance as per the criteria under Ind AS 17. When a lease includes both land and building elements, an entity assesses the classification of each element as a finance or operating lease separately.
			Operating Lease Rentals: Under Indian GAAP, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term, unless another systematic basis is more representative of the time pattern of the users benefit.	Operating Lease Rentals: Under IND-AS 17, lease payments under an operating lease are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless either of the below: a) another systematic basis is more representative of the time pattern of the user's benefit, or b) The payments to the lessor are structured to increase in line with expected general inflation for cost increases.
			Determining whether an arrangement contains a lease: There is no such requirement if it does not take the legal form of a lease.	Determining whether an arrangement contains a lease: An arrangement that does not take the legal form of a lease but fulfilment of which is dependent on the use of specific assets and which conveys the right to use the assets is accounted for as a lease in accordance with Ind AS 17.
5.	Ind AS 19	Employee Benefits - Actuarial gains and losses:	Under India GAAP, Actuarial valuation is used to determine the present value of benefits obligation and is carried out every year. The fair value of the benefit obligations are determined at every balance sheet date. All actuarial gains or losses are recognized in the statement of profit and loss account.	Under Ind AS, the change in liability is split into changes arising out of service, interest cost and re-measurements and the change in asset is split between interest income and re-measurements. Changes due to service cost and net interest cost/ income need to be recognized in the income statement and the changes arising out of re-measurements are to be recognized directly in Other Comprehensive Income.
6.	Ind AS 21	The Effects of Changes in Foreign Exchange Rates - Functional and presentation currency:	Foreign currency is a currency other than the reporting currency which is the currency in which financial statements are presented. There is no concept of functional currency.	Functional currency is the currency of primary economic environment in which the entity operates. Foreign currency is a currency other than the functional currency. Presentation currency is the currency in which the financial statements are presented.
7.	Ind AS	Segment Disclosures -	Currently under Indian GAAP, Segment information is prepared in conformity with	Ind AS 108 requires segment disclosure based on the components of the entity that

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
	108	Determination of segments:	<p>the accounting policies adopted for preparing and presenting the financial statements of the enterprise as a whole. Segment revenue, segment expense, segment result, segment asset and segment liability have been defined.</p> <p>Disclosures are required based on classification of segment as primary or secondary. Disclosure requirements for secondary reporting format are less detailed than those required for primary reporting segments.</p>	<p>management monitors in making decisions about operating matters (the 'management approach'). Such components (operating segments) are identified on the basis of internal reports that the entity's Chief Operating Decision Maker (CODM) regularly reviews in allocating resources to segments and in assessing their performance.</p> <p>Requires disclosure of (a) external revenues from each product or service; (b) revenues from customers in the country of domicile and from foreign countries; and (c) geographical information on non-current assets located in the country of domicile and foreign countries.</p> <p>Information on major customers including total revenues from each major customer is disclosed if revenues from each customer is 10% or more of total segment revenues.</p>
8.	Ind AS 109	Classification of Financial Instruments and subsequent measurement	<p>Currently under Indian GAAP the Company classifies all its financial assets and liabilities as short term or long term. Long term investments are carried at cost less any permanent diminution in the value of such investments determined on a specific identification basis. Current investments are carried at lower of cost and fair value.</p> <p>Financial liabilities are carried at their transaction values.</p>	<p>Ind AS 109 requires all Financial assets to be either classified and measured at amortized cost or measured at fair value. Where assets are measured at fair value, gains and losses are either recognized entirely in profit or loss, (FVTPL), or recognized in other comprehensive income (FVTOCI). Financial assets include equity and debts investments, interest free deposits, loans, trade receivables etc.,</p> <p>There are two measurement categories for financial liabilities – FVTPL and amortized cost.</p>
			Compulsory convertible preference shares: Currently under Indian GAAP, Compulsory convertible preference shares are presented under share capital.	Compulsory convertible preference shares: Compulsorily Convertible Preference Shares that meet certain criteria under Ind AS 32 are required to be classified as compound financial instrument under Ind AS pursuant to which the Company will re-classify them into debt and equity components. (Please note the Compulsorily Convertible Preference Shares held by the investors have been converted into Equity Shares on July xx, 2016)
			Provision for doubtful debts: Under Indian GAAP, provisions are made for specific receivables based on circumstances such as. Credit default of customer or disputes with customers. An enterprise should assess the provision of doubtful debts at each period end which, in practice, is based on relevant	Provision for doubtful debts: In addition to the specific provisions under Indian GAAP, under Ind AS, at each reporting date, an entity shall assess whether the credit risk on trade receivables has increased significantly since initial recognition. When making the assessment, an entity

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
			<p>information such as past experience, actual financial position and cash flows of the debtors.</p> <p>Different methods are used for making provisions for bad debts, including ageing analysis and individual assessment of recoverability.</p>	<p>shall use the Expected Credit Loss model to provide for a loss allowance over and above any provision for doubtful debts in the profit and loss statement. An entity shall measure expected credit losses to reflect the following:</p> <ul style="list-style-type: none"> • an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes; • the time value of money; and <p>reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.</p>
			<p>Derivative & Hedge Accounting: Currently there is no equivalent standard on hedge accounting except in the case of forward exchange contracts within the scope of AS 11 and ICAI Guidance Note on derivatives. Under AS 11, foreign currency forward contract premium/discount is amortised over the forward contract period. For other derivative contracts, the GN requires an entity to provide for losses in respect of all outstanding derivative contracts by marking them to market at the balance sheet date. The GN also permits the use of hedge accounting if the criteria are met.</p>	<p>Derivative & Hedge Accounting: Derivative contracts are fair valued at the end of each period through P&L unless hedge accounting option is followed. Hedge accounting (recognizing the offsetting effects of fair value changes of both the hedging instrument and the hedged item in the same period's profit or loss) is permitted in certain circumstances, provided that the hedging relationship is clearly defined, measurable, and actually effective.</p> <p>Ind AS 109 provides for three types of hedges:</p> <ul style="list-style-type: none"> • fair value hedge: if an entity hedges a change in fair value of a recognized asset or liability or firm commitment, the change in fair values of both the hedging instrument and the hedged item are recognized in profit or loss when they occur; • cash flow hedge: if an entity hedges changes in the future cash flows relating to a recognized asset or liability or a highly probable forecast transaction, then the change in fair value of the hedging instrument is recognized in other comprehensive income until such time as those future cash flows occur. The ineffective portion of the gain or loss on the hedging instrument is recognized in profit or loss in the period of such change; and • hedge of a net investment in a foreign entity: this is treated as a cash flow hedge.

Sr. No.	Ind AS No.	Particulars	Treatment as per Indian GAAP	Treatment as per Ind AS
				A hedge of foreign currency risk in a firm commitment may be accounted for as a fair value hedge or as a cash flow hedge.
9.	Ind AS 118	Revenues - Measurement:	Revenue is recognized at the nominal amount of consideration receivable.	Revenue is recognised at fair value of the consideration receivable. Fair value of revenue from sale of goods and services when the inflow of cash and cash equivalents is deferred is determined by discounting all future receipts using an imputed rate of interest. The difference between the fair value and the nominal amount of consideration is recognized as interest revenue using the effective interest method.

FINANCIAL INDEBTEDNESS

Our Company and Subsidiaries avail loans in the ordinary course of business for the purposes of refinancing existing debt, implementation of projects, meeting general working and capital expenditure requirements and purchase of vehicles and equipment. Our Company and CMTL have also provided bank guarantees to third parties, including guarantees in favour of custom authorities in compliance with the relevant regulations relating to customs in India. Our Company has obtained the necessary consents required under the relevant loan documentations for undertaking this Offer.

Set forth below is a brief summary of our aggregate borrowings on a consolidated basis as of August 31, 2016*:

Category of borrowing	Sanctioned Amount (in ₹ million)	Outstanding amount (in ₹ million) as on August 31, 2016
Company		
A. Fund based borrowings		
Term loans		
Secured	4,670.80**	3,744.00
Unsecured	Nil	Nil
Working Capital Facility	180.00	143.00
Vehicular, Trailer and Equipment Loans	403.70	215.00
B. Non-fund borrowings		
Bank guarantees	1,000.00	715.00
Total	6,254.50	4,817.00
Subsidiaries		
A. Fund based borrowings		
Term Loans		
Secured	350.00	350.00
Unsecured	Nil	Nil
Working Capital Facility	660.00	662.06***
Vehicular, Trailer and Equipment Loans	70.00	59.00
B. Non-fund based borrowings		
Bank guarantees	345.00	11.00
Total	1,425.00	1,082.06

*As certified by H A Y & Associates, Chartered Accountants

** As on the date of this Draft Red Herring Prospectus, there is no amount outstanding with Yes Bank.

*** Including an over-draft facility

Note: In addition to the outstanding amount disclosed above, our Company has entered into an agreement dated May 5, 2016 with IFC for availing a loan of an aggregate amount of ₹ 2,350.00 million.

Principal terms of the borrowings availed by us:

Details provided below are indicative and there may be additional terms, conditions and requirements under the various borrowing arrangement entered into by us.

- Interest:** In terms of the term loans and working capital facilities availed by us, the interest rate is typically the base rate and spread per annum. The spread varies between different loans.
- Tenor:** The tenor of the term loans and vehicular and equipment loans availed by us typically ranges from three years to ten years. Further, the tenor of the working capital facilities is typically twelve to thirty-six months.
- Security:** In terms of our borrowings where security needs to be created, we are typically required to:
 - For term loans**
 - create a first ranking charge over of our certain immoveable properties;
 - negative lien on certain immovable property of our Company;
 - create a first ranking charge over our moveable fixed assets, both present and future;
 - create a first ranking charge over our rights, title, interest, benefit, claims and demands under all documents, agreements, contracts entered into by us, all our bank accounts together with amounts lying therein and all insurance contracts, both present and future;

- (v) create a second ranking charge over our current assets, both present and future; and
 - (vi) create a first ranking pledge over certain Equity Shares held by our Promoters and certain members of the Promoter Group and a non disposal undertaking by certain Promoters in relation to the remaining Equity Shares held by them.
- (b) Working Capital Facilities**
- (i) First ranking charge on current assets of our Company; and
 - (ii) Second ranking charge over certain immoveable properties of our Company.
- (c) Other conditions of security**
- (i) Promoter undertaking.
- (d) Security for vehicle loans**
- (i) Hypothecation over the vehicles and equipments purchased under the relevant loan facility.
- (e) Personal guarantees from our Promoters**

This is an indicative list and there may be additional requirements for creation of security under the various borrowing arrangements entered into by us.

4. *Re-payment:* The repayment period for our term loans is typically quarterly or monthly instalments. The working capital facilities are typically repayable on demand.

5. *Events of Default:* Borrowing arrangements entered into by us contain standard events of default, including:

- (a) non-payment of installment/interest within the stipulated time;
- (b) violation of any term of the relevant agreement or any other borrowing agreement entered into by us;
- (c) breach of financial covenants;
- (d) any misrepresentation by our Company or the relevant Subsidiary;
- (e) failure to maintain insurance;
- (f) attachment or restraint being levied on the assets of our Company or the relevant Subsidiary resulting in material adverse effect;
- (g) change in our management or control, reduction in promoter shareholding without prior approval of the lenders;
- (h) cross defaults;
- (i) non-creation of the required security as required under the loan agreement;
- (j) any material adverse effect taking place; and
- (k) down-grading of credit ratings below specified limits.

This is an indicative list and there may be additional terms that may amount to an event of default under the various borrowing arrangements entered into by us.

Additionally we are required to ensure the aforementioned events of default are not triggered.

Further, for details in relation to certain restrictive covenants in our financing arrangements, which require us to obtain prior approval from our lenders and covenants in relation to consequences of events of default, see “Risk Factors - Our inability to meet our obligations, including financial and other covenants under our debt financing arrangements could adversely affect our business and results of operations” on page 25 and “Financial Statements” beginning on page 181, respectively.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion in conjunction with our restated consolidated financial statements as of and for the financial years ended March 31, 2016, 2015, and 2014 including the related notes, schedules and annexures. These restated consolidated financial statements are based on our audited consolidated financial statements and are restated in accordance with the Companies Act, 2013, and the SEBI Regulations. Our audited consolidated financial statements are prepared in accordance with Indian GAAP, which differs in certain material respects with Ind-AS, IFRS and U.S. GAAP. Our financial year ends on March 31 of each year. Accordingly, all references to a particular financial year are to the 12-month period ended March 31 of that year. This discussion contains forward-looking statements that involve risks and uncertainties and reflects our current view with respect to future events and financial performance. Actual results may differ from those anticipated in these forward-looking statements as a result of factors such as those set forth under "Forward-looking Statements" and "Risk Factors" included in this Draft Red Herring Prospectus.

Further, our Company is required to prepare annual and interim financial statements under Ind-AS for the current financial year, but only after it completes its initial public offering and its Equity Shares are listed on the Stock Exchanges. Given that Ind-AS is different in many respects from Indian GAAP under which our financial statements are currently prepared, our financial statements for the period commencing from April 1, 2016 may not be comparable to our historical financial statements. See "Risk Factors - Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind-AS and IFRS, which may be material to investors' assessments of our financial condition" and "Summary of Significant Differences between Indian GAAP and Ind-AS" on pages 37 and 361, respectively.

Overview

We are an integrated multimodal logistics company in India, owning and operating cargo handling and storage facilities and providing express logistics and third-party logistics services. For and as of the years ended March 31, 2016, 2015 and 2014, our total revenues were ₹ 7,093.99 million, ₹ 7,357.86 million and ₹ 6,795.53 million, respectively, and our total fixed assets were ₹ 9,671.43 million, ₹ 7,684.16 million and ₹ 6,635.08 million, respectively.

In our cargo handling business, we own and operate a geographically spread network of container freight stations ("CFSs"), inland container depots ("ICDs") and private freight terminals ("PFTs") across India. We currently have ten facilities comprising four CFSs and three ICDs which are co-located with three PFTs. Two of our ICDs are expected to commence operations by December, 2016. Our properties, including these facilities are spread over an aggregate area of approximately 360 acres. The following table sets forth the location and certain key details of our facilities:

Facility	Commencement of operations	Installed capacity per annum
<i>Southern</i>		
Madhavaram CFS	January 2005	40,523 TEUs
Red Hills CFS	November 2012	82,845 TEUs
Tuticorin CFS	September 2009	56,716 TEUs
Thimmapur ICD	July 2012	71,952 TEUs
Thimmapur PFT	November 2011	-
<i>Western</i>		
Navi Mumbai CFS	January 2006	142,333 TEUs
Ahmedabad ICD*	-	99,071 TEUs
Ahmedabad PFT	January 2016	-
<i>Northern</i>		
Panipat ICD*	-	175,020 TEUs
Panipat PFT	February 2016	-
Total		668,460 TEUs

*Expected to commence operations during the quarter ending December 31, 2016.

Our first CFS at Madhavaram in Chennai, which we have taken on lease, was commissioned in January 2005. We currently have four operational CFSs located at Navi Mumbai near the JN port, Madhavaram and Red Hills in Chennai near the Chennai port, and Tuticorin near the V. O. Chidambarnar port. During the financial year 2015, these three ports accounted for 6.6 million TEUs or 82.7% of all container traffic handled at major ports in India. (Source: <http://www.ipa.nic.in>) We own and operate co-located ICDs and PFTs at Thimmapur near Hyderabad, and in Panipat and Ahmedabad. We also have warehouses located at Indore, Kakinada and Visakhapatnam spread over an aggregate area of approximately 31,000 sq. m.

Across our facilities, we offer one-stop services including cargo handling and maintenance, transportation and storage services and value added services. Our CFSs at Navi Mumbai, Chennai and Tuticorin have bonded warehouses and reefer points for the storage and handling of temperature sensitive products, container terminals for the storage of containers and container yards where we provide storage and repair of empty containers to shipping lines. We have also set up cold rooms at our Navi Mumbai and Chennai CFSs. At all our CFSs, we provide full container load ("FCL") solutions and have designated

areas for the consolidation of less than container load (“LCL”) containers.

CFSs are established for the purposes of transportation, handling and storage of EXIM container cargo. A CFS is a facility located near gateway ports which helps in decongesting the port by shifting cargo and customs related activities outside the area of the port, while an ICD is typically located in the hinterland acting as a hub near large production and demand centers for transportation of container cargo to and from different ports and used for the same functional purposes as a CFS. A PFT serves domestic cargo, primarily facilitating access to rail transport, and providing services such as warehousing and transportation for incoming and outgoing cargo, including last mile connectivity. Co-located ICD and PFT facilities, acting as regional distribution and consolidation hubs, offer one-stop solutions to customers where both, containerised and non-containerised cargo are handled, stored and distributed, depending on their requirements. Cargo is transported to and from CFSs and ICDs over road and rail, while PFTs are rail fed facilities that primarily target the domestic market.

Our co-located ICD and PFT facility at Thimmapur near Hyderabad, which we operate through our subsidiary, Continental Multimodal Terminals Limited (“CMTL”), was India’s first PFT facility (*Source: CRISIL Report*). We have also set up co-located ICD and PFT facilities at Ahmedabad and Panipat, which commenced their PFT operations in January and February 2016, respectively and we expect to commence our ICD operations during the quarter ending December 31, 2016. Further, we are currently in the process of setting up co-located ICD and PFT facilities at Chennai and Bengaluru, both of which are expected to be commissioned by March 2018. At our co-located facilities, we offer comprehensive logistics solutions for EXIM containers, domestic containers and bulk cargo including bulk and break bulk cargo, consolidation of LCL containers and other value added services. These facilities handle the sourcing and distribution of containerised and non-containerised domestic and EXIM cargo via road and rail. We provide warehousing facilities for the storage of domestic and EXIM cargo and reefer points for temperature sensitive products. The railway connectivity at our facilities allows for the efficient movement of cargo across the country on the Indian rail network. We have dedicated infrastructure at our facilities to assist us with our operations and the equipment that we have deployed includes gantries, trailers, mobile and hydra cranes, reach stackers, heavy duty and high reach forklifts.

Our wholly owned subsidiary Delex Cargo India Private Limited (“Delex”), is an integrated logistics service provider that provides end to end domestic solutions including third party logistic solutions and warehouse management services, domestic distribution, express logistics, last mile delivery services, clearing and forwarding services and cargo handling services. Delex was awarded the Best Air Freight Service Provider of the Year at the 8th Express, Logistics and Supply Chain Leadership Awards in September 2014.

Our Promoters include Mr. N. Adikesavulu Reddy, our founder and chairman, and Mr. N. Amrutesh Reddy, who is also one of our directors. Mr. N. Adikesavulu Reddy has over three decades of experience in the container freight and logistics business and has significant experience of dealing with shipping lines, logistics service providers, custom house agents and corporate houses that require logistics services.

Significant Factors Affecting Our Results of Operations and Financial Condition

Our results of operations and financial condition are affected by a number of important factors including:

Trade Volumes and Economic Conditions

The key driver in the growth of revenue from our cargo handling business has been the volume of containers, break bulk cargo and rakes handled by us. For the financial years 2016, 2015 and 2014, the total container volume handled at our four CFSs was 194,293 TEUs, 165,791 TEUs, and 154,466 TEUs, respectively. For the financial years 2016 and 2015, our co-located ICD and PFT facility at Thimmapur handled total container volumes of 12,060 TEUs and 10,610 TEUs and break bulk cargo of 862,485 tons and 598,780 tons, respectively. Further, for the financial years 2016 and 2015, our PFT facility at Thimmapur handled 452 trains and 395 trains, respectively.

The volume of cargo handled by us, and our results of operations, depend on trade volumes, which are closely linked with economic conditions prevalent globally and in India. Factors that may affect trade volumes include macroeconomic developments, Government policies relating to trade and commerce, trade barriers, inflation and interest rates, fuel prices, labor issues, among others. For instance:

- a delay in the further liberalization of trade with the markets from which we receive cargo, or to which cargo passing through our facilities is shipped;
- a slowdown in economic growth due to factors such as financial crisis or internal political developments;
- the imposition of new trade barriers such as rail, road and other tariffs, economic or military sanctions, export subsidies and import restrictions or duties in India or globally;

will impact the volume of trade and, consequently, cargo volumes handled at our facilities. Conversely, economic conditions may have a positive effect on international trade and benefit the industries of our customers, which is likely to have a favorable effect on our results of operations. Going forward, we expect that the demand for our services, and consequently our results of operations, will continue to be closely linked with domestic and global economic conditions and other factors

beyond our control.

Utilization Levels of Our New and Upcoming Facilities

We have made significant investments in setting up co-located ICD and PFT facilities at Ahmedabad and Panipat, which commenced their PFT operations in January and February 2016, respectively, and we expect our ICD operations at both these facilities to commence during the quarter ending December 31, 2016. We are also currently in the process of setting up a co-located ICD and PFT facility at each of Chennai and Bengaluru and we expect these facilities to be commissioned by March 2018.

We believe that our expansion plans and our plans to invest in our existing infrastructure are essential for us to remain competitive, particularly in light of India's transportation infrastructure, and to capitalize on the growth potential of our industry. Once our expansion plans are implemented and all our facilities become operational, we expect our expansion plans to provide us with additional capacity to handle cargo in new and existing geographies, and earn revenue from cargo handling and related services. The amount and timing of realizing revenue from our new and upcoming facilities depends on a number of factors, including the demand for our services at these locations and our ability to complete the projects without cost overruns. Consequently, our results of operations will significantly depend on our ability optimally utilize our new and upcoming facilities in a timely and cost-efficient manner.

Operating Expenses

Our results of operations are significantly impacted by our operating expenses. For the financial year 2016, our most significant operating expenses included freight and transportation expenses, labour charges, employee benefits expenses and commission, which were ₹ 2,751.40 million, ₹ 721.83 million, ₹ 650.79 million and ₹ 416.32 million, respectively. These expenses, in the aggregate, accounted for 69.3% of our total expenses, or 64.0% of our total revenues for the financial year 2016. Although we generally endeavor to pass on increases in our operating expenses to our customers, any significant increases that we are unable to pass on or otherwise absorb through changes to our operations will affect our profitability.

Tax Incentives

We are currently availing certain tax benefits for our CFS operations and have claimed a ten-year tax exemption from the financial year 2008, under Section 80-IA (4)(i) of the Income Tax Act, 1961. These tax benefits have resulted in significantly lower tax liabilities. However, we may be unable to avail these tax benefits under Section 80-IA (4)(i) of the Income tax Act, 1961 in the future, as a result of expending the years in which we qualify for deductions or due to any change in Indian tax policy or laws, which could result in increased tax liabilities and reduced liquidity. Further, our Company is entitled to avail tax exemptions for its PFT operations under Section 80-IA (4)(i) of the Income tax Act, 1961, with an option to choose any ten consecutive years, out of a slab of fifteen years. These tax benefits and incentives contribute to our results of operations and cash flows and a change in tax benefits and incentives available to us would likely affect our profitability.

Increasing Competition

The cargo handling and logistics businesses in India are highly fragmented and very competitive. We compete against various operators in different business segments in different geographic locations in addition to the regional and unorganized service providers. Our competitors may have significantly greater financial and marketing resources and operate larger global networks. We may be further constrained by our competitors' ability to expand their market share of customers and distribution networks by forming alliances with other logistics service providers or consolidating with other CFS operators or container shipping companies. Our ability to compete effectively may also be constrained if we lose any member of our key management team or an employee who has established relationships with our trade counterparts. In addition, the Indian Government's emphasis on foreign investment and greater private sector participation in infrastructure sectors have attracted many new players. We will be required to compete effectively with our existing and potential competitors, to maintain and grow our market share and in turn, our results of operation.

Statement of Significant Accounting Policies

Basis of Preparation

The Restated Consolidated Financial Information has been extracted by the management from our Audited Consolidated Financial Statements. The Audited Consolidated Financial Statements were prepared to comply in all material respect with the generally applicable accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014, till the Standards of Accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, the Audited Consolidated Financial Statements for the years ended March 31, 2016 and March 31, 2015 had been prepared to comply in all material aspects with the accounting standards notified under Section 211(3C) of the Companies Act, 1956, Companies (Accounting Standards) Rules, 2006, as amended and other relevant

provisions of the Companies Act, 2013.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other prescribed criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and services rendered and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non current classification of assets and liabilities.

Principles of Consolidation

For our Subsidiaries, the financial statements have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transaction and resulting unrealized profits or losses as per Accounting Standard 21 - "Consolidated Financial Statements". The results of Subsidiaries are included from the date of acquisition of a controlling interest.

The financial statements of our Company and our Subsidiaries have been consolidated using uniform accounting policies. The excess of cost to us of our investments in Subsidiaries over our share of equity and reserves of our Subsidiaries at the dates, on which investments are made, is recognized in the financial statements as goodwill. The excess of our share of equity and reserves of our Subsidiaries over the cost of acquisition is treated as capital reserve. As at each balance sheet date an assessment is done as to whether there is any indication that goodwill on consolidation may be impaired. If any such indication exists, an estimate of the recoverable amount is made. The goodwill on consolidation is impaired when the carrying value exceeds the recoverable amount.

Revenue Recognition

Income from container handling, repairs and service charges is recognized on delivery of the container or cargo. Ground rent in respect of containers and warehouse rent is recognized on a time period basis. However, in case of long standing containers, income from ground rent is not accrued beyond 75 days, income from LCL cargo is not accrued from beyond one year and income from bonded cargo not accrued for beyond three years on a consistent basis as per the prevailing business practice. Income from supply chain solution are recognized as and when the services are delivered to customers on proportionate basis. Income from stevedoring is recognized on rendering of services. Income from auction sales is generated when the Company auctions long standing cargo that has not been cleared by the customs. Freight and allied services are recognized on accrual basis.

Other Income

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

Recognition of Expenditure

Expenses are accounted for on accrual basis and provision is made for all known losses and liabilities.

Fixed Assets and Depreciation /Amortization

Tangible Assets

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and accumulated impairment loss, if any. Cost includes taxes and duties, freight and other incidental expenses related to acquisition and installation. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value. Fixed assets held for disposal are stated at lower of carrying value or their estimated net realizable value and are shown separately in the financial statement.

Other indirect expenditure during construction period for major projects are also capitalized, where appropriate.

Capital work-in-progress comprises cost of fixed assets that are not yet ready for their intended use as at the year end.

Depreciation and Amortization

Depreciation is provided on pro-rata basis on the straight line method over the estimated useful life of the assets which are at higher or lower than the rates prescribed under the Schedule II to the Companies Act, 2013 in order to reflect the actual usage of the assets.

The estimate of useful life of the assets based on an technical evaluations, are lower or higher than the life stipulated in Schedule II to the Companies Act, 2013 as below:

Assets	Useful life
Reach stackers	10 years (Lower)
Vehicles	8 years (Higher)
Plant and machinery	3 to 15 years (Higher)
Office equipment	3 to 5 years
Non-carpeted roads	5 years (Higher)
Weather sheds	10 years (Higher)
Paver Blocks and Concrete Roads	15 Years(Higher)
Electrical installations	15 years (Higher)

Up to March 31, 2014, depreciation is provided on straight line basis at higher of the rates based on the useful life of the assets as estimated by the management or those stipulated in Schedule XIV to the Companies Act, 1956. The useful life of the following assets as estimated by the management are higher from the rates prescribed under Schedule XIV of the Companies Act, 1956.

Assets	Depreciated Over
Reach stackers	10 years
Weather sheds	10 years
Paver Blocks	15 Years

Leasehold improvements and building on leasehold land are amortized over the period of lease.

Intangible Assets

Intangible assets representing cost of software capitalized are amortized over their estimated useful lives on a straight line basis, as estimated by the management, over the useful life three to six years.

Individual assets costing ₹ 5,000 or less are depreciated in full in the year of purchase.

Borrowing Costs

General and specific borrowing costs directly attributable to acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. All other borrowing costs are recognized in the statement of profit and loss in the period in which they are incurred.

Foreign Currency Transactions

Transactions in foreign currencies are recognized at the prevailing exchange rates on the transaction date. Realized gains and losses on settlement of foreign currency transactions are recognized in the statement of profit and loss.

Monetary assets and liabilities in foreign currencies outstanding as at the year-end are translated at the year-end exchange rates and the resultant exchange difference is recognized in the statement of profit and loss. Non-monetary items are reported at the exchange rate at which they are accounted.

Impairment

Assessment is done at each balance sheet date as to whether there is any indication that an asset (tangible, intangible and goodwill) may be impaired. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the assets or cash generating unit is made. Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each balance sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

Employment Benefits

Defined Contribution Plans

We have defined contribution plans for post employment benefits in the form of provident fund administered through the Government of India. This is classified as defined contribution plans as we have no further obligation beyond making the

contributions. Our contributions to defined contribution plans are charged to the statement of profit and loss as incurred. Gratuity liability in respect of Delex is funded and in respect of other Subsidiaries and our Company is unfunded.

Defined Benefit Plans

We have defined benefit plans for post employment benefits in the form of gratuity. Liability for defined benefit plans is provided on the basis of valuations, as at the balance sheet date, carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method. In case of funded defined benefit plans, the fair value of plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis. The estimate of future salary increases considered takes into account the inflation, seniority, promotion and other relevant factors.

Other Employee Benefit

The employees are also entitled to other benefits in the form of compensated absences as per our policy. The liability for compensated absences is provided on the basis of valuation, as at balance sheet date, carried out by an independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the projected unit credit method.

Our contribution to recognized provident fund and family pension fund is charged to the statement of profit and loss on accrual basis.

Taxes on Income

Provision for current tax is made based on the tax payable under the Income Tax Act, 1961. Minimum Alternative Tax ("MAT") credit, which is equal to the excess of MAT (calculated in accordance with provisions of section 115 JB of the Income tax Act, 1961) over normal income-tax is recognized as an asset by crediting the statement of profit and loss only when and to the extent there is convincing evidence that we will be able to avail the said credit against normal tax payable during the period of 10 succeeding assessment years.

Deferred tax expense or benefit is recognized on timing differences being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the balance sheet date. In the event of unabsorbed depreciation and carry forwards losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to realize such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income to be available to realize these assets.

Assets taken on Lease

In respect of finance lease arrangements, the assets are capitalized and depreciated. Finance charges are charged off to the statement of profit and loss account of the year in which they are incurred. Operating lease payments are recognized as expenditure in the statement of profit and loss on straight line basis, representative of the time pattern of benefits received from the use of the assets taken on lease.

Investments

Long term investments are valued at cost. Provision for diminution, if any, in the value of investments is made to recognize a decline, other than temporary. Current investments are valued at lower of cost and fair value, computed individually for each investment. In case of investments in mutual funds which are unquoted, net asset value is taken as fair value.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, demand deposit with banks, other short term highly liquid investments with original maturity of three months or less.

Provisions, Contingent Liabilities and Contingent Assets

Contingent liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events not wholly within our control. A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefits will be required to settle an obligation and in respect of which a reliable estimate can be made. Provision is not discounted and is determined based on best estimate required to settle the obligation at the yearend date. Contingent assets are not recognized or disclosed in the financial statements.

Segment reporting

The accounting policies adopted for segment reporting are in conformity with the accounting policies adopted for the Company. Further, inter-segment revenue have been accounted for based on the transaction price agreed to between segments which is primarily market based. Revenue and expenses have been identified to segments on the basis of their relationship to the operating activities of the segment. Revenue and expenses which relate to us as a whole and are not allocable to segments on a reasonable basis, have been included under “unallocated corporate expenses/income”.

Segment Reporting

We have five primary segments classified as (i) supply chain solutions, (ii) freight and allied services, (iii) CFSs, (iv) PFT/ICD and (v) stevedoring. See “Revenue and Expenses – Revenue” below.

The following table sets forth our segment revenue for the last three financial years:

Segment	Financial Year 2016 (₹in million)	Financial Year 2015 (₹in million)	Financial Year 2014 (₹in million)
Supply chain solutions	1,325.25	1,257.30	1,278.96
Freight and allied services	2,590.57	3,468.48	3,417.64
Container freight station	2,743.55	2,289.48	2,008.71
PFT/ICD	379.41	305.68	-
Stevedoring	-	-	31.14
Inter-segment	(16.89)	(12.47)	(25.38)
Total Revenue	7,021.89	7,308.47	6,711.07

The following table sets forth our segment results for the last three financial years:

Segment	Financial Year 2016 (₹in million)	Financial Year 2015 (₹in million)	Financial Year 2014 (₹in million)
Supply chain solutions	200.82	104.48	103.70
Freight and allied services	134.37	314.89	304.63
Container freight station	752.47	672.83	647.28
PFT/ICD	30.22	(20.56)	-
Stevedoring	-	-	(35.49)
Total Segment Results	1,117.88	1,071.64	1,020.12

Since our operations comprise activities limited to India, we do not have any secondary reportable segment.

Revenue and Expenses

Our revenue and expenditure is reported in the following manner:

Revenue

Total revenue. Total revenue consists of revenue from operations and other income.

Revenue from operations. Revenue from operations comprise revenue from the sale of services, which comprise (i) supply chain solutions, (ii) freight and allied services, (iii) CFSs, (iv) PFT/ICD and (v) stevedoring.

Supply chains solutions segment includes third party logistics, manpower provisioning, logistic solutions, packing, repacking, consolidating, distributing, bulk handling and its related warehousing.

Freight and allied services segment includes domestic and international air cargo services, surface parcel services and other such domestic logistics services within India by air and surface transportation.

CFSs includes bonded warehousing and its related warehousing at various locations in India and services for handling and temporary storage of import and export laden and empty containers, and temperature controlled chambers.

PFT/ICD includes bonded warehousing, general warehousing, transportation and handling services for import and export laden, empty containers, domestic containers and bulk cargo at PFT terminals.

Stevedoring includes loading unloading bulk cargo from ships and warehousing and repacking of cargo. We discontinued our stevedoring services during the financial year 2014.

Expenses

Expenses consist of employee benefits expense, finance costs, depreciation and amortization expenses and other expenses.

Employee benefits expense. Employee benefits expense comprise salaries, wages and bonus, contribution towards provident and other funds and staff welfare expenses.

Finance costs. Finance costs comprise interest on loans taken from banks, other financial institutions and related parties.

Depreciation and amortization expenses. Depreciation and amortization expenses include depreciation on tangible assets and amortization on intangible assets.

Other expenses. Other expenses primarily include freight and transportation expenses, labour charges, commission, rent and power and fuel expenses.

Our Results of Operations

The following table sets forth select financial data from our restated consolidated statement of profit and loss for the financial years 2016, 2015 and 2014, the components of which are also expressed as a percentage of total revenue for such periods:

	For the Financial Year					
	2016		2015		2014	
	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)	(₹ in million)	(% of Total Revenue)
Revenue						
Revenue from Operations	7,021.89	99.0	7,308.47	99.3	6,711.07	98.8
Other Income	72.10	1.0	49.39	0.7	84.46	1.2
Total Revenue	7,093.99	100.0	7,357.86	100	6,795.53	100
Expenses						
Employee Benefits Expense	650.79	9.2	643.99	8.8	542.50	9.0
Finance Costs	402.98	5.7	291.30	4.0	225.85	3.3
Depreciation and Amortization Expense	229.39	3.2	240.60	3.3	179.01	2.6
Other Expenses	5,272.64	74.3	5,471.28	74.4	5,109.97	75.2
Total Expenses	6,555.80	92.4	6,647.17	90.3	6,057.33	89.1
Profit / (Loss) before Taxation	538.19	7.6	710.69	9.7	738.20	10.9
Exceptional items	-	-	137.50	1.9	-	-
Profit / (Loss) before Taxation	538.19	7.6	573.19	7.8	738.20	10.9
Tax Expenses						
Current Tax	147.49	2.1	175.41	2.4	198.77	2.9
MAT Credit Entitlement	(592.09)	(8.3)	(55.83)	(0.8)	-	-
Deferred Tax charge / (benefit)	28.29	0.4	(23.06)	(0.3)	(0.27)	0.0
Tax for earlier year	5.86	0.1	0.63	0.0	-	-
Total	(410.42)	(5.8)	97.15	1.3	198.50	2.9
Net Profit / (Loss) after taxation and before Restatement Adjustments	948.61	13.4	476.04	6.5	539.70	7.9
Profit / (Loss) Before Restatement Adjustments	948.61	13.4	476.04	6.5	539.70	7.9
Restatement Adjustments:						
Less: Material Restatement Adjustments	(402.57)	6.5	50.28	(0.7)	146.35	(1.8)
Less: Deferred tax on above readjustment	(30.42)	(0.4)	(0.29)	(0.0)	(12.96)	(0.2)
Transfer from Minority shareholders	(0.28)	0.0	(16.40)	(0.2)	-	-
Add: Share in profit/loss in Associate	-	-	-	-	(35.23)	(0.5)
Net Profit as Restated	515.90	7.4	542.43	7.4	637.86	9.4

Restatement Adjustments

The following table sets forth restatement adjustments made to our audited consolidated financial statements for the years presented and their impact on our net profit:

Particulars	For the Financial Year		
	2016 (₹ in million)	2015 (₹ in million)	2014 (₹ in million)
Audit Qualifications	-	-	-
Other material adjustments:			

Particulars	For the Financial Year		
Bad debts written off ¹	-	-	7.90
Provision for Doubtful debts ²	79.67	13.60	34.90
Sundry balances written back ³	-	(5.99)	(3.88)
Sundry balances written off ⁴	8.24	(6.77)	(1.47)
Prior year tax adjustment ⁵	5.86	0.63	-
MAT credit ⁶	(496.34)	48.81	108.90
Total: Other material adjustments	(402.57)	50.28	146.35
Less: Tax on other Adjustment	(30.42)	(0.29)	(12.96)
Other Material Adjustments After Tax	(432.99)	49.99	133.39
Adjustments on Account of Changes in Accounting	-	-	-
Total impact of Adjustments	(432.99)	49.99	133.39

- (1) Trade receivables which were considered bad and written off for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (2) Trade receivables, which were considered doubtful and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (3) Trade payables, which were considered no more payable and written back, appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (4) Other advance which were considered bad and provided for have been appropriately adjusted in the respective years to which they are related, for the purpose of this statement.
- (5) Taxes have been accounted for pertaining to earlier years based on intimations/or orders received from Income Tax authorities. For the purpose of the statements, such items have been appropriately adjusted to the respective years to which they relate.
- (6) During the year ended March 31, 2016, the Honourable High Court of Bombay held that we are eligible for deduction under Section 80IA of the Income Tax Act, 1961 and hence we have accounted MAT credit and appropriately adjusted in the respective years to which they are related, for the purpose of this statement.

Financial Year 2016 compared to Financial Year 2015

Our results of operations for the financial year 2016 were particularly affected by the following factors:

- a decrease in income from our freight and allied services on account of a decrease in the volume of air and surface cargo and parcel deliveries handled by us during the financial year 2016; and
- an increase in the volume of containers and break bulk cargo handled at our facilities and an increase in our cargo handling charges.

Total Revenue. Our total revenue decreased by 3.6% from ₹ 7,357.86 million for the financial year 2015 to ₹7,093.99 million for the financial year 2016, primarily due to a decrease in revenue from operations.

Revenue from Operations. Our revenue from operations decreased by 3.9% from ₹ 7,308.47 million for the financial year 2015 to ₹ 7,021.89 million for the financial year 2016. Our revenue from our freight and allied services decreased by 25.3% from ₹ 3,468.48 million for the financial year 2015 to ₹ 2,590.57 million for the financial year 2016, primarily due to a decrease in the volume of air and surface cargo and parcel deliveries handled by us during the financial year 2016, which was partially offset by:

- an increase in revenue from our CFS operations by 19.8% to ₹ 2,743.55 million for the financial year 2016 from ₹ 2,289.48 million for the financial year 2015; we handled 194,293 TEUs at our CFSs during the financial year 2016 as compared to 165,791 TEUs for the financial year 2015; and
- an increase in revenue from our PFT/ICD operations by 24.1% to ₹ 379.41 million for the financial year 2016 from ₹ 305.68 million for the financial year 2015; for the financial year 2016, our co-located ICD and PFT facility at Thimmapur handled total container volumes of 12,060 TEUs and 862,485 tons of break bulk cargo as compared to 10,610 TEUs and 598,780 tons of break bulk cargo during the financial year 2015; further, our PFT facility at Thimmapur handled 452 trains for the financial year 2016 as compared to 395 trains for the financial year 2015.

Other Income. Our other income increased by 46.0% to ₹ 72.10 million for the financial year 2016 from ₹ 49.39 million for

the financial year 2015, primarily due to an increase in net gain on sale of current investment from ₹ 2.78 million for the financial year 2015 to ₹ 13.77 million for the financial year 2016 and an increase in miscellaneous income to ₹ 18.25 million for the financial year 2016 from ₹ 8.51 million for the financial year 2015.

Total Expenses. Our total expenses decreased by 1.4% from ₹ 6,647.17 million for the financial year 2015 to ₹ 6,555.80 million for the financial year 2016, primarily due to a decrease in depreciation and amortization expenses and other expenses.

Employee Benefits Expenses. Employee benefits expenses increased by 1.1% to ₹ 650.79 million for the financial year 2016 from ₹ 643.99 million for the financial year 2015, primarily due to an increase in staff welfare to ₹ 36.33 million for the financial year 2016 from ₹ 23.45 million for the financial year 2015. We had 1,908 employees as of March 31, 2016 as compared to 2,048 employees as of March 31, 2015.

Finance Costs. Our finance costs increased by 38.3% to ₹ 402.98 million for the financial year 2016 from ₹ 291.30 million for the financial year 2015, primarily due to an increase in interest on long term borrowings to ₹ 237.23 million for the financial year 2016 from ₹ 163.24 million for the financial year 2015. The increase in interest paid on long term borrowings was primarily due to higher average balances of long term borrowings during the financial year 2016 as compared to the financial year 2015. Further, we were capitalizing interest payments made in relation to loans that were availed for setting up our PFTs at Ahmedabad and Panipat in prior periods, however, during the financial year 2016, we expensed such interest payments to our profit and loss account since these facilities commenced operations in January 2016 and February 2016, respectively.

Depreciation and Amortization Expenses. Our depreciation and amortization expenses decreased by 4.7% from ₹ 240.60 million for the financial year 2015 to ₹ 229.39 million for the financial year 2016, primarily as a result of a decrease in depreciation on tangible assets and amortization on intangible assets; during the financial year 2015 we recognized a one time charge on our statement of profit and loss since we revised the useful life of assets in accordance with the provisions of the Companies Act.

Other Expenses. Our other expenses decreased by 3.6 % from ₹ 5,471.28 million for the financial year 2015 to ₹ 5,272.64 million for the financial year 2016, primarily due to a decrease in freight and transportation expenses from ₹ 3,387.18 million for the financial year 2015 to ₹ 2,751.40 million for the financial year 2016 due to a decrease in the volume of our freight and allied services business, which was partially offset by an increase in labour charges to ₹ 721.83 million for the financial year 2016 from ₹ 552.04 million for the financial year 2015 and an increase in commissions to ₹ 416.32 million for the financial year 2016 from ₹ 271.30 million for the financial year 2015.

Tax Expense. We accounted for a tax credit of ₹ 410.42 million for the financial year 2016 as compared to a tax expense of ₹ 97.15 million for the financial year 2015. For the financial year 2016, our tax expenses primarily comprised a current tax expense of ₹ 147.52 million and a deferred tax charge of ₹ 28.29 million, which was offset by a MAT credit entitlement of ₹ 592.09 million. For the financial year 2015, our tax expenses primarily comprised a current tax expense of ₹ 175.41 million, which was partially offset by a MAT credit entitlement of ₹ 55.83 million and a deferred tax benefit of ₹ 23.06 million.

Restatement Adjustments. See “Restatement Adjustments” on page 369.

Net Profit as Restated. Our net profit as restated decreased by 4.9% from ₹ 542.43 million for the financial year 2015 to ₹ 515.90 million for the financial year 2016.

Financial Year 2015 compared to Financial Year 2014

Our results of operations for the financial year 2015 were particularly affected by the following factors:

- CMTL became a subsidiary of our Company with effect from March 28, 2014, and as a result full year operations of CMTL were consolidated in our financial statements during the financial year 2015; and
- an increase in the volume of containers and break bulk cargo handled at our facilities and an increase in our cargo handling charges.

Total Revenue. Our total revenue increased by 8.3% to ₹ 7,357.86 million for the financial year 2015 from ₹ 6,795.53 million for the financial year 2014, primarily due to an increase in revenue from operations.

Revenue from Operations. Our revenue from operations increased by 8.9% to ₹ 7,308.47 million for the financial year 2015 from ₹ 6,711.07 million for the financial year 2014. Our revenue from our PFT/ICD operations increased to ₹ 305.68 million for the financial year 2015 from nil for the financial year 2014, since CMTL became a subsidiary of our Company with effect from March 28, 2014. Our revenue from our CFS operations also increased to ₹ 2,289.48 million for the financial year 2015 from ₹ 2,008.71 million for the financial year 2014; we handled 165,791 TEUs at our CFSs during the financial year 2015 as compared to 154,466 TEUs for the financial year 2014. Further, we discontinued our stevedoring operations during the financial year 2015, which had accounted for ₹ 31.14 million of revenues during the financial year 2014.

Other Income. Our other income decreased by 41.5% from ₹ 84.46 million for the financial year 2014 to ₹49.39 million for the financial year 2015, primarily due to a decrease in interest income on loans to associates from ₹ 29.98 million for the financial year 2014 to nil for the financial year 2015.

Total Expenses. Our total expenses increased by 9.7% to ₹ 6,647.17 million for the financial year 2015 from ₹ 6,057.33 million for the financial year 2014, primarily due to an increase in employee benefits expenses, depreciation and amortization expenses and other expenses.

Employee Benefits Expenses. Our employee benefits expenses increased by 18.7% to ₹ 643.99 million for the financial year 2015 from ₹ 542.50 million for the financial year 2014, primarily due to an increase in salaries, wages and bonus to ₹ 593.90 million for the financial year 2015 from ₹ 489.92 million for the financial year 2014. While we had an annual increase in the level of compensation paid to our employees, the number of our employees decreased to 2,048 employees as of March 31, 2015 from 2,117 employees as of March 31, 2014.

Finance Costs. Our finance costs increased by 29.0% to ₹ 291.30 million for the financial year 2015 from ₹ 225.85 million for the financial year 2014, primarily due to an increase in interest on short term borrowings to ₹ 87.67 million for the financial year 2015 from ₹ 4.77 million for the financial year 2014, primarily due to higher average balances of short term borrowings during the financial year 2015, which was partially offset by a decrease in interest on long term borrowings from ₹ 163.24 million for the financial year 2015 to ₹ 191.32 million for the financial year 2014.

Depreciation and Amortisation Expenses. Our depreciation and amortization expenses increased by 34.4% to ₹ 240.60 million for the financial year 2015 from ₹ 179.01 million for the financial year 2014, primarily due to an increase in depreciation on tangible assets to ₹ 233.40 million for the financial year 2015 from ₹ 176.59 million for the financial year 2014 due to an increase in our asset base as a result of CMTL acquisition. Further, during the financial year 2015 we recognized a one time charge in our statement of profit and loss since we revised the useful life of assets in accordance with the provisions of the Companies Act.

Other Expenses. Our other expenses increased by 7.1% to ₹ 5,471.28 million for the financial year 2015 from ₹ 5,109.97 million for the financial year 2014, primarily due to an increase in freight and transportation expenses to ₹ 3,387.18 million for the financial year 2015 from ₹ 3,264.07 million for the financial year 2014, an increase in commission to ₹ 271.30 million for the financial year 2015 from ₹ 230.58 million and an increase in labour charges to ₹ 552.04 million for the financial year 2015 from ₹ 516.73 million for the financial year 2014.

Tax Expenses. We had a total tax expense of ₹ 97.15 million for the financial year 2015 as compared to a tax expense of ₹ 198.50 million for the financial year 2014. For the financial year 2015, our tax expenses primarily comprised a current tax expense of ₹ 175.41 million, which was partially offset by a MAT credit entitlement of ₹ 55.83 million and a deferred tax benefit of ₹ 23.06 million. For the financial year 2014, our tax expenses primarily comprised a current tax expense of ₹ 198.77 million. Our effective tax rate was 16.9% and 26.9% for the financial year 2015 and 2014, respectively.

Restatement Adjustments. See “Restatement Adjustments” on page 369.

Net Profit as Restated. Our net profit as restated decreased by 15.0% from ₹ 637.86 million for the financial year 2014 to ₹ 542.43 million for the financial year 2015.

Cash Flows

The following table sets forth our cash flows for the periods indicated:

	Financial Year		
	2016 (₹ in millions)	2015 (₹ in millions)	2014 (₹ in millions)
Net cash generated from operating activities	840.80	787.24	672.02
Net cash used in investing activities	(1,429.75)	(1,708.29)	(617.18)
Net cash generated from financing activities	490.25	908.22	16.63
Net increase/(decrease) in cash and cash equivalents	(98.70)	(12.83)	71.47

Operating Activities

Net cash generated from operating activities was ₹ 840.80 million for the financial year 2016. While our restated net profit before tax and after restatement adjustments was ₹ 626.10 million for the financial year 2016, we had an operating profit before working capital changes of ₹ 1,204.98 million, primarily as a result of finance cost of ₹ 402.98 million and depreciation and amortization costs of ₹ 229.39 million. Our working capital adjustments to our operating profit for the financial year 2016 consisted primarily of an increase in other current liability of ₹ 42.83 million and a decrease in short term loans and advances of ₹ 18.68 million, which was partially offset by a decrease in trade payables of ₹ 115.63 million and an increase in trade receivables of ₹ 75.38 million.

Net cash generated from operating activities was ₹ 787.24 million for the financial year 2015. While our restated net profit before tax and after restatement adjustments was ₹ 574.03 million for the financial year 2015, we had an operating profit before working capital changes of ₹ 1,146.90 million, primarily as a result of finance cost of ₹ 291.30 million and depreciation and amortization costs of ₹ 240.60 million. Our working capital adjustments to our operating profit for the financial year 2015 consisted primarily of a decrease in short term loans and advances of ₹ 56.07 million and a decrease in trade receivables of ₹ 55.86 million, which was partially offset by a decrease in trade payables of ₹ 200.66 million.

Net cash generated from operating activities was ₹ 672.02 million for the financial year 2014. While our restated net profit before tax and after restatement adjustments was ₹ 775.65 million for the financial year 2014, we had an operating profit before working capital changes of ₹ 1,139.37 million, primarily as a result of finance cost of ₹ 225.85 million and depreciation and amortization of ₹ 179.01 million. Our working capital adjustments to our operating profit for the financial year 2014 consisted primarily of an increase in trade payables of ₹ 326.00 million, which was partially offset by an increase in trade receivables of ₹ 214.89 million and a decrease in other current liability of ₹ 161.91 million.

Investing Activities

Net cash used in investing activities was ₹ 1,429.75 million for the financial year 2016, primarily consisting of purchase of tangible and intangible assets under development of ₹ 1,823.52 million, primarily for our co-located ICD and PFT facilities at Ahmedabad and Panipat, which was partially offset by proceeds from sale of mutual fund units of ₹ 877.92 million.

Net cash used in investing activities was ₹ 1,708.29 million for the financial year 2015, primarily consisting of the purchase of tangible and intangible assets under development of ₹ 1,305.66 million, primarily for our co-located ICD and PFT facilities at Ahmedabad and Panipat, and purchase of current investments of ₹ 690.00 million, which was partially offset by proceeds from sale of mutual fund units of ₹ 366.13 million.

Net cash used in investing activities was ₹ 617.18 million for the financial year 2014, primarily consisting of the purchase of tangible and intangible assets under development of ₹ 1,017.10 million, primarily for our co-located ICD and PFT facilities at Ahmedabad and Panipat, which was partially offset by proceeds from sale of mutual fund units of ₹ 289.17 million and investment in fixed deposits (net) of ₹ 166.93 million.

Financing Activities

Net cash generated from financing activities was ₹ 490.25 million for the financial year 2016, primarily consisting of proceeds from long term borrowings (net) of ₹ 815.24 million and proceeds from issue of equity shares of ₹ 244.51 million, partially offset by interest paid on bank loans and others of ₹ 683.44 million.

Net cash generated from financing activities was ₹ 908.22 million for the financial year 2015, primarily consisting of proceeds from long term borrowings (net) of ₹ 1,144.23 million and proceeds from short term borrowings of ₹ 169.39 million, partially offset by interest paid on bank loans and others of ₹ 485.29 million.

Net cash generated from financing activities was ₹ 16.63 million for the financial year 2014, primarily consisting of proceeds from long term borrowings (net) of ₹ 377.41 million, partially offset by interest paid on bank loans and others of ₹ 308.39 million and proceeds from short term borrowings (net) of ₹ 52.25 million.

Borrowings

The following table sets forth our borrowings as of March 31, 2016:

	As of March 31, 2016 (₹ in millions)
Secured Loans	
Long Term Borrowings:	
Term Loans from Banks	2,575.96
Term Loans from other than banks	1,847.54
Short Term Borrowings	772.09
Total Secured Loans	5,195.59
Unsecured Loans	
Long Term Loans from Related Party	1.14
Short Term Inter Corporate Deposit	10.00
Total Unsecured Loans	11.14
Grand Total	5,206.73

Further, as of August 31, 2016, our total indebtedness was ₹ 5,899.06 million. See “Financial Indebtedness” for a description of terms of our indebtedness on page 367.

In the event our lenders declare an event of default, such current and any future defaults could lead to acceleration of our payment obligations, termination of one or more of our financing agreements or requirement to sell our assets, which may adversely affect our business, results of operations and financial condition.

Credit Ratings

On May 10, 2016, CRISIL Limited assigned us 'CRISIL BBB+/Stable' long term rating and 'CRISIL A2' short term rating.

Capital and Other Commitments

The following table sets forth our capital and other commitments as of March 31, 2016:

Particulars	As at March 31, 2016 (₹ in million)
Capital commitment (net of advances)	598.62
Other commitments – guarantees given by bank on behalf of us to statutory authorities and others	978.02
Export obligation towards duty saved on import of assets	55.25
Total	1,631.89

The following table sets forth a summary of the maturity profile of our contractual obligations as of March 31, 2016:
(₹ in millions)

As of March 31, 2016	Payments due by period			
Other contractual obligations	Total	Less than 1 year	1 – 5 years	More than 5 years
Debt obligations*	5,206.73	1,119.5	2,474.36	1,612.87
Operating lease obligations	494.93	135.03	359.90	-
Other long-term liabilities reflected on the Company's balance sheet**	8.41	8.41	-	-
Total	5,710.07	1,262.94	2,834.26	1,612.87

* Includes unsecured short and long term loans and short term borrowings.

** Includes deposits received from customers and repayable on the termination of contracts.

Capital Expenditure

For the financial year 2016, we invested ₹ 2,938.55 million, primarily in buildings, railway siding, freehold land, yard equipments and plant and machinery. For the financial year 2015, we invested ₹ 414.02 million, primarily in freehold land, buildings and vehicles. For the financial year 2014, we invested ₹ 308.96 million, primarily in freehold land and vehicles and we invested ₹ 1,361.70 million towards the acquisition of primarily buildings and freehold land. During the financial year 2017, we expect to incur planned capital expenditures of approximately ₹ 750.00 million towards purchase of land to set up a PFT at Chennai and Bengaluru.

Contingent Liabilities and Commitments

The following table sets forth our contingent liabilities as of March 31, 2016:

Particulars	As of March 31, 2016 (₹ in millions)
Service tax matters (including interest and penalty)	61.72
Income tax matters	487.96
Claims against us not acknowledged as debts	17.11
Total	566.79

Off-Balance Sheet Commitments and Arrangements

We do not have any off-balance sheet arrangements, derivative instruments, swap transactions or relationships with affiliates or other unconsolidated entities or financial partnerships that would have been established for the purpose of facilitating off-balance sheet arrangements.

Quantitative and Qualitative Analysis of Market Risks

We are exposed to various types of market risks in the normal course of business. Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk and commodity risk. We are exposed to interest rate risk, credit risk and inflation risk and in the normal course of our business.

Interest rate risk

We are exposed to market risk with respect to changes in interest rates related to our borrowings. Interest rate risk exists with respect to our indebtedness that bears interest at floating rates tied to certain benchmark rates as well as borrowings where the interest rate is reset based on changes in interest rates set by RBI. As of March 31, 2016, ₹ 4,934.82 million of our indebtedness was at a floating rate and ₹ 260.77 million was at a fixed rate of interest. Interest rates are highly sensitive to many factors beyond our control, including the monetary policies of the RBI, domestic and international economic and political conditions, inflation and other factors. Upward fluctuations in interest rates increase the cost of servicing existing and new debt, which adversely affects our results of operations.

Credit Risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. We are exposed to credit risk from our operating activities, primarily from trade receivables. We typically have credit terms of 15 to 30 days with our CFS customers, 30 to 60 days with our ICD and PFT customers and 45 to 90 days with customers of our supply chain solutions and freight and allied services. As of March 31, 2016, 2015 and 2014, our trade receivables were ₹ 1,3820.82 million, ₹ 1,245.45 million and ₹ 1,370.02 million, respectively.

Inflation risk

India has experienced high inflation in the recent past, which has contributed to an increase in interest rates. High fluctuation in inflation rates may make it more difficult for us to accurately estimate or control our costs.

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.

Known Trends or Uncertainties

Our business has been affected and we expect that it will continue to be affected by the trends identified above in “Significant Factors Affecting Our Results of Operations” and the uncertainties described in the section “Risk Factors” on pages 369 and 17, respectively. To our knowledge, except as disclosed in this Draft Red Herring Prospectus, there are no known factors which we expect to have a material adverse effect on our income.

Future Relationship between Cost and Revenue

Other than as described in “Risk Factors” and this section, there are no known factors that might affect the future relationship between cost and revenue.

Competitive Conditions

We expect competition in our industry from existing and potential competitors to intensify. For details, please refer to the discussions of our competition in the sections “Risk Factors” and “Our Business” on pages 17 and 169, respectively.

Suppliers or customer concentration

We do not have any material dependence on a single or few suppliers or customers.

Seasonality of Business

Our business is not seasonal in nature.

New Products or Business Segments

Except as disclosed in “Our Business” on page 169, we have not announced and do not expect to announce in the near future any new products or business segments.

Significant Developments Occurring after March 31, 2016

Except as set out in this Draft Red Herring Prospectus, to our knowledge, no circumstances have arisen since the date of the last financial statements as disclosed in this Draft Red Herring Prospectus which materially or adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Recent Accounting Pronouncements

Our Company prepares its annual and interim financial statements under Indian GAAP. Our Company is required to prepare annual and interim financial statements under Ind-AS for the current financial year, but only after it completes its initial public offering and its Equity Shares are listed on the Stock Exchanges. Given that Ind-AS is different in many respects from Indian GAAP, under which we currently prepare our financial statements, the transition to Ind-AS may have a significant impact on our financial results and position. For further details, see “Risk Factors – External Risk Factors – Significant differences exist between Indian GAAP and other accounting principles, such as US GAAP, Ind-AS and IFRS, which may be material to investors' assessments of our financial condition” on page 37.

For details on the significant differences between Indian GAAP and Ind-AS, see “Summary of Significant Differences between Indian GAAP and Ind-AS” beginning on page 361.

Management responses to the Auditors comments

In terms with the requirements of the Companies (Auditor’s Report) Order, 2015, issued by the Central Government of India in terms of sub-section 11 of Section 143 of the Companies Act, 2013 for the Financial Years 2015-2016 and 2014-2015, and in terms with the requirements of the Companies (Auditor’s Report) Order, 2003, as amended by the Companies (Auditor’s Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section 4A of Section 127 of the Companies act, 1956 of India for Financial Year 2013-14, 2012-13 and 2011-12, the Company has taken certain appropriate actions including:

- Regularized payments and steps to avoid delays in payment of statutory dues;
- Streamlined and strengthened internal processes and internal controls; and
- Compounding applications, subsequent compliances and specific corrective steps.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

The details of the outstanding litigation or proceedings involving our Company, our Subsidiaries, Promoters, Group Companies and Directors are described in this section in the manner as detailed below.

We have disclosed all pending criminal litigation and actions taken by regulatory or statutory authorities involving our Company, Subsidiaries, Promoters, Group Companies and Directors individually in this section. We have disclosed claims relating to direct and indirect taxes involving our Company, Subsidiaries, Promoters, Group Companies and Directors in a consolidated manner giving details of number of cases and total amount involved in such claims.

We have also disclosed details of any inquiry, inspection or investigation initiated or conducted against our Company and Subsidiaries under the Companies Act in the last five years, prosecutions filed (whether pending or not), fines imposed or compounding of offences for our Company and Subsidiaries, in the last five years immediately preceding the year of this Draft Red Herring Prospectus, litigations or legal actions pending or taken by a Government Department or a statutory body during the last five years against our Promoters, details of default and non-payment of statutory dues by our Company, details of acts of material frauds committed against our Company in the last of five years, details of pending proceedings initiated against our Company for economic offences, if any, and details of pending litigation involving our Company, Subsidiaries, Promoters, Directors, Group Companies whose outcome could have material adverse effect on the position of our Company.

Our Board has approved by its resolution dated September 29, 2016 that given the nature and extent of operations of our Company and our Subsidiaries, the outstanding litigation involving our Company, Subsidiaries, Promoters, Group Companies and Directors which exceed the lower of one per cent of the standalone revenue or net profit or net worth of our Company in the last audited financial year would be considered material for our Company. The standalone revenue of our Company for the Financial Year 2016 was ₹ 2,813.70 million, the standalone net profit of our Company was ₹ 895.75 million and the net worth of our Company on a standalone basis was ₹ 7,710.30. Accordingly, in addition to the above, we have disclosed all outstanding litigation involving our Company, Subsidiaries, Promoters, Group Companies and Directors where the aggregate amount involved exceeds ₹ 8.96 million (being one percent of the standalone net profit of our Company in the Financial Year 2016) and the litigation involving an aggregate amount below ₹ 8.96 million involving our Company, Subsidiaries, Promoters, Group Companies and Directors have been consolidated and disclosed in a summary and indicative manner in this section.

*Our Board has also approved by its resolution dated September 29, 2016 that outstanding dues, which are in the nature of trade payables, owed by our Company to creditors (“**Outstanding Dues**”) exceeding five per cent of our total outstanding dues owed to the small scale undertakings and other creditors as on March 31, 2016 would be considered as material dues for our Company. The amount of Outstanding Dues as on March 31, 2016 is ₹ 477.72 million. Accordingly, we have disclosed consolidated information of Outstanding Dues, separately giving details of number of cases and amount for all dues where each of the dues exceed ₹ 23.89 million (being approximately five per cent of Outstanding Dues as on March 31, 2016).*

I. Litigation involving our Company

A. Litigation filed against our Company

Criminal matters

Sulochana Liladhar Thakur and Ramabai Namdev Mhatre (the “**Complainants**”) filed a criminal complaint (the “**Complaint**”) against our Company, the Complainants’ brothers and certain other representatives of our Company before the Judicial Magistrate First Class at Uran in relation to an ancestral property owned by the Complainants jointly with their brothers. Our Company paid a sale consideration of ₹ 1.40 million to the Complainants’ brothers for the ancestral property. The Complainants have alleged that offences under sections 465, 467, 471 and 420 of the IPC in relation to cheating and forgery have been committed by our Company and others. The matter is currently pending.

Direct tax matters

Six income tax related matters involving our Company are pending before various forums in relation to matters regarding deductions under section 80-IA of the IT Act. The aggregate amount involved in the matters is ₹ 956.61 million. The matters are currently pending.

Other matters

1. Sulochana Liladhar Thakur and Ramabai Namdev Mhatre (the “**Plaintiffs**”) filed two suits (the “**Suits**”) against our Company and others before the Civil Judge Junior Division at Uran (the “**Court**”), in relation to, among other things, the partition of an ancestral property (the “**Suit Property**”) owned by the Complainants jointly with their

brothers and for restitution of rights and possession of the Suit Property by removing encroachment. Our Company paid a sale consideration of ₹ 1.40 million to the Plaintiffs' brothers for the ancestral property. The Plaintiffs also filed an application against our Company and others seeking an injunction for prohibiting the (i) transfer of the Suit Property; (ii) encroachment over the Suit Property; (iii) construction and creation of any third party interest in the Suit Property. The matter is currently pending.

2. IAL Logistics India Limited (the "**Petitioner**") filed a writ petition against the Union of India, through Ministry of Shipping and 19 other respondents including our Company (the "**Respondents**") before the High Court of Judicature at Bombay (the "**Bombay High Court**") alleging wrongful detention of containers owned by the Petitioner and breach of the Customs Act and related rules and regulations by the Respondents. The matter is currently pending.
3. CMA CGM Agencies (India) Private Limited (the "**Petitioner**") filed a writ petition against the Union of India, our Company and Office of the Commissioner of Customs, Tuticorin before the Madurai Bench of the High Court of Judicature at Madras (the "**Madras High Court**") in relation to return of containers owned by the Petitioner in accordance with section 48 of the Customs Act pertaining to disposal of uncleared cargo. The matter is currently pending.

In addition to the above, certain other matters have been filed against our Company where the amount involved is below ₹ 8.96 million. These matters pertain to claims filed before various forums for, inter alia, damaged cargo and dispute regarding title and construction of an approach road to our CFS at Navi Mumbai. These matters are currently pending.

B. Litigation filed by our Company

Criminal Matters

Our Company filed an FIR against Jude Ignatius (the "**Accused**") at SIPCOT Police Station, Tuticorin under sections 380, 263(a), 341, 294(b) and 506 of the IPC alleging theft of three containers by the Accused at our CFS facility located at Tuticorin. The total loss allegedly incurred by the Company in the matter is ₹ 1.01 million. The matter is currently pending.

Inquiries, inspections or investigations, fines and offences compounded under the Companies Act

1. Our Company has filed a compounding application with the RoC for the non-compliance with the provisions of Section 152(6) of the Companies Act, 2013 in relation the requirement of at least two-thirds of the members of the Board, excluding the independent directors, being such directors who are liable to retire by rotation at every AGM.
2. Our Company has filed a compounding application with the RoC for the non-compliance with the provisions of Section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 in relation to the appointment of requisite number of independent directors on our Board.
3. Our Company has filed a compounding application with the RoC for the non-compliance with the provisions of Sections 177(1) and 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Section 135(1) of the Companies Act, 2013, in relation to constitution of the audit, nomination and remuneration and corporate social responsibility committees of our Board with the prescribed number of independent directors as members of these committees.
4. Our Company has filed a compounding application with the RoC for the non-compliance with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in relation to the appointment of a whole-time company secretary and regularisation of the appointment of the chief financial officer of our Company.
5. Our Company had filed a compounding application with the RoC for the non-compliance with the provisions of Section 297 of the Companies Act, 1956 on account of failure to receive the prior approval of the relevant company law board for entering into transactions in which the directors of our Company were interested. Subsequently, the offence was compounded on a payment of ₹ 1,500.00 by our Company and ₹ 1,500.00 by each of the relevant directors of our Company who were in default.
6. Our Company had filed a compounding application with the RoC for the non-compliance with the provisions of Section 295 of the Companies Act, 1956 on account of giving loans to CMTL. Subsequently, the offence was compounded on a payment of ₹ 5,000.00 by our Company and ₹ 5,000.00 by each of the relevant directors of our Company who were in default.

Other matters

1. Our Company initiated arbitration proceedings against United India Insurance Company Limited ("**United India**") and Commissioner of Customs in relation to a dispute regarding the quantum of payment made by United India to our Company under a fire insurance policy availed from United India. Our Company made a claim aggregating to ₹

323.25 million (including customs duty) for settlement of claims under the said policy in relation to the damage caused to 107 consignments of bonded goods due to a fire at our CFS in Madhavaram. Our Company received part payment of ₹ 193.09 million from United India and a sum of ₹ 22.43 million was also allowed by United India towards salvage operations. The balance amount aggregating to ₹ 111.39 million was rejected by United India. Accordingly, our Company initiated arbitration proceedings against United India for recovery of the said balance amount. Pursuant to the arbitral award (the “**Arbitral Award**”), an amount of ₹ 17.42 million (including 20.0% of the custom duty on the damaged cargo shipments and interest thereon) was awarded to our Company towards custom duty for damaged cargo shipments. However, payment of entire customs duty was not allowed. Accordingly, our Company appealed before the Madras High Court for setting aside the Arbitral Award and sought fresh arbitration proceedings. Further, United India also appealed against the Arbitral Award before the Madras High Court. The aggregate amount claimed by our Company in the matter presently is ₹ 111.39 million and the aggregate amount claimed by United India is ₹ 20.05 million. The matters are currently pending.

Small scale undertakings or any other creditors

Our Company does not owe any small scale undertakings any amounts exceeding ₹ 23.89 million as of March 31, 2016. There are no disputes with such entities in relation to payments to be made to them.

Our Company, in its ordinary course of business, has certain amounts aggregating ₹ 477.72 million which are due towards other creditors, in the nature of trade payables. As of March 31, 2016, our Company does not owe any creditor any dues that exceeds ₹ 23.89 million, in the nature of trade payables. There are no disputes with such entities in relation to payments to be made to them.

Litigation involving our Subsidiaries

1. Litigation involving CMTL

A. Litigation filed against CMTL

There is no outstanding litigation filed against CMTL exceeding ₹ 8.96 million.

A matter has been filed by M/s Rajasthan Security Force against CMTL where the amount involved is below ₹ 8.96 million. This matter pertains to recovery of payments for certain services being rendered to CMTL and the matter is currently pending.

B. Litigations filed by CMTL

Criminal matters

CMTL filed an FIR against Rebala Uday Shankar Reddy (the “**Accused**”), in Kothur Police Station, Mahaboobnagar under sections 408 and 420 of the IPC alleging misappropriation of stocks and cheating by the Accused. A charge sheet has been filed in the matter and the Accused along with Bagadi Dronacharya, Pasham Mallikarjun and Gaddam Balaiah have been charged with offences punishable under sections 120-(B), 467, 468, 471, 408 and 420 of the IPC in relation to criminal conspiracy, forgery, criminal breach of trust and cheating. The aggregate amount involved is ₹ 17.00 million. The matter is currently pending.

Other matters

CMTL filed a writ petition against the (i) Union of India, Ministry of Railways, New Delhi; (ii) Railway Board, New Delhi; (iii) General Manager, South Central Railway, Secunderabad; (iv) Chief Commercial Manager, South Central Railway, Secunderabad; and (v) Senior Divisional Manager, South Central Railway, Secunderabad (the “**Respondents**”) before the High Court of Judicature at Hyderabad for the State of Telangana and Andhra Pradesh, wherein CMTL challenged the order passed by the Senior Divisional Manager in relation to revenue sharing between CMTL and the railway administration for operating the PFT at Thimmapur as arbitrary and illegal and also sought the setting aside of demand notices dated July 1, 2014, July 7, 2014 and October 13, 2014 asking CMTL to pay an amount of ₹ 2.87 million for the period of April 2014 to June 2014 and an amount of ₹ 3.78 million for the period of July 2014 to September 2014 on account of sharing of revenue charges. The aggregate amount involved in the matter is ₹ 17.15 million. The matter is currently pending.

Inquiries, inspections or investigations, fines and offences compounded under the Companies Act

1. CMTL has filed a compounding application with the Registrar of Companies, Andhra Pradesh & Telangana situated at Hyderabad for the non-compliance with the provisions of Section 149(4) of the Companies Act, 2013 in relation to the appointment of independent directors on the board of directors of CMTL.

2. CMTL has filed a compounding application with the Registrar of Companies, Andhra Pradesh & Telangana situated at Hyderabad for the non-compliance with the provisions of Section 177(1) of the Companies Act, 2013 in relation to the constitution of the audit committee.
3. CMTL has filed a compounding application with the Registrar of Companies, Andhra Pradesh & Telangana situated at Hyderabad for the non-compliance with the provisions of Section 178(1) of the Companies Act, 2013 in relation to the constitution of the nomination and remuneration committee.

2. Litigation involving Delex

A. Litigation filed against Delex

Direct tax matters

One income tax related matter involving Delex filed before the CIT (Appeals) in relation to disallowance of income under section 36(1)(va) of the IT Act. The aggregate amount involved in the matter is ₹ 0.63 million. The matter is currently pending.

Indirect tax matters

1. Delex filed an appeal before the CESTAT against the order of Commissioner of Service Tax wherein a demand of ₹ 41.54 million as service tax was made on Delex for non-payment of service tax for the period from February 2009 to December 2009, including a demand of interest under section 75 of the Finance Act, 1994 for delayed payment of service tax and imposition of penalty of ₹ 41.54 million under section 78 of the Finance Act, 1994. The aggregate amount involved in the matter is ₹ 83.08 million further to inclusion of interest, if any. The matter is currently pending.
2. A service tax matter involving Delex is pending before the Commissioner of Service Tax in relation to, including among others, non-payment and short payment of service tax, wrongful utilization of CENVAT credit, non-levy of service tax, failure to include expenses for payment of service tax, failure to remit service tax and imposition of penalty for delayed payment of service tax for the period from November 2007 to December 2007. The aggregate amount involved in the matters is ₹ 10.30 million further to inclusion of interest, if any. The matter is currently pending.

Indirect tax matters below ₹ 8.96 million

Two indirect tax matters involving Delex are pending before various forums such as the Madras High Court and CESTAT, in relation to, among others, non-payment and short payment of service tax, wrongful utilization of CENVAT credit, non-levy of service tax, failure to include expenses for payment of service tax, failure to remit service tax and imposition of penalty for delayed payment of service tax. The aggregate amount involved in the matters is ₹ 13.87 million further to inclusion of interest and penalty, if any. The matters are currently pending.

B. Litigation filed by Delex

Inquiries, inspections or investigations, fines and offences compounded under the Companies Act

1. Delex has filed a compounding application with the Registrar of Companies, Chennai situated at Tamil Nadu for the non-compliance with the provisions of Sections 177(1) and 178(1) of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Section 135(1) of the Companies Act, 2013 in relation to the constitution of the audit, nomination and remuneration, and corporate social responsibility committees of the board of directors of Delex with the prescribed number of independent directors as members of these committees.
2. Delex has filed a compounding application with the Registrar of Companies, Chennai situated at Tamil Nadu for the non-compliance with the provisions of Section 203 of the Companies Act, 2013 read with Rule 8 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in relation to the appointment of a whole-time company secretary and chief financial officer.
3. Delex has filed a compounding application with the Registrar of Companies, Chennai situated at Tamil Nadu for the non-compliance with the provisions of Section 149(4) of the Companies Act, 2013 in relation to the appointment of independent directors on the board of directors of Delex.
4. Delex has filed a compounding application with the Registrar Of Companies, Chennai situated at Tamil Nadu for the non-compliance with the provisions of Section 96 of the Companies Act, 2013 in relation to the delay in holding the AGM.

Other matters

There is no outstanding litigation filed by Delex exceeding ₹ 8.96 million.

A matter has been filed by Delex where the amount is below ₹ 8.96 million. This matter relates to a suit filed against PnP Logistics Private Limited (the “**Defendant**”) regarding recovery of outstanding dues from the Defendant and the matter is currently pending.

II. Litigation involving our Promoters

1. Litigation involving N. Amrutesh Reddy

A. Litigation filed against N. Amrutesh Reddy

There is no outstanding litigation filed against N. Amrutesh Reddy exceeding ₹ 8.96 million.

Nagaraj (the “**Plaintiff**”) filed a suit against N. Amrutesh Reddy before the 2nd Additional Sessions Judge, Poonamallee, Chennai in relation to a dispute regarding title to a property (the “**Property**”) wherein the Plaintiff sought cancellation of the sale deed of the Property executed in favour of N. Amrutesh Reddy. N. Amrutesh Reddy has obtained a stay in the matter from the Madras High Court. The matter has been remanded to the 2nd Additional Sessions Judge, Poonamallee, Chennai by the Madras High Court. The matter is currently pending.

B. Litigation filed by N. Amrutesh Reddy

There is no outstanding litigation filed by N. Amrutesh Reddy exceeding ₹ 8.96 million.

1. N. Amrutesh Reddy filed a suit against Gajanan Bhaiya Govari and others before the Sub-Divisional Officer, Panvel, in relation to a dispute regarding title to a property (the “**Property**”) purchased by N. Amrutesh Reddy from Gajanan Bhaiya Govari in the year 2005. The Property was sold by Gajanan Bhaiya Govari to Vidyadhar Budhaji Thakur in 2013. An application was submitted to the Tehsildar, Uran for mutation of N. Amrutesh Reddy’s name in the records, however, the entry in respect of the Property stands in the name of Vidyadhar Budhaji Thakur. Accordingly, a suit was filed by N. Amrutesh Reddy. The matter is currently pending.
2. N. Amrutesh Reddy filed a suit against Yashwant Krishna Patil and others before the Sub-Divisional Officer, Panvel, in relation to a dispute regarding title to a property (the “**Property**”) purchased by N. Amrutesh Reddy from Yashwant Krishna Patil in the year 2005. The Property was sold by Yashwant Krishna Patil to Ashok Kumar Kejariwal in 2006. An application was submitted to the Tehsildar, Uran for mutation of N. Amrutesh Reddy’s name in the records, however, the entry in respect of the Property stands in the name of Ashok Kumar Kejariwal. Accordingly, a suit was filed by N. Amrutesh Reddy. The matter is currently pending.

2. Litigation involving N.D.R.

A. Litigation filed against N.D.R.

Direct tax matters

Four income tax related matters involving N.D.R. have been filed before ITAT and CIT (Appeals) in relation to the income of N.D.R. being treated as house income instead of business income under the IT Act. The aggregate amount involved in the matters is ₹ 122.54 million. The matters are currently pending.

Other matters

There is no outstanding litigation filed against N.D.R. exceeding ₹ 8.96 million.

Purnavati Dare (the “**Plaintiff**”) filed a suit before the Court of Civil Judge, Senior Division, Panvel against N.D.R. and others for cancellation of a sale deed executed in favour of N.D.R. by Tulsiram Dare as the property was a subject matter of a partition suit in relation to a matrimonial dispute between the Plaintiff and Tulsiram Dare. The matter is currently pending.

B. Litigation filed by N.D.R.

There is no outstanding litigation filed by N.D.R. exceeding ₹ 8.96 million.

Certain matters have been filed by N.D.R. where the amount is below ₹ 8.96 million. These matters pertain to suits filed by N.D.R. against Group Gram Panchayat Usarli Khurd and others before the Court of Civil Judge, Senior Division, Panvel in relation to disputes over title of certain properties bought by N.D.R. These matters are currently pending.

III. Litigation involving our Group Companies

1. Litigation involving CWCL

A. Litigation filed against CWCL

Direct tax matters

One income tax related matter involving CWCL has been filed before the ITAT wherein CWCL has appealed against the order of the Deputy Commissioner of Income Tax in respect of tax levied under section 115JB of the IT Act in relation to exemption of MAT on sale of assets to a subsidiary. The aggregate amount involved in the matter is ₹ 34.95 million. The matter is currently pending.

B. Litigation filed by CWCL

There is no outstanding litigation filed by CWCL exceeding ₹ 8.96 million.

A matter has been filed by CWCL where the aggregate amount is below ₹ 8.96 million. This matter pertains to arbitration proceedings initiated by CWCL in relation to the encashment of a performance bank guarantee for certain losses while CWCL was handling cargo, wherein the arbitral award was granted in favour of CWCL and the opposing party has filed an appeal against the arbitral award before High Court of Judicature at Bombay. The aggregate amount involved in the matter is ₹ 7.54 million further to inclusion of interest, if any. This matter is currently pending.

2. Litigation involving Saastha

Litigation filed against Saastha

Bhikari Singh filed a suit (the “**Suit**”) before the Court of Civil Judge, Senior Division, Panvel (the “**Court**”) against Saastha and others for partition among the partners of Shree Developers and seeking to set aside a sale deed of 18 acres executed in favour of Saastha, and for separate possession, damages and mean profits. The Court passed an order dismissing an applications filed by the defendants to the Suit under Order VII, Rule 11(d) of the CPC (the “**Order**”). Saastha filed a civil revision application before the Bombay High Court challenging the Order. The aggregate amount involved in the matter is ₹ 9.38 million. The matter is currently pending.

IV. Litigation involving our Directors

1. Litigation involving N. Amrutesh Reddy

For details in relation to litigation involving N. Amrutesh Reddy, see “-Litigation involving our Promoters – Litigation involving N. Amrutesh Reddy” on page 388.

2. Litigation involving M. S. Sundara Rajan

Litigation filed against M. S. Sundara Rajan

Criminal Matters

ACG Associated Capsules Private Limited (the “**Complainant**”) filed a criminal complaint against Varun Industries Limited (“**Varun Industries**”), in which M.S. Sundara Rajan was an independent director from May 6, 2011 to April 10, 2012, before the 23rd Metropolitan Magistrate Court, Esplanade, Mumbai (the “**Court**”), under Section 138 of the Negotiable Instruments Act, alleging dishonor of a cheque in relation to payment of an inter corporate deposit for an amount ₹ 100.63 million (the “**Complaint**”). A criminal revision application was filed by the independent Directors of Varun Industries including M.S. Sundara Rajan, before the Court of Sessions, Greater Mumbai (the “**Court of Sessions**”) contesting the Complaint (the “**Application**”). The Application was disposed off by the Court of Sessions and the Complainant filed an application before the Court for withdrawing the proceedings in relation to the Complaint. Simultaneously, the Complainant filed a criminal complaint against Varun Industries and its directors before the 8th Additional Metropolitan Magistrate, Esplanade, Mumbai (the “**Additional Metropolitan Magistrate**”), during the pendency of the proceedings in relation to the Complaint (the “**Second Complaint**”). Subsequently, a criminal revision application was filed by the independent directors of Varun Industries including M.S. Sundara Rajan before the Court of Sessions contesting the Second Complaint as the proceedings in relation to the Complaint were still pending (the “**Second Application**”). Pursuant to the Second Application, the Court of Sessions passed an interim order staying the trial proceedings in relation to the Second Complaint. The matter is currently pending.

Action initiated by SEBI against the entities operating in the securities market with which Directors are associated

Entities with which M.S. Sundara Rajan is associated

Stock Holding Corporation of India Limited (“**SHCIL**”)

1. SEBI through its letter dated June 17, 2003, had withdrawn its no objection granted through letter dated December 13, 1999, for some of the schemes of SHCIL, namely, “Sell-n-Cash” and “Cash on Payout”. Subsequently, SHCIL discontinued operations of its schemes.
2. SEBI through its letter dated June 21, 2010, had advised SHCIL to undertake certain corrective steps to rectify deficiencies observed by SEBI in its inspection of SHCIL.
3. SEBI through its letter dated June 6, 2008 issued a warning and certain observations in respect of Softtrack Technology Exports Limited. The board of directors of SHCIL took note of the corrective actions undertaken by SHCIL pursuant to the observations issued by SEBI.

V. Material Developments

For details of material developments since last balance sheet date, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 369.

GOVERNMENT AND OTHER APPROVALS

On the basis of the list of material approvals provided below, our Company can undertake the Offer and our Company and the Subsidiaries can undertake each of their respective current business activities and other than as stated below, no further material approvals from any regulatory authority is required to undertake the Offer or continue such business activities. Unless otherwise stated, these approvals are valid as of the date of this Draft Red Herring Prospectus and in case of approvals which have expired, we have either made an application for renewal or are in the process of making an application for renewal. We have disclosed below pending approvals which have been applied for by our Company.

Approvals for the Offer

For the approvals and authorisations obtained by our Company in relation to the Offer, see “Other Regulatory and Statutory Disclosures-Authority for the Offer” on page 394.

Incorporation Details of our Company and Subsidiaries

1. Certificate of incorporation dated May 23, 1997 issued by the RoC.
2. Certificate of commencement of business dated August 5, 1997 issued by the RoC.
3. The corporate identity number of our Company is U63090MH1997PLC108197.
4. For incorporation details of our Subsidiaries, see “History and Certain Corporate Matters” beginning on page 146.

Business Related Approvals

Our Company and Subsidiaries require various approvals to carry on business in India. The approvals that we require include the following:

a) Approvals related to CFSs, ICDs and PFTs

1. Letters of intent from Ministry of Commerce & Industry under the ICD & CFS guidelines for setting up ICDs and CFSs for handling import and export cargo;
2. Approvals from the appropriate custom authorities, issued under relevant customs regulations for (i) approving the ICDs and CFSs as places for unloading of imported goods and loading of export goods; (ii) declaring the ICDs and CFSs as customs area; (iii) appointment of custodian of imported and export goods stored and brought into the ICDs and CFSs; (iv) appointment as customs cargo service provider; (v) allotment of location codes of customs locations for the ICDs; (vi) sanctioning of relevant posts for ICDs; (vii) notifying the implementation of Indian customs EDI system version 1.5 for the relevant ICDs; (viii) conversion of shed area into bonded warehouse for relevant ICDs; and (ix) permission for carrying out LCL import and export hub activities;
3. In-principle approvals from relevant railways authorities for setting up greenfield and brownfield PFTs under the PFT Scheme, as applicable, and rail safety approvals for the PFTs;
4. Approvals, commercial circulars and certificates issued by relevant railways authorities for (i) operating PFTs; provision of private siding and inplant yard arrangements; (ii) notifying opening of the container sidings for handling container traffic; (iii) allotting alphabetical and numerical codes for the container sidings and station codes for PFTs; (iv) rail safety; and (v) OHE charging;
5. In-principle approvals from appropriate railways authorities for the conversion of container sidings to brownfield PFTs;
6. Agreements for PFT entered into with concerned railway authorities by our Company for operating our PFT facilities;
7. Land licensing agreements entered into with concerned railway authorities by our Company for using railway land;
8. Licenses issued by appropriate custom authorities under relevant customs regulations for operating public bonded warehouses and open bonded warehouses;
9. Certifications under the relevant provisions of the Legal Metrology Act and the Standards of Weights and Measures Act, as applicable, for maintaining weights and measures;
10. Town planning approvals issued by relevant town planning authorities approving building plans for relevant ICDs, CFSs, and warehouses;

11. D&O trade licenses issued by relevant municipal authorities for certain of our facilities for carrying out warehousing activities;
12. Permissions/licenses from local village panchayats with respect to factories and industries;
13. Forest clearances issued by relevant state forest departments, granting forest clearance and approving the use of the forest land and non-objection certificates by tehsildars for construction of facilities;
14. Permission for construction of warehouses issued by Urban and Rural Development authorities;
15. Warehouse license under the relevant warehousing regulations, as applicable;
16. Approvals obtained from relevant state PCBs under the Water Act, Air Act, and Hazardous Waste Rules for consent to operate the CFSs, ICDs and PFTs, carrying out warehousing activities (including storage of hazardous substances) and setting up ICDs, PFTs and other facilities;
17. Shops and establishments certificates issued under relevant laws of states in which we operate;
18. Fire non-objection certificates/licenses issued by appropriate state authorities in accordance with the provisions of the relevant state fire safety acts; and
19. Approvals with respect to electricity connections from appropriate state electricity boards or electricity distribution companies sanctioning electricity connections for our facilities.

b) Approvals in relation multimodal transportation, airport ground handling services and storage of food products

1. Registrations issued by the Ministry of Shipping under the MGT Act.;
2. Registrations issued by appropriate state foods and drugs administrator under the relevant provisions of the FSS Act;
3. Clearance issued by the Ministry of Civil Aviation under the provisions of Ground Handling Regulations for providing ground handling services at relevant airports; and
4. Registrations issued by the FSSAI under the FSS Act for storage and transportation of food products.

c) General approvals and registrations

1. Certificate of IEC issued by the Ministry of Commerce & Industry granted to our Company; and
2. Permissions from RBI for investment by foreign venture capital investors;

d) Employees and Labour related approvals

We have obtained appropriate registrations under the EPF Act, ESI Act, and Contract Labour Act, as applicable.

e) Approval from Taxation Authorities

We have obtained various tax related approvals including, permanent account number, tax deduction account number, tax identification number, service tax registration issued by the Department of Customs, and registration for VAT and sales tax in the states where our Company operates.

Pending Approvals

We have obtained the material permits, licenses and approvals from the appropriate regulatory and governing authorities required to operate our facilities and carry on our business. Certain approvals may have lapsed in their normal course and we have either made applications to the appropriate authorities for renewal of such licenses and/ or approvals or are in the process of making such applications.

We have made applications for the following licenses/ consents/ approvals which are pending:

a) Company

1. Application dated September 7, 2015 for consent to operate from the Tamil Nadu PCB for our CFS at Redhills, Chennai.
2. Application dated July 12, 2016 for consent to operate from the Tamil Nadu PCB for our CFS at Tuticorin.

b) Delex

1. Application dated April 25, 2016 for renewal of license under the FSS Act for Delex's operations at No. 226/2B2 and 226/2C/1 Irugur to Chinniyampalayam Road, Irugur, Coimbatore, for (i) storage (controlled atmosphere and cold) operations; and (ii) transporter business;
2. Application dated May 5, 2016 for renewal of license under the FSS Act for Delex's operations at No. 926, DCB Group of Warehousing, Ennore Express Highway, Madhavaram, Chennai for storage (controlled atmosphere and cold) operations; and
3. Application dated September 28, 2016 for renewal of license under the FSS Act for Delex's operations at Behind Murugan Transport, Opp. Shivam Tankers, TP Nagar, Tatibandh, Raipur for transporter business.

Further, licenses obtained by Delex under various state Shops and Establishment legislations may have lapsed in their normal course and Delex has either made applications to the appropriate authorities for renewal of such licenses or is in the process of making such applications.

Approvals required but not obtained

1. Registration under the Carriage by Road Act for certain activities carried out by Delex;
2. Registration under the Petroleum Act, 1934 for certain activities carried out by Delex; and
3. Registration under the Carriage by Road Act for certain activities carried out by CMTL.

For details in relation to trademarks, see "Our Business – Intellectual Property" on page 141.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

Our Board has approved the Offer pursuant to a resolution passed at its meeting held on September 27, 2016 and our Shareholders have approved the Offer pursuant to a resolution passed at their meeting held on September 29, 2016.

For details on the authorisations of the Selling Shareholders in relation to the Offer, see “The Offer” on page 70.

Our Company received in-principle approvals from the BSE and the 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, our Directors, the members of the Promoter Group, our Group Companies, and the Selling Shareholders have not been prohibited from accessing in capital markets under any order passed by SEBI or any other governmental authority.

The companies with which our Promoters, or Directors are or were associated as promoter, directors or persons in control have not been prohibited from accessing the capital markets under any order or direction passed by SEBI.

Except M.S. Sundara Rajan, who is a director in Stock Holding Corporation of India Limited, Sundaram Trustee Company Limited and a trustee in Unifi AIF Trust, SEBI registered entities, none of the Directors or the entities that our Directors are associated with are engaged in securities market related business and are registered with SEBI. For details of actions initiated by SEBI against these entities, see “Outstanding Litigation and Material Developments – Action initiated by SEBI against the entities operating in the securities market with which Directors are associated” on page 389.

Prohibition by RBI

Neither our Company, nor our Promoters, relatives (as defined under the Companies Act, 2013) of our Promoters, Directors, our Group Companies, nor the Selling Shareholders have been identified as Wilful Defaulters. There are no violations of securities laws committed by them in the past or are currently pending against them.

Eligibility for the Offer

Our Company is eligible for the Offer in accordance with the eligibility criteria provided in Regulation 26(1) of the SEBI Regulations, and as calculated from the Restated Financial Information prepared in accordance with the Companies Act and restated in accordance with the SEBI Regulations:

- our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full years (of 12 months each) of which not more than 50.0% are held in monetary assets;
- our Company has a minimum average pre-tax operating profit of ₹ 150 million calculated on a restated and consolidated basis, during the three most profitable years out of the immediately preceding five years;
- our Company has a pre-Offer net worth of at least ₹ 10 million in each of the three preceding full years (of 12 months each);
- the aggregate of the proposed Offer (excluding offer for sale) and all previous issues, if any, made in the same financial year, in terms of the issue size, does not exceed five times of the pre-Offer networth of the Company as per the restated unconsolidated financial statement of the Company as at March 31, 2016;
- our Company has not changed its name since the date of incorporation.

Our Company’s net worth, net tangible assets and pre-tax operating profit, monetary assets and monetary assets as a percentage of the net tangible assets derived from the restated summary statements included in this Draft Red Herring Prospectus as at and for the five years ended Financial Year 2016 are set forth below:

(₹ in million, except percentage values)

Particulars	Financial year ended March 31, 2016		Financial year ended March 31, 2015		Financial year ended March 31, 2014		Financial year ended March 31, 2013		Financial year ended March 31, 2012	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
Net tangible assets	12,460.00	14,026.61	10,505.32	12,298.73	8,715.48	10,603.98	7,632.30	8,763.50	6,699.61	7,462.48
Monetary assets	46.77	123.41	65.74	222.11	149.86	234.94	84.08	163.47	491.74	554.46
Percentage of monetary assets to net	0.38	0.88	0.63	1.81	1.72	2.22	1.10	1.87	7.34	7.43

Particulars	Financial year ended March 31, 2016		Financial year ended March 31, 2015		Financial year ended March 31, 2014		Financial year ended March 31, 2013		Financial year ended March 31, 2012	
	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated	Standalone	Consolidated
tangible assets										
Pre-tax operating, as restated as per the Profit and Loss Account	406.72	466.09	421.66	523.80	472.02	653.74	456.19	452.16	520.78	584.14
Net worth for equity shareholders (A+B)	7,710.30	8,168.09	7,057.72	7,407.68	6,503.61	6,791.93	5,825.19	5,982.44	4,664.16	4,805.72
Equity Share Capital (A)	737.48	737.48	718.60	718.60	711.76	711.76	697.01	697.01	629.88	629.88
Reserves and Surplus (B)	6,972.82	7,430.61	6,339.12	6,689.08	5,791.85	6,080.17	5,128.18	5,285.43	4,034.28	4,175.84

Net tangible assets' = Total assets – Intangible assets – Deferred tax – Goodwill on consolidation

Pre tax operating profit = Profit before tax – Other income;

Net worth means the sum of share capital and reserves and surplus;

Monetary assets = Cash on hand + cheques on hand + balances in current accounts + demand deposits (with less than three months maturity)

Further, in accordance with Regulation 26(4), 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.

Our Company is in compliance with the conditions specified in Regulation 4(2) of the SEBI Regulations, to the extent applicable.

DISCLAIMER CLAUSE OF SEBI

AS REQUIRED, A COPY OF THIS DRAFT RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS 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 THIS DRAFT RED HERRING PROSPECTUS. THE BOOK RUNNING LEAD MANAGERS, EDELWEISS FINANCIAL SERVICES LIMITED, AXIS CAPITAL LIMITED, AMBIT PRIVATE LIMITED AND ICICI SECURITIES LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE 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 THIS DRAFT RED HERRING PROSPECTUS AND EACH SELLING SHAREHOLDER SHALL BE RESPONSIBLE ONLY FOR THE STATEMENTS SPECIFICALLY CONFIRMED OR UNDERTAKEN BY IT IN THIS DRAFT RED HERRING PROSPECTUS IN RELATION TO ITSELF FOR ITS RESPECTIVE PORTION OF THE EQUITY SHARES OFFERED BY WAY OF THE OFFER FOR SALE, THE BOOK RUNNING LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY AND EACH SELLING SHAREHOLDER DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED SEPTEMBER 30, 2016 WHICH READS AS FOLLOWS:

WE, THE BOOK RUNNING LEAD MANAGERS TO THE ABOVE MENTIONED FORTHCOMING OFFER, STATE AND CONFIRM AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CRIMINAL DISPUTES, TAXATION PROCEEDINGS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALIZATION OF THE DRAFT RED HERRING PROSPECTUS DATED SEPTEMBER 30, 2016 ("DRHP") 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, WE CONFIRM THAT:

- (A) THE DRHP FILED WITH 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 THE SEBI, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**
 - (C) THE DISCLOSURES MADE IN THE DRHP 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 (“SEBI ICDR REGULATIONS”) AND OTHER APPLICABLE LEGAL REQUIREMENTS.**
- 3. WE CONFIRM THAT BESIDES OURSELVES ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH SEBI AND THAT TILL DATE SUCH REGISTRATIONS ARE VALID.**
 - 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE.**
 - 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN, SHALL NOT BE DISPOSED/SOLD/TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRHP WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP – COMPLIED WITH**
 - 6. WE CERTIFY THAT REGULATION 33 OF THE SEBI 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 DRHP - COMPLIED WITH AND NOTED FOR COMPLIANCE**
 - 7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SEBI 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 ISSUE. – 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.**
 - 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THIS 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 AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION. – NOTED FOR COMPLIANCE. ALL MONIES RECEIVED FROM 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 DRHP THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE. – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, EQUITY SHARES IN THE OFFER WILL BE ISSUED IN DEMATERIALIZED FORM ONLY.**
11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI 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.**
12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRHP:**
 - (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 THE BOARD FROM TIME TO TIME.**
13. **WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI 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. – REFER TO ANNEXURE A.**
15. **WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE APPLICABLE PROVISIONS OF THE SEBI ICDR REGULATIONS CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRHP WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY. – REFER TO ANNEXURE B.**
16. **WE ENCLOSE A STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY THE MERCHANT BANKERS BELOW (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER)', AS PER FORMAT SPECIFIED BY SEBI THROUGH CIRCULAR. – REFER TO ANNEXURE C.**
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 REPORTED AS PER THE ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY AND INCLUDED IN THE DRHP CERTIFIED BY H A Y AND ASSOCIATES, CHARTERED ACCOUNTANTS PURSUANT TO THEIR CERTIFICATE DATED SEPTEMBER 29, 2016.**
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 THESE REGULATIONS. (IF APPLICABLE). NOT APPLICABLE.**

The filing of this Draft Red Herring Prospectus does not, however, absolve our Company from any liabilities under Section 34 or Section 36 of the Companies Act, 2013 or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the 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 Red Herring Prospectus and the Prospectus.

The filing of this Draft Red Herring Prospectus does not absolve any Selling Shareholder from any liabilities to the extent of the statements specifically confirmed or undertaken by each Selling Shareholder in respect of its proportion or the Equity Shares offered by such Selling Shareholder, as part of the Offer for Sale, under Section 34 or Section 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, our Directors, the Selling Shareholders and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than those contained 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 <http://www.cwcnsl.com/index.html> or the respective websites of our Subsidiaries, would be doing so at his or her own risk. Each Selling Shareholder, its respective directors, affiliates, associates and officers accept/ undertake no responsibility for any statements, other than those specifically confirmed by it in this Draft Red Herring Prospectus in relation to it and to the Equity Shares offered by it, including any statements made by our Company or any other Selling Shareholder.

The BRLMs accept no responsibility, save to the limited extent as provided in the Offer Agreement and the Underwriting Agreement to be entered into between the Underwriters, the Selling Shareholders and our Company.

All information shall be made available by our Company and the BRLMs to the public and Bidders at large and no selective or additional information would be available by our Company, Selling Shareholders or the BRLMs for a section of the Bidders in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company, the Selling Shareholders or any member of the Syndicate are liable for any failure in downloading 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, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any Bidder on whether such Bidder is eligible to acquire the Equity Shares.

The BRLMs and their respective associates and affiliates may engage in transactions with, and perform services for our Company and its group companies, affiliates or associates 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 and its respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, 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 and insurance funds set up and managed by the Department of Posts, India) and to eligible non-residents including Eligible NRIs, and eligible FPIs(including FIIIs). This Draft Red Herring Prospectus does not, however, constitute an invitation to subscribe to/or purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft 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.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus had been filed with SEBI for its observations. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company, the Subsidiaries or the Selling Shareholders since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 ("U.S. Securities Act") or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to "qualified institutional buyers" (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

Price information of past issues handled by the BRLMs

A. Edelweiss

I. Price information of past issues(during current financial year and two financial years preceding the current financial year) handled by Edelweiss:

Sr. No.	Issue Name	Issue Size (₹ in million)	Issue Price (₹)	Listing Date	Opening Price on listing date (₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	September 29, 2016	330.00	Not applicable	Not applicable	Not applicable
2.	Thyrocare Technologies Limited	4,792.14	446.00	May 09, 2016	665.00	36.85%[5.09%]	22.57%[10.75%]	Not applicable
3.	Equitas Holdings Limited	21,766.85	110.00	April 21, 2016	145.10	34.64%[-2.05%]	57.91%[7.79%]	Not applicable
4.	Healthcare Global Enterprises Limited	6,496.40	218.00	March 30, 2016	210.20	-15.3%; [1.45%]	-19.98%[4.65%]	-1.28%[12.77%]
5.	Alkem Laboratories Limited [@]	13,477.64	1,050.00	December 23, 2015	1,380.00	30.34%; [-7.49%]	28.60% [-2.06%]	31.91%[4.74%]
6.	Coffee Day Enterprises Limited	11,500.00	328.00	November 2, 2015	317.00	-21.42%; [-1.19%]	-20.76%; [-6.15%]	-20.98%; [-2.50%]
7.	Prabhat Dairy Limited [^]	3,561.88	115.00	September 21, 2015	113.00	11.78% ; [3.57%]	30.83% [-1.79%]	-5.48%; [-4.67%]
8.	Sadbhav Infrastructure Project Limited	4,916.57	103.00	September 16, 2015	111.00	-2.28%; [3.55%]	-5.63%; [-3.15%]	-14.56%; [-4.56%]
9.	Navkar Corporation Limited	6,000.00	155.00	September 9, 2015	152.00	0.97%; [3.97%]	26.00%; [-0.68%]	6.29%; [-4.26%]
10.	Inox Wind Limited [*]	10,205.34	325.00	April 9, 2015	400.00	28.54%; [-6.68%]	42.42%; [-3.05%]	11.20%; [-7.51%]

Source: www.nseindia.com

[@] Alkem Laboratories Limited - Discount of ₹100 per equity share offered to eligible employees. All calculations are based on offer price of ₹1,050.00 per equity share.

^{*}Inox Wind Ltd - Discount of ₹15 per equity share offered to retail investors and eligible employees. All calculations are based on issue price of ₹325.00 per equity share.

[^] Prabhat Dairy Ltd - Discount of ₹5 per equity share offered to retail investors. All calculations are based on issue price of ₹ 115.00 per equity share.

Notes:

- Based on date of listing.
- % of change in closing price on 30th/ 90th / 180th 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 30th/ 90th / 180th calendar day from listing day.
- Wherever 30th/ 90th / 180th calendar day from listing day is a holiday, the closing data of the next trading day has been considered.
- The Nifty 50 index is considered as the Benchmark Index
- Not applicable. – Period not completed.
- Disclosure in Table-1 restricted to 10 issues.

II. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Edelweiss:

Financial Year	Total no. of IPOs	Total amount of funds raised (₹ in million)	No. of IPOs trading at discount – 30 th calendar days from listing			No. of IPOs trading at premium – 30 th calendar days from listing			No. of IPOs trading at discount – 180 th calendar days from listing			No. of IPOs trading at premium – 180 th 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%
2016-2017 [^]	3	87,126.90	-	-	-	-	2	-	-	-	-	-	-	-
2015-2016	7	56,157.83	-	-	3	-	2	2	-	-	4	-	1	2
2014-2015	3	8,835.40	-	1	-	2	-	-	-	-	1	2	-	-

[^] The information is as on the date of the document.

Notes:

- Based on date of listing.
- Wherever 30th and 180th 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 2016-17 – only 2 issues completed 30 days and none of the issues completed 180 days

For the financial year 2015-16 – 180 days period completed for 7 issues

For the financial year 2014-15 total 3 issues were completed. However, disclosure under Table-1 is restricted to 10 issues.

B. Axis Capital

I. Price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital:

Sr. No.	Issue name	Issue size (₹ in million)	Issue price (₹)	Listing date	Opening price on listing date (in ₹)	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1.	RBL Bank Limited	12,129.67	225	August 3, 2016	274.20	-	-	-
2.	Dilip Buildcon Limited	6,539.77	219	August 11, 2016	240.00	+5.11%, [+3.20%]	-	-
3.	Advanced Enzyme Technologies Limited	4,114.88	896 ³	August 01, 2016	1,210.00	+56.24%, [+1.23%]	-	-
4.	Qess Corp Limited	4,000.00	317	July 12, 16	500.00	+73.60%, [+0.64%]	-	-
5.	Ujjivan Financial Services Limited	8,824.96 ¹	210	May 10, 2016	231.90	+72.38%, [+4.88%]	+115.38%, [+10.44%]	-
6.	Equitas Holdings Limited	21,766.85	110	April 21, 2016	145.10	+34.64%, [-2.05%]	+57.91%, [+7.79%]	-
7.	Narayana Hrudayalaya Limited	6,130.82	250	January 6, 2016	291.00	+28.76%, [-4.35%]	+15.86%, [+0.23%]	-
8.	Alkem Laboratories Limited ²	13,477.64	1050	December 23, 2015	1380.00	+30.34%, [-7.49%]	+28.60%, [-2.06%]	-
9.	Coffee Day Enterprises Ltd	11,500.00	328	November 2, 2015	317.00	-21.42%, [-1.19%]	-20.76%, [-6.15%]	-
10.	Pennar Engineered Building Systems Limited	1561.90	178	September 10, 2015	177.95	-5.93%, [+5.16%]	-11.26%, [-1.11%]	-17.39%, [-3.89%]

Source: www.nseindia.com

¹ Company has undertaken a Pre-Ipo Placement aggregating to ₹2,918.39 million. The size of the fresh issue as disclosed in the draft red herring prospectus dated December 31, 2015, being ₹6,500 Million, has been reduced accordingly.

² Price for eligible employees was ₹ 950.00 per equity share.

³ Price for eligible employees was ₹ 810.00 per equity share.

Notes:

(a) The CNX NIFTY is considered as the Benchmark Index.

(b) Price on NSE is considered for all of the above calculations.

(c) In case 30th/90th/180th day is not a trading day, closing price on NSE of the next trading day has been considered.

(d) Since 30 calendar days, 90 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

II. Summary statement of price information of past issues (during current financial year and two financial years preceding the current financial year) handled by Axis Capital:

Financial Year	Total no. of IPOs	Total funds raised (₹ in million)	Nos. of IPOs trading at discount on as on 30 th calendar days from listing date			Nos. of IPOs trading at premium on as on 30 th calendar days from listing date			Nos. of IPOs trading at discount as on 180 th calendar days from listing date			Nos. of IPOs trading at premium as on 180 th calendar days 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%
2016-2017*	6	57,376.13	-	-	-	3	1	1	-	-	-	-	-	-
2015-2016	8	60,375.66	0	0	3	0	4	1	0	0	3	1	2	2
2014-2015	1	3,504.30	0	1	0	0	0	0	0	0	1	0	0	0

* 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.

Note: Since 30 calendar days and 180 calendar days, as applicable, from listing date has not elapsed for few of the above issues, data for same is not available.

C. **Ambit**

I. **I. The price information of past issues handled by Ambit Private Limited is as follows:**

Sr No.	Issue Name	Issue Size (Mn.)	Issue Price (₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark] - 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark] - 180th calendar days from listing
1	GNA Axles Limited ⁽ⁱⁱⁱ⁾	1,304.10	207.00	September 26, 2016	248.50	NA	NA	NA

Source: www.bseindia.com for the price information and prospectus for issue details

Notes:

- Benchmark Index considered is BSE Sensex
- In case 30th/90th/180th day is not a trading day, closing price on BSE of a trading day immediately prior to the 30th/90th/180th day, is considered.
- Since the listing date of GNA Axles Limited was September 26, 2016, information relating to closing prices and benchmark index as on 30th/90th/180th calendar day from listing date is not available

II. **Summary statement of price information of past issues handled by Ambit Private Limited:**

Financial Year	Total No. of IPO's	Total Funds Raised (₹ Mn.)	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%
2016-2017 [^]	1	1,304.10	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA	NA
2015-2016	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2014-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Notes:

- Since the listing date of GNA Axles Limited was September 26, 2016, information relating to closing prices and benchmark index as on 30th/180th calendar day from listing date is not available
- [^] The information is as on the date of the document

D. **I-Sec**

I. **The price information of past issues handled by I-Sec:**

Sr.	Issue Name	Issue Size (in ₹ million)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
1	Wonderla Holidays Limited	1,812.50	125.00	09-May-14	160.00	+72.92%, [+11.60%]	+78.96%, [+11.86%]	+162.32%, [+21.57%]
2	Shemaroo Entertainment Limited	1,200.00	170.00 ⁽ⁱ⁾	01-Oct-14	180.00	-5.74%, [+2.81%]	-5.88%, [+3.79%]	+5.85%, [+6.88%]
3	VRL Logistics Limited	4,678.78	205.00	30-Apr-15	288.00	+50.90%, [+3.08%]	+85.49%, [+1.90%]	+100.90%, [+0.97%]
4	PNC Infratech Limited	4,884.41	378.00	26-May-15	387.00	+0.32%, [+0.26%]	+14.66%, [-6.36%]	+42.72%, [-5.88%]
5	Manpasand Beverages Limited	4,000.00	320.00	09-Jul-15	300.00	+23.20%, [+2.83%]	+36.53%, [-2.11%]	+58.34%, [-6.45%]
6	Sadbhav Infrastructure Project Limited	4,916.57	103.00	16-Sep-15	111.00	-2.28%, [+3.55%]	-5.63%, [-3.15%]	-14.56%, [-4.56%]
7	Teamlease Services Limited	4,236.77	850.00	12-Feb-16	860.00	+15.34%, [+7.99%]	+5.38%, [+12.43%]	+35.35%, [24.31%]
8	Quick Heal Technologies Limited	4,512.53	321.00	18-Feb-16	305.00	-31.56%, [+5.74%]	-20.05%, [+9.72%]	-24.21%, [20.17%]
9	Equitas Holdings Limited	21,766.85	110.00	21-Apr-16	145.10	+34.95%, [-1.63%]	+57.91%, [+7.79%]	-
10	Thyrocare Technologies Limited	4,792.14	446.00	09-May-16	665.00	+36.85%, [+5.09%]	+22.57%, [10.75%]	-
11	Ujjivan Financial Services Limited	8,824.96	210.00	10-May-16	231.90	+72.38%, [+4.88%]	115.38%, [10.44%]	-
12	Qess Corp Limited	4,000.00	317.00	12-Jul-16	500.00	+73.60%, [+0.64%]	-	-
13	Larsen & Toubro Infotech Limited	12,363.75	710.00 ⁽²⁾	21-Jul-16	667.00	-6.39%, [+1.84%]	-	-
14	Advanced Enzyme Technologies Limited	4,114.88	896.00 ⁽³⁾	01-Aug-16	1,210.00	+56.24%, [+1.24%]	-	-
15	RBL Bank	12,129.67	225.00	31-Aug-16	274.20	+27.78%, [-2.22%]	-	-

Sr.	Issue Name	Issue Size (in ₹ million)	Issue Price (in ₹)	Listing Date	Opening Price on Listing Date	+/- % change in closing price, [+/- % change in closing benchmark]- 30 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90 th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180 th calendar days from listing
	Limited							
	ICICI Prudential Life Insurance Company Limited	60,567.91	334.00	29-Sep-16	330.00	-	-	-

(1) Discount of ₹ 17 per equity share offered to retail investors. All calculations are based on Issue Price of ₹ 170.00 per equity share.

(2) Discount of ₹ 10 per equity share offered to retail investors. All calculations are based on Issue Price of ₹ 710.00 per equity share.

(3) Discount of ₹ 86 per equity share offered to Eligible Employees. All calculations are based on Issue Price of ₹ 896.00 per equity share.

Notes:

- All data sourced from www.nseindia.com
- Benchmark index considered is NIFTY
- 30th, 90th, 180th calendar day from listed day have been taken as listing day plus 29, 89 and 179 calendar days, except wherever 30th, 90th, 180th calendar day is a holiday, in which case we have considered the closing data of the next trading day

II. Summary statement of price information of past issues(during current financial year and two financial years preceding the current financial year) handled by I-Sec

Financial Year	Total no. of IPOs	Total amount of funds raised (Rs. Mn.)	No. of IPOs trading at discount - 30 th calendar days from listing			No. of IPOs trading at premium - 30 th calendar days from listing			No. of IPOs trading at discount - 180 th calendar days from listing			No. of IPOs trading at premium - 180 th calendar days from listing		
			Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%	Over 50%	Betwe en 25- 50%	Less than 25%
2016-17	8	128,560.16	-	-	1	3	2	-	-	-	-	-	-	-
2015-16	6	27,229.06	-	1	1	1	-	3	-	-	2	2	2	-
2014-15	2	3,012.50	-	-	1	1	-	-	-	-	-	1	-	1

Track record of past issues handled by 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 SEBI, please refer to the websites of the BRLMs at www.edelweissfin.com, www.axiscapital.co.in, www.ambit.co and www.icicisecurities.com.

Disclaimer Clause of BSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the 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 the RoC filing.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus has been submitted to the 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 the 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 is 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 the RoC at the Office of the Registrar of Companies, 100, Everest, Marine Drive, Mumbai- 400 002.

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 all moneys received from the Bidders in pursuance of the Red Herring Prospectus/ the Prospectus and each Selling Shareholder will be liable severally and not jointly to re-imburse our Company for such repayment of monies, on its behalf, with respect to the Equity Shares offered by it in the Offer for Sale.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares at all Stock Exchanges mentioned above are taken within six Working Days of the Bid/Offer Closing Date. Each Selling Shareholder, severally and not jointly, undertakes to provide such reasonable support and extend reasonable cooperation as may be requested by our Company and the BRLMs, in relation to the Equity Shares offered by it in the Offer for Sale to the extent such support and cooperation is required from such party 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.

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, it shall repay, without interest, all monies received from Bidders, failing which interest shall be due to be paid to the Bidders at the rate of 15.0% per annum for the delayed period. For the avoidance of doubt, subject to applicable law, a Selling Shareholder shall not be responsible to pay interest for any delay, except to the extent such delay has been caused solely by such Selling Shareholder and to the extent of the Equity Shares being offered by the Selling Shareholder in the Offer for Sale.

Consents

Consents in writing of: (a) our Directors, our Company Secretary and Compliance Officer, our Chief Financial Officer, Statutory Auditor, legal counsels, Bankers to our Company, (b) CRISIL for information pertaining to the CRISIL Report; (c) BMT for information pertaining to the BMT Report; (d) SNG & Partners, Advocates & Solicitors; and (e) the BRLMs, the Syndicate Members, the Escrow Collection Banks, Refund Bank and the Registrar to the Offer to act in their respective capacities, have 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 and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 2013 and the SEBI Regulations, the Statutory Auditor, namely, Price Waterhouse Chartered Accounts LLP, has given its written consent for inclusion of its reports dated September 29, 2016 on Restated Standalone Financial Information and Restated Consolidated Financial Information, each dated September 29, 2016 in the form and context, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus for filing with SEBI.

In accordance with the Companies Act, 2013 and the SEBI Regulations, H A Y and Associates, Chartered Accountants, has given its written consent for inclusion of the statement of tax benefits dated September 29, 2016 in the form and context, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus for filing with SEBI.

Experts to the Offer

Our Company has received written consent from the Statutory Auditors, namely, Price Waterhouse Chartered Accountants LLP, Chartered Accountants to include its name as an expert under Section 26 of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to the reports of the Statutory Auditors dated September 29, 2016 on the Restated Standalone Financial Information and Restated Consolidated Financial Information of our Company, included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus. A written consent under the provisions of the Companies Act, 2013 is different from a consent filed with the U.S. Securities and Exchange Commission under Section 7 of the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. As the Equity Shares are proposed to be offered as a part of an initial public offering in India and the Equity Shares have not been and will not be registered under the U.S. Securities Act, the Statutory Auditors have not given consent under Section 7 of the U.S. Securities Act. In this regard, the Statutory Auditors have given consent to be referred to as “experts” in this Draft Red Herring Prospectus in accordance with the requirements of the Companies Act. The term “experts” as used in this Draft Red Herring Prospectus is different from those defined under the U.S. Securities Act which is applicable only to transactions involving securities registered under the U.S. Securities Act. The reference to the Statutory Auditors as “experts” in this Draft Red Herring Prospectus is not made in the context of the U.S. Securities Act but solely in the context of this initial public offering in India.

Our Company has received written consent dated September 29, 2016 from H A Y and Associates, Chartered Accountants, to include its name as an expert under Section 26 of the Companies Act, 2013 and as an “expert” as defined under Section 2(38) of the Companies Act, 2013 in respect of the statement of tax benefits dated September 29, 2016 included in this Draft Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus.

SNG & Partners, Advocates & Solicitors have given their consent to be named as an expert to our Company for the Offer, under Section 26 of the Companies Act, 2013, in relation to the land and / or rights in respect thereof that we own and such consent has not been withdrawn up to the time of delivery of this Draft Red Herring Prospectus for filing with SEBI.

Offer Expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expense of this Offer include, among others, underwriting and management fees, selling commissions, printing and distribution expenses, legal fees, processing fee to the SCSBs for processing ASBA Bid cum Application Forms procured by the Syndicate Members and submitted to the SCSBs and the Registrar to the Offer, statutory advertisement expenses, registrar and depository fees and listing fees. For further details of Offer expenses, see “Objects of the Offer” on page 88.

Other than the listing fees which shall be borne by our Company, the Offer expenses will be shared between our Company and the Selling Shareholders as mutually agreed, in accordance with applicable law. However, in the event that the Offer is withdrawn or not completed for any reason whatsoever, all Offer related expenses will be borne by our Company.

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 engagement letter dated [●].

For details of the Offer expenses, see “Objects of the Offer” on page 88.

Commission payable to SCSBs, Registered Brokers, RTAs and CDPs

For details of the commission payable to the SCSBs, Registered Brokers, RTAs and CDPs, see “Objects of the Offer” on page 88.

Fees Payable to the Registrar to the Offer

The fees payable to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/CAN/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the Registrar Agreement which will be available for inspection at the Registered Office.

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.

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 “Capital Structure” on page 79, 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 an initial public issue 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 any of the Equity Shares since our Company's inception.

Previous capital issue during the previous three years by listed group companies of our Company

None of our Group Companies are listed on any Stock Exchange.

Performance vis-à-vis objects – Public/rights issue of our Company and/or listed group companies, subsidiaries and associates of our Company

Our Company has not undertaken any previous public or rights issue. None of the Group Companies or Subsidiaries have undertaken any public or rights issue in the last 10 years preceding the date of this Draft Red Herring Prospectus.

Outstanding Debentures or Bonds

There are no outstanding debentures or bonds or other instruments convertible or exchangeable into Equity Shares issued by our Company as of the date of filing 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.

Outstanding Preference Shares

There are no outstanding preference shares as on 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

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 may be addressed to the Registrar to the Offer with a copy to the relevant Designated Intermediary with whom the Bid cum Application Form was submitted. The Bidder should give full details such as name of the sole or first Bidder, Bid cum Application Form number, Bidder DP ID, Client ID, PAN, date of submission of the 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 ASBA 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 documents or information mentioned hereinabove.

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

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 in case of ASBA Bidders, 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 constituted a Stakeholders' Relationship Committee comprising M.S. Sundara Rajan (Chairman), Brinda Jagidar and Darayush K. Jalnawalla as members. For details, see "Our Management" on page 156.

Our Company has also appointed A.T. Shah, as the Compliance Officer for the Offer and he may be contacted in case of any pre-Offer or post-Offer related problems at the following address:

A. T. Shah

405, Windfall, Sahar Plaza Complex
Andheri Kurla Road
J.B. Nagar, Andheri (East)
Mumbai 400 059
Tel: (91 22) 6111 6999
Fax: (91 22) 6111 6910
Email: investor@cwcnsl.com

Changes in auditors

Our Company has not changed its auditors in the last three years.

Capitalisation of Reserves or Profits

Our Company has not capitalised its reserves or profits at any time during the last five years.

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 pending against such companies.

Revaluation of Assets

Our Company has not re-valued its assets at any time in the last five years.

SECTION VII: OFFER INFORMATION

TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer shall be subject to the provisions of the Companies Act, the SEBI Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid cum Application Form, the Revision Form, the CAN, the 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. All Offer related expenses shall be shared between our Company and the Selling Shareholders in accordance with applicable law. However, in the event that the Offer is withdrawn by the Company for any reason whatsoever, all the Offer related expenses will be borne by our Company.

Ranking of the Equity Shares

The Equity Shares being issued 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 to receive dividend. The Allottees upon Allotment of the 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. For further details, see “Main Provisions of the Articles of Association” on page 456.

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 the Articles of Association and provisions of the Listing Regulations. For further details, in relation to dividends, see “Dividend Policy” and “Main Provisions of the Articles of Association” on pages 180 and 456, respectively.

Face Value and Offer Price

The face value of each Equity Share is ₹ 10 per Equity Share and the Offer Price at the lower end of the Price Band is ₹ [●] per Equity Share and at the higher end of the Price Band is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share.

The Price Band will be decided by our Company and Bridgeview in consultation with the BRLMs. The minimum Bid Lot and the rupee amount of discount, if any, to the Retail Individual Bidders and Eligible Employees Bidding in the Employee Reservation Portion will be decided by our Company in consultation with the BRLMs. The Price Band, minimum Bid Lot and the rupee amount of discount, if any, will be advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and [●] edition of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, 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 websites.

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 our Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our Shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;

- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations and the Articles of Association of our Company; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Listing Regulations, and 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 Articles of Association” on page 456.

Option to Receive Securities in Dematerialised Form

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. As per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated December 29, 2006 entered into between NSDL, our Company and the Registrar to the Offer; and
- Agreement dated September 19, 2016 entered into between 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 this Offer will be only in electronic form in multiples of one Equity Share subject to a minimum Allotment of [●] Equity Shares.

Nomination facility to Bidders

In accordance with Section 72 of the Companies Act, 2013, 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 Registrar and Share Transfer Agent of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013, shall upon the production of such evidence as may be required by our Board, elect either:

- a) to register himself or herself as the holder of the Equity Shares; or
- b) to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, our 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 monies 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 form there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the Bidder would prevail. If the Bidders require changing of their nomination, they are requested to inform their respective depository participant.

Withdrawal of the Offer

Our Company in consultation with the BRLMs, reserve the right not to proceed with the Offer after the Bid/Offer Opening Date but before the Allotment. In such an event, 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 BRLMs, through the Registrar to the Offer, shall notify the SCSBs to unblock the bank accounts of the Bidders (other than 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. The notice of withdrawal will be issued in the same newspapers where the pre-Offer advertisements have appeared.

If our Company in consultation with the BRLMs withdraw the Offer after the Bid/Offer Closing Date and thereafter determines that it will proceed with an issue/offer for sale of the Equity Shares, our Company shall file a fresh draft red herring prospectus with SEBI. Notwithstanding the foregoing, this Offer is also subject to obtaining (i) the final listing and obtaining (ii) trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/Offer Programme

BID/OFFER OPENS ON	[•]⁽¹⁾
BID/OFFER CLOSES ON	[•]⁽²⁾

(1) Our Company 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 SEBI Regulations.

(2) Our Company and Bridgeview 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 SEBI 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	[•]
Initiation of refunds (if any, for Anchor Investors)/unblocking of funds from ASBA Account	[•]
Credit of Equity Shares to demat accounts of Allottees	[•]
Commencement of trading of the Equity Shares on the Stock Exchanges	[•]

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 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 from 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 and Bridgeview, 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 Selling Shareholder, severally and jointly, undertakes to provide such such reasonable support and extend reasonable cooperation as may be requested by our Company and the BRLMs, in relation to the Equity Shares offered by it in the Offer for Sale to the extent such support and cooperation is required from such party 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.

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:

- 4.00 p.m. IST in case of Bids by QIBs and Non-Institutional Bidders, and
- until 5.00 p.m. IST or such extended time as permitted by the Stock Exchanges, in case of Bids by Retail Individual Bidders and Eligible Employees bidding in the Employee Reservation Portion.

On Bid/Offer Closing Date, extension of time may 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 the 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 1.00 p.m. IST on the Bid/ Offer Closing Date. 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 business days i.e. Monday to Friday (excluding any public holiday). Our Company, or any of the Selling Shareholder or members of Syndicate are not liable for any failure in uploading Bids due to faults in any software/hardware system or otherwise. Any time mentioned in this Prospectus is Indian Standard Time.

In case of any discrepancy in the data entered in the electronic book vis-a-vis the data contained in the physical or electronic Bid cum Application Form, for a particular Bidder, the Registrar to the Offer shall ask for rectified data.

Our Company and Bridgeview in consultation with the BRLMs, reserve the right to revise the Price Band during the Bid/Offer Period, provided that the Cap Price shall be less than or equal to 120.0% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in the Price Band shall not exceed 20.0% on either side, i.e. the Floor Price can move up or down to the extent of 20.0% of the Floor Price and the Cap Price will be revised accordingly.

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 Members.

Minimum Subscription

If our Company does not receive (i) the minimum subscription of 90% of the Fresh Issue; and (ii) a minimum allotment as specified under Rule 19(2)(b) of the SCRR, including devolvement of Underwriters, if any, within 60 days from the date of Bid/Offer Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of an under subscription in the Offer, after meeting the minimum subscription requirement of 90% of the Fresh Issue, the balance subscription in the Offer will be first met through such number of Equity Shares offered by the Abraaj Selling Shareholders which amount to 50% of the Offer for Sale, subsequent to which any balance subscription will be allocated towards the Equity Shares being offered by Bridgeview, and thereafter by the remaining Equity Shares being allotted by the Company in the Fresh Issue.

Further, 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 in compliance with Regulation 26(4) of the SEBI Regulations.

The Selling Shareholders will not be liable for any refunds, interest, expenses and fees, in the event the Offer is not completed, including on account of a failure to receive listing or trading approvals.

Arrangement for Disposal of Odd Lots

There are no arrangements for disposal of odd lots.

Restrictions on Transfer and Transmission of Equity Shares

Except for the lock-in of the pre-Offer capital of our Company, Promoters' minimum contribution and the Anchor Investor lock-in of Equity Shares as detailed in "Capital Structure" on page 79 and except as provided in the Articles of Association there are no restrictions on transfer of Equity Shares. Further, there are no restrictions on transmission of Equity Shares and on their consolidation or splitting, except as provided in the Articles of Association. For details see "Main Provisions of the Articles of Association" on page 456.

Option to Receive Securities in Dematerialized Form

Pursuant to Section 29 of the Companies Act, 2013, the Equity Shares in the Offer shall be allotted only in dematerialised form. Further, as per the SEBI Regulations, the trading of the Equity Shares shall only be in dematerialised form on the Stock Exchanges.

OFFER STRUCTURE

Issue of up to [●] Equity Shares of face value of ₹ 10 each for cash at price of ₹ [●] per Equity Share (including a premium of ₹ [●] per Equity Share) aggregating up to ₹ [●] million comprising a Fresh Issue of up to [●] Equity Shares aggregating up to ₹ 4,188.00 million by our Company and the Offer for Sale of up to 798,603 Equity Shares by AOIOF, up to 2,505,018 Equity Shares by ASAF, up to 10,000,000 Equity Shares by Bridgeview and up to 373,199 Equity Shares by IOF aggregating up to ₹ [●] million. The Offer comprises a Net Offer of [●] Equity Shares to the Public and a reservation of [●] Equity Shares aggregating up to ₹ [●] million for subscription by Eligible Employees, not exceeding 5% of our post-Offer paid-up Equity Share capital. The Offer will constitute [●]% of the post-Offer paid-up Equity Share capital of our Company and the Net Offer will constitute [●]% of the post Offer paid-up Equity Share Capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for Allotment/ allocation* ⁽²⁾	Up to [●] Equity Shares	Not more than [●] Equity Shares	Not less than [●] Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than [●] Equity Shares available or Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation
Percentage of Offer Size available for Allotment/ allocation	Up to [●] of the Offer size	Not more than 50% of the Net Offer shall be available for Allocation QIB Bidders. However, at least 5% of the net QIB Portion shall be available for allocation proportionately to Mutual Funds only. Mutual Funds participating in the 5% reservation in the net QIB Portion will also be eligible for allocation in the remaining QIB Portion. Unsubscribed portion in the Mutual Fund reservation will be added to the net QIB Portion	Not less than 15% of the Net Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation	Not less than 35% of the Net Offer or Offer less allocation to QIB Bidders and Non Institutional Bidders shall be available for allocation
Basis of Allotment/ allocation if respective category is oversubscribed*	Proportionate	Proportionate as follows (excluding the Anchor Investor Portion): (a) Up to [●] Equity Shares shall be available for allocation on a proportional basis to Mutual Funds only; and (b) Up to [●] Equity Shares shall be available for allocation on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as	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

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
		per (a) above; and (c) [●] Equity Shares may be allocated on a discretionary basis to Anchor Investors		
Minimum Bid	[●] Equity Shares net of Employee Discount and in multiples of [●] Equity Share thereafter	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 net of Retail Discount and in multiples of [●] Equity Shares thereafter
Maximum Bid	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits to the Bidder	Such number of Equity Shares not exceeding the Offer size, subject to applicable limits to the Bidder	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000
Bid Lot	[●] Equity Shares and in multiples of [●] Equity Shares thereafter			
Mode of Allotment	Compulsorily in dematerialised form			
Allotment Lot	A minimum of [●] Equity Shares and in multiples of one Equity Share thereafter			
Trading Lot	One Equity Share			
Who can apply ⁽³⁾	Eligible Employees	Public financial institutions as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds, FPIs other than Category III foreign portfolio investors, VCFs, AIFs, FVCIs registered with SEBI, multilateral and bilateral development financial institutions, state industrial development corporation, insurance company registered with IRDA, provident fund (subject to applicable law) with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, in accordance with applicable law, 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	Resident Indian individuals, Eligible NRIs, HUFs (in the name of Karta), companies, corporate bodies, scientific institutions societies and trusts, Category III foreign portfolio investors	Resident Indian individuals, Eligible NRIs and HUFs (in the name of Karta)

Particulars	Eligible Employees	QIBs ⁽¹⁾	Non-Institutional Bidders	Retail Individual Bidders
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 ⁽³⁾			

**Assuming full subscription in the Offer*

- (1) *Our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 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 made to other Anchor Investors. For details, see “Offer Structure” on page 411.*
- (2) *Subject to valid Bids being received at or above the Offer Price. This Offer is being made in accordance with Rule 19(2)(b) of the SCRR and under the SEBI Regulations. This Offer will be made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation on a proportionate basis to QIBs, provided that our Company in consultation with the BRLMs may allocate up to 60% of the QIB Category to Anchor Investors on a discretionary basis. 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 Anchor Investor Allocation Price. 5% of the QIB Category (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Category 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 Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. Further, [●] Equity Shares, aggregating to ₹ [●] million will be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Offer Price. In case of joint Bids, the Bid cum Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid cum Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.*
- (3) *Bid Amount shall be payable by the Anchor Investors at the time of submission of the Anchor Investor Application Forms. For details of terms of payment applicable to Anchor Investors, see “Section 7: Allotment Procedure and Basis of Allotment” on page 414.*

Under-subscription, if any, in any category (including the Employee Reservation Portion), except in the QIB Portion, would be met with spill-over from the other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. Our Company may in consultation with the BRLMs offer a discount to Retail Individual Bidders and Eligible Employees in accordance with the SEBI Regulations.

A total of up to [●] Equity Shares aggregating to ₹ [●] million shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Offer Price. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion.

Retail Discount

The Retail Discount, if any, will be offered to Retail Individual Bidders at the time of making a bid. Retail Individual Bidders bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Retail Individual Bidders bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Retail Individual Bidders must ensure that the Bid Amount does not exceed ₹ 200,000. Retail Individual Bidders must mention the Bid Amount while filling the Bid cum Application Form.

Employee Discount

The Employee Discount, if any, will be offered to Eligible Employees at the time of making a Bid. Eligible Employees bidding at a price within the Price Band can make payment at the Bid Amount, at the time of making a Bid. Eligible Employees bidding at the Cut-Off Price have to ensure payment at the Cap Price at the time of making a Bid. Eligible Employees must ensure that the Bid Amount does not exceed ₹ 200,000. Eligible Employees must mention the Bid Amount while filling the Bid cum Application Form.

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”) and including SEBI circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 and SEBI circular bearing SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016 included below under “**Part B – General Information Document**”, which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the SCRA, the SCRR and the SEBI Regulations. The General Information Document has been updated to reflect the enactments and regulations, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLMs. Please refer to the relevant provisions of the General Information Document which are applicable to the 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.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process wherein not more than 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis, provided that our Company, in consultation with the BRLMs may allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis and in accordance with the SEBI 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 QIB Portion (excluding the Anchor Investor 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 to all QIB Bidders (other than Anchor Investors) on a proportionate basis, including Mutual Funds, subject to valid Bids being received at or above the Offer Price. Further, not less than 15% of the Net Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received at or above the Offer Price. [•] Equity Shares, aggregating to ₹ [•] million will be available for allocation on a proportionate basis to Eligible Employees bidding in the Employee Reservation Portion, subject to valid Bids being received at or above the Offer Price. However, the value of Allotment to any Eligible Employee shall not exceed ₹ 200,000.

Under-subscription, if any, in any category including the Employee Reservation Portion, except in 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 in consultation with the BRLMs and the Designated Stock Exchange subject to applicable law. The unsubscribed portion if any, in the Employee Reservation Portion shall be added back to the Net Offer. In case of under-subscription in the Net Offer, spill-over to the extent of such under subscription shall be permitted from the Employee Reservation Portion.

The Equity Shares, on Allotment, shall be traded only in the dematerialized segment of the Stock Exchanges.

Investors 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 Centers, and Registered Office of our Company. An electronic copy of the ASBA Form will also be available for download on the websites of the NSE (www.nseindia.com) and the BSE (www.bseindia.com) at least one day prior to the Bid/Offer Opening Date.

Copies of the Anchor Investor Application Forms and the abridged prospectus will be available at the office of the BRLMs.

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 the 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 Centers only (except in case of electronic ASBA Forms) and the ASBA Forms not bearing such specified stamp are liable to be rejected.

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, FIIs, their sub-accounts (other than sub-accounts which are foreign corporates or foreign individuals Bidding under the QIB Portion), FPIs or FVCIs, registered multilateral and bilateral development financial institutions applying on a repatriation basis	Blue
Eligible Employees bidding in the Employee Reservation Portion	Pink
Anchor Investors**	White

* Excluding electronic Bid cum Application Form

** Anchor Investor Application Forms will be made available at the office of the BRLMs.

Designated Intermediaries other than SCSBs shall submit/deliver the ASBA Forms to the respective SCSBs where Bidder has a bank account only and shall not submit it to any non-SCSB or any Escrow Collection Bank.

Participation by associates and affiliates of the BRLMs and the Syndicate Members

The BRLMs and the Syndicate Members shall not be allowed to purchase Equity Shares in this 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 Category 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 persons related to the BRLMs (other than Mutual Funds sponsored by entities related to the BRLMs), Promoters and members of the Promoter Group cannot apply in the Offer under the Anchor Investor Portion.

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 reserves 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 10.0% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10.0% 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 10.0% of any company's paid-up share capital carrying voting rights.

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 (including FIIs)

In terms of the SEBI FPI Regulations, an FII which holds a valid certificate of registration from SEBI shall be deemed to be a registered FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations.

Accordingly, such FIIs can participate in this Offer in accordance with Schedule 2 of the FEMA Regulations. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations. Qualified Foreign Investors who have not registered as FPIs under the SEBI FPI Regulations shall not be eligible to participate in the Offer.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.0% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.0% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24.0% of the paid-up Equity Share capital of our Company. The aggregate limit of 24.0% may be increased up to the sectoral cap by way of a resolution passed by our Board followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included.

The existing individual and aggregate investment limits for an FII or sub account in our Company is 10.0% and 24.0% of the total paid-up Equity Share capital of our Company, respectively.

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.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations and circulars issued in this regard, an FPI, other than Category III Foreign Portfolio Investors and unregulated broad based funds, which are classified as Category II Foreign Portfolio Investors by virtue of their investment manager being appropriately regulated, may issue, subscribe to or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by 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 if (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI FVCI Regulations and the SEBI AIF Regulations *inter-alia* prescribe the investment restrictions on the VCFs, FVCIs and AIFs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

The holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25.0% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25.0% of the corpus in one investee company. A category III AIF cannot invest more than 10.0% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd of its corpus by way of subscription to an initial public offering of a venture capital undertaking. Additionally, the VCFs which have not re-registered as an AIF under the SEBI AIF Regulations shall continue to be regulated by the SEBI VCF Regulations until the existing fund or scheme managed by the fund is wound up.

Our Company or 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 limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company reserves the right to reject any 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 reserves the right to reject any Bid by a banking company without assigning any reason.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the “**Banking Regulation Act**”), and the Master Direction-Reserve Bank of India (Financial Services provided by Banks) Directions, 2016, is 10.0% of the paid-up share capital of the investee company or 10.0% of the banks’ own paid-up share capital and reserves, whichever is less. Further, the aggregate equity investment in a non-financial services company including overseas investments cannot exceed 20.0% of the bank’s paid-up share capital. A banking company may hold up to 30.0% of the paid-up share capital of the investee company with the prior approval and reserves of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by Eligible Employees

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000. The Allotment in the Employee Reservation Portion will be on a proportionate basis. Eligible Employees under the Employee Reservation Portion may Bid at Cut-off Price.

Bids under Employee Reservation Portion by Eligible Employees shall be:

- (a) Made only in the prescribed Bid cum Application Form or Revision Form (i.e. pink colour form).
- (b) The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter so as to ensure that the Bid Amount payable by the Eligible Employee does not exceed ₹ 200,000. The maximum Bid in this category by an Eligible Employee cannot exceed ₹ 200,000.
- (c) Eligible Employees should mention their employee number at the relevant place in the Bid cum Application Form.
- (d) The Bidder should be an Eligible Employee as defined above. In case of joint bids, the first Bidder shall be an Eligible Employee.
- (e) Only Eligible Employees would be eligible to apply in this Offer under the Employee Reservation Portion.
- (f) Bids by Eligible Employees will have to Bid like any other Bidder. Only those Bids, which are received at or above the Offer Price, would be considered for Allotment under this category.
- (g) Eligible Employees can apply at Cut-off Price.
- (h) Bid by Eligible Employees can be made also in the “Net Offer to the Public” and such Bids shall not be treated as multiple Bids.
- (i) If the aggregate demand in this category is less than or equal to [●] Equity Shares at or above the Offer Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- (j) Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Offer. In case of under-subscription in the Net Offer, spill over to the extent of under-subscription shall be permitted from the Employee Reservation Portion subject to the Net Offer constituting [●]% of the post- Offer share capital of our Company.

If the aggregate demand in this category is greater than [●] Equity Shares at or above the Offer Price, the allocation shall be made on a proportionate basis. For the method of proportionate basis of allocation, refer to “Offer Procedure- Allotment Procedure and “Basis of Allotment” beginning on 447.

Bids by SCSBs

SCSBs participating in the Offer are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for such applications.

Bids by insurance companies

In case of Bids made 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 reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 as amended are broadly set forth below:

- (a) equity shares of a company: the lower of 10.0% of the outstanding Equity Shares (face value) or 10.0% of the respective fund in case of life insurer or 10.0% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: not more than 15.0% of the respective fund in case of a life insurer or 15.0% of investment assets in case of a general insurer or reinsurer or 15.0% of the investment assets in all companies belonging to the group, whichever is lower; and
- (c) the industry sector in which the investee company belong to: not more than 15.0% of the fund of a life insurer or a general insurer or a reinsurer or 15.0% 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 10.0% of the investment assets of a life insurer or general insurer and the amount calculated under (a), (b) and (c) above, as the case may be.

Insurance companies participating in this 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 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 reserves 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 (including FIIs), 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 and provident funds with a minimum corpus of ₹250 million (subject to applicable law) and pension funds with a minimum corpus of ₹250 million, 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, as the case may be. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

Our Company 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.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid cum Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid cum Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding center within the prescribed time;
6. Ensure that you have mentioned the correct ASBA account maintained with the SCSBs before submitting the ASBA Form to any of the Designated Intermediaries;

7. 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;
8. Ensure that the signature of the First Bidder in case of joint Bids is included in the Bid cum Application Forms. In case of joint Bid cum Application Form should contain the name of only the First Bidder whose name should appear also appears as the first holder of the Beneficiary Account held in joint names;
9. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain the name of only the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
10. 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;
11. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid cum Application Form under the ASBA process to the respective member of the Syndicate (at the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centers), the RTA (at the Designated RTA Locations) or CDP (at the designated CDP Locations);
12. 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;
13. 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 the SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other applications in which PAN is not mentioned will be rejected;
14. Ensure that the Demographic Details are updated, true and correct in all respects;
15. 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;
16. Ensure that the category and the investor status is indicated;
17. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust, etc., relevant documents are submitted;
18. Ensure that Bids submitted by any person outside India are in compliance with applicable foreign and Indian laws;
19. Ensure that in case the depository account is active, the correct DP ID, Client ID and the PAN are mentioned in their Bid cum Application Form and 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 DP ID, Client ID and PAN available in the Depository database where the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is held in the same joint names and such names are in some sequence in which they appear on Bid cum Application Form;
20. 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, as the case may be, at the time of submission of the Bid; and
21. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form.

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 pay the 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, 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 instruct your respective banks to release the funds blocked in the ASBA Account under the ASBA process;
7. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders and Employee bidding in the Employee Reservation Portion);
8. 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 regulations or under the terms of the Red Herring Prospectus;
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 submit more than five Bid cum Application Forms per ASBA Account;
14. Anchor Investors should not bid through the ASBA process; and
15. Do not Bid on another Bid cum Application 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 Anchor Investor Escrow Account for Anchor Investors

Our Company in consultation with the BRLMs 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 Anchor Investor Escrow Account should be drawn in favour of:

- (a) In case of resident Anchor Investors: “[●]”
- (b) 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 by the SEBI Regulations, in [●] editions of the English national newspaper [●], [●] editions of the Hindi national newspaper [●], and in [●] editions of the Marathi newspaper [●] (Marathi being the regional language of Maharashtra, where the Registered Office is located), each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date and the QIB Bid Closing Date. The advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Signing of the Underwriting Agreement and the RoC Filing

- (a) Our Company, the Selling Shareholders and the Syndicate intend to enter into an Underwriting Agreement after the finalisation of the Offer Price.
- (b) 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:

- adequate arrangements shall be made to collect all Bid cum Application Forms submitted by Bidders and Anchor Investor Applications submitted by Anchor Investors;
- it shall not have any recourse to the proceeds of the Fresh Issue until final listing and trading approvals have been received from the Stock Exchanges;
- the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- 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 will be taken;
- that if our Company and/ or the Selling Shareholders do not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given as a public notice within two days of the Bid/Offer Closing Date. The public notice shall be issued in the same newspapers where the pre-Offer advertisements were published. The Stock Exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
- the funds required for making refunds to the unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- Promoters' contribution, if any, shall be brought in advance before the Bid/Offer Opening Date and the balance, if any, shall be brought in on a pro rata basis before calls are made on the Allottees;
- if Allotment is not made within the prescribed timelines 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, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period;
- where refunds (to the extent applicable) are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 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;
- intimation of the credit of securities/refund intimations to Eligible NRIs shall be despatched within specified time;
- 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 refunded/ unblocked in ASBA Account on account of non-listing, under-subscription, etc.

Undertakings by AOIOF, ASAF and IOF

The statements and undertakings set out below, in relation to each Abraaj Selling Shareholder, are statements which are specifically confirmed or undertaken by each Abraaj Selling Shareholder. All other statements and / or undertakings in this

DRHP in relation to each Abraaj Selling Shareholder shall be made by our Company, even if the same relate to any of the Abraaj Selling Shareholder. Each of the Abraaj Selling Shareholder undertake and / or confirm the following:

- the Equity Shares offered by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI Regulations and are fully paid-up;
- it is the legal and beneficial owner of the Equity Shares being offered by it in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are free and clear of any liens, charges and any other encumbrances and are available for transfer within the time specified under applicable law;
- to the extent of Equity Shares offered by it, funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus shall be made available to the Registrar to the Offer by the Selling Shareholders, in accordance with applicable law;
- it shall not have recourse to the proceeds from the Offer, which shall be held in escrow in its favour, until final approval for listing and trading of the Equity Shares from all Stock Exchanges where listing and trading is sought has been received;
- it shall not further transfer the Equity Shares offered in the Offer, except in the Offer during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the receipt of final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer or September 30, 2017, whichever is earlier 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 until the earlier of (i) receipt of final trading approvals from all Stock Exchanges for the Equity Shares Allotted pursuant to the Offer or (ii) September 30, 2017. Provided that the aforesaid shall not apply where such sale, transfer or disposal results in a decrease in the Offer for Sale component of the Offer by less than 20.0% of the total size of the Offer for Sale indicated in this Draft Red Herring Prospectus;
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI 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.

Undertakings by Bridgeview

The statements and undertakings set out below, in relation to Bridgeview, are statements which are specifically confirmed or undertaken by Bridgeview. All other statements and / or undertakings in the DRHP in relation to Bridgeview shall be statements made by our Company, even if the same relate to Bridgeview. Bridgeview undertakes and / or confirms the following:

- the Equity Shares offered by it pursuant to the Offer have been held by it for a period of at least one year prior to the date of filing the Draft Red Herring Prospectus with SEBI, calculated in the manner as set out under Regulation 26(6) of the SEBI Regulations and are fully paid up;
- it is the legal and beneficial owner of the Equity Shares being offered by it in the Offer;
- the Equity Shares being sold by it pursuant to the Offer are free and clear of any liens, charges and any other encumbrances and are available for transfer within the time specified under applicable law;
- to the extent of Equity Shares offered by it, funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed in the Red Herring Prospectus and Prospectus shall be made available to the Registrar to the Offer by Bridgeview, in accordance with applicable law;
- it shall not have recourse to the proceeds from the Offer, which shall be held in escrow in its favour, until final approval for listing and trading of the Equity Shares from all Stock Exchanges where listing and trading is sought has been received;
- it shall not further transfer the Equity Shares offered in the Offer, except in the Offer during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the receipt of final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/ to be Allotted pursuant to the Offer or September 30, 2017, whichever is earlier 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 until the earlier of (i) receipt of final trading approvals

from all Stock Exchanges for the Equity Shares Allotted pursuant to the Offer or (ii) September 30, 2017. Provided that the aforesaid shall not apply where such sale, transfer or disposal results in a decrease in the Offer for Sale component of the Offer by less than 20.0% of the total size of the Offer for Sale indicated in this Draft Red Herring Prospectus;

- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer are available for transfer in the Offer within the time specified under applicable law; and
- it shall comply with all applicable laws, in India, including the Companies Act, the SEBI 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

Our Board of Directors certify that:

- all monies received out of the Fresh Issue shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013;
- details of all monies utilised out of the Offer shall be disclosed, and continue to be disclosed till the time any part of the Fresh Issue proceeds remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised;
- details of all unutilised monies out of the Fresh Issue, if any shall be disclosed under an appropriate separate head in the balance sheet indicating the form in which such unutilised monies have been invested;
- the utilisation of monies received under the Promoters' contribution, if any, shall be disclosed, and continue to be disclosed till the time any part of the proceeds of the Fresh Issue remains unutilised, under an appropriate head in the balance sheet of our Company indicating the purpose for which such monies have been utilised; and
- the details of all unutilised monies out of the funds received under the Promoters' contribution, if any, shall be disclosed under a separate head in the balance sheet of our Company indicating the form in which such unutilised monies have been invested.

Each Selling Shareholder, along with our Company declares that all monies received out of its component of the Offer for Sale shall be credited/transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 40 of the Companies Act, 2013.

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 SEBI Regulations. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the issuer and the issue, and should carefully read the Red Herring Prospectus/Prospectus before investing in the issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken 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.

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 Offers – Fixed Price Offers and Book Built Offers

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the 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).

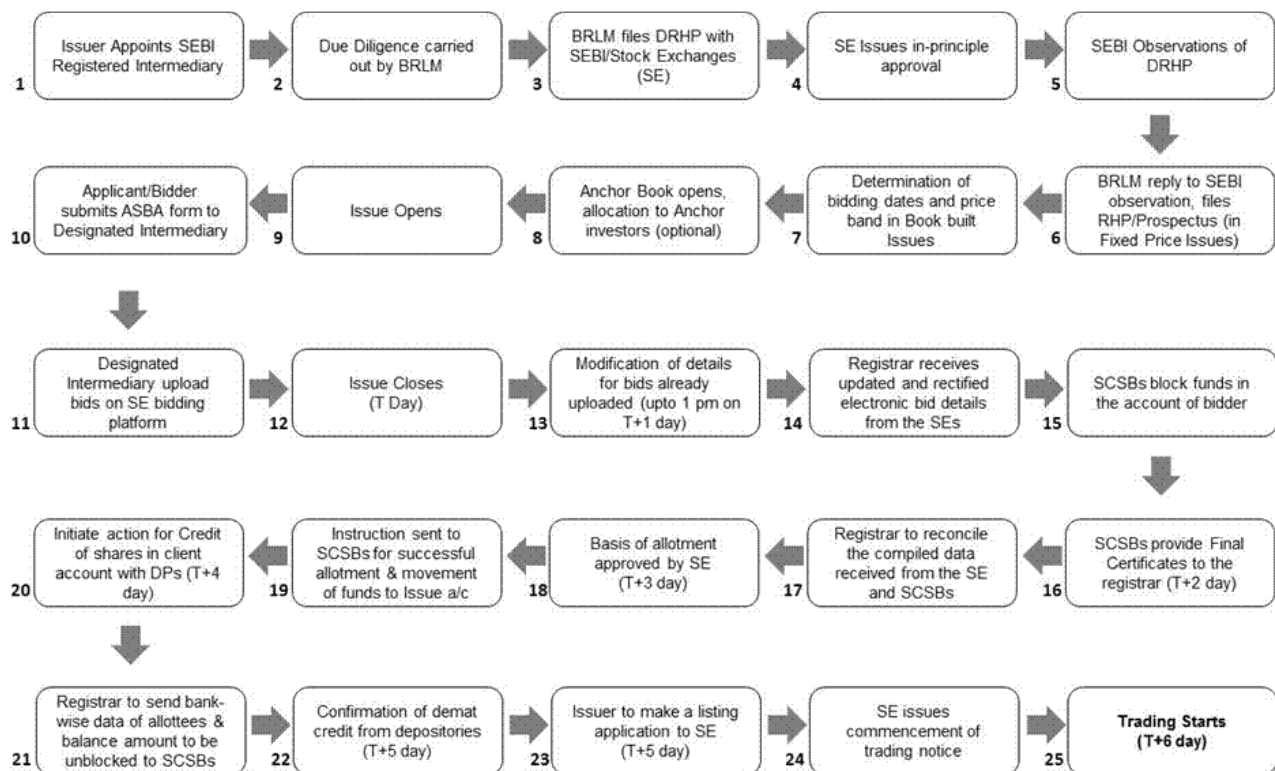
In case of a Book Built Issue, the Issuer may close the Bid/Issue Period for QIBs one Working Day prior to the Bid/Issue Closing Date if disclosures to that effect are made in the RHP. In case of revision of the Floor Price or Price Band in Book Built Issues the Bid/Issue Period may be extended by at 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, FIIs, 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;
- Scientific and/or industrial research organisations authorised in India to invest in the 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);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals Bidding only under the Non Institutional Investors (“NIIs”) category;

- FPIs other than Category III foreign portfolio investors, Bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, Bidding under the NIIs category;
- 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, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: Bidders/Applicants should only use the specified ASBA Form (or in case of Anchor Investors, the Anchor Investor Application Form) either bearing the stamp of any of the Designated Intermediary, as available or downloaded from the websites of the Stock Exchanges. Bid cum Application Forms are available with the Designated Intermediaries at the Bidding Centers 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/Applicants 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 and Corporate 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
NRIs, FVCIs, FIIs, their sub-accounts (other than sub-accounts which are foreign corporate(s) or foreign individuals bidding under the QIB), FPIs, on a repatriation basis	Blue
Anchor Investors (where applicable) & Bidders/Applicants Bidding/applying in the reserved category	As specified by the Issuer

Securities issued in an IPO can only be in dematerialised form in accordance 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 GUID, 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/Applicants and the Bid cum Application Form for non-resident Bidders/Applicants are reproduced below:

Application Form – For Residents

COMMON BID CUM APPLICATION FORM		XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : _____ Contact Details: _____ CIN No _____		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS																																																																
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 _____ Email _____ Tel. No (with STD code) / Mobile _____																																																																
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE		ESCROW 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																																																																
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF") <table border="1" style="width: 100%; border-collapse: collapse; font-size: 8px;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th colspan="8">No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)</th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>8</th><th>7</th><th>6</th><th>5</th><th>4</th><th>3</th><th>2</th><th>1</th> <th>Bid Price</th><th>Retail Discount</th><th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td><td></td><td></td><td></td><td></td><td></td><td></td><td></td> <td></td><td></td><td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	Option 1												<input type="checkbox"/>	(OR) Option 2												<input type="checkbox"/>	(OR) Option 3												<input type="checkbox"/>	5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB		6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Funds - IF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH	
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)																																																								
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(OR) Option 3												<input type="checkbox"/>																																																								
7. PAYMENT DETAILS Amount paid (₹ in figures) _____ (₹ in words) _____ ASBA Bank A/c No. _____ Bank Name & Branch _____		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>																																																																		
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 ABBREVIATED 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 _____ Date : _____		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) _____		BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____																																																																
LOGO XYZ LIMITED INITIAL PUBLIC ISSUE - R		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 _____																																																																		
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ASBA Bank A/c No. _____ Bank & Branch _____		Acknowledgement Slip for Bidder Bid cum Application Form No. _____																																																																		

Application Form – For Non – Residents

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - NR		FOR NON-RESIDENTS, INCLUDING ELIGIBLE NRIS, FPIs OR FVCS, 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 _____ Email _____ 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.	

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS <input type="checkbox"/> NRI Non-Resident Indian(s) (Repatriation basis) <input type="checkbox"/> FII FII or Sub-account not a Corporate/Foreign Individual <input type="checkbox"/> FIISA FII Sub-account Corporate/Individual <input type="checkbox"/> FVCI Foreign Venture Capital Investor <input type="checkbox"/> FPI Foreign Portfolio Investors <input type="checkbox"/> OTH Others (Please Specify) _____
For NSDL, enter 8 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
Bid Options	No. of Equity Shares Bid (In Figures) (Bids must be in multiples of Bid Lot as advertised)	Price per Equity Share (₹)/ "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)
		Bid Price Retail Discount Net Price "Cut-off" (Please tick)
Option 1		
(OR) Option 2		
(OR) Option 3		

7. PAYMENT DETAILS		PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>
Amount paid (₹ in figures) _____ (₹ in words) _____		
ASBA Bank A/c No. _____		
Bank Name & Branch _____		

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED ABBREVED 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 time
	1) _____ 2) _____ 3) _____
Date : _____	

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				
	Amount Paid (₹)				
	ASBA Bank A/c No.				Acknowledgement Slip for Bidder
Bank & Branch					
				Bid cum Application Form No. _____	

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 dematerialised 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(s) 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 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. The DP ID and Client ID provided in the Bid cum 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 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, 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 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/Applicants 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/Applicants may Bid at Floor Price or any price above the Floor Price (For further details Bidders/Applicants may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Investors 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 NIIs and such Bids from QIBs and NIIs 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 RII shall not be less than the minimum Bid Lot, subject to availability of shares in the RII category, and the remaining available shares, if any, shall be Allotted on a proportionate basis. For details of the Bid Lot, Bidders/Applicants 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/Applicant may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Investors, Employees 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/Applicant does not exceed ₹200,000.
- (b) In case the Bid Amount exceeds ₹200,000 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, if any), then such Bid may be rejected if it is at the Cut-off Price.

- (c) 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.
- (d) Bids by QIBs and NIIs 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. Non-Institutional Investors and QIBs are not allowed to Bid at Cut-off Price.
- (d) In case the Bid Amount reduces to ₹200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Investors who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (e) 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 Issue 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 Issue Price, the amount in excess of the Issue Price paid by the Anchor Investors shall not be refunded to them.
- (f) A Bid cannot be submitted for more than the Issue size.
- (g) The maximum Bid by any Bidder/Applicant including QIB Bidder/Applicant should not exceed the investment limits prescribed for them under the applicable laws.
- (h) The price and quantity options submitted by the Bidder/Applicant in the Bid cum Application Form may be treated as optional bids from the Bidder/Applicant and may not be cumulated. After determination of the Issue Price, the highest number of Equity Shares Bid for by a Bidder/Applicant 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/Applicants may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder/Applicant should submit only one Bid cum Application Form. Bidder/Applicant 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.

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.
- (b) Bidders/Applicants 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/Applicants other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder/Applicant and may be rejected.
 - ii. For Bids from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids on behalf of the PAN Exempted Bidders/Applicants, 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.
- (c) 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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/APPLICANTS**

- (a) The categories of Bidders/Applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and Allotment in the Issue are RIIs, NIIs 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/Applicants 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/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 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 in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicant 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/Applicant 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 RIIs should indicate the full Bid Amount in the Bid cum Application Form and the funds shall be blocked for 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/Applicant. In case of Bidders/Applicant 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) Bidders/Applicant who Bid at Cut-off Price shall deposit the Bid Amount based on the Cap Price.
- (c) All Bidders/Applicants (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 RTGS, direct credit 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/Applicants:

- (a) Bidders/Applicants 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/Applicants 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, 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/Applicants 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/Applicants 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/Applicants should submit the Bid cum Application Form only at the Bidding Centers, 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/Applicants bidding through a Registered Intermediary (other than an SCSB) should note that ASBA Forms submitted to them may not be accepted, if the SCSB where the ASBA Account, as specified in the ASBA Form, is maintained has not named at least one branch at that location for such Designated Intermediary to deposit ASBA Forms.
- (h) Bidders/Applicants bidding directly through the SCSBs should ensure that the ASBA 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 ASBA 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 **Discount** (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders/Applicants applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Issue, Bidders/Applicants may refer to the RHP/Prospectus.
- (c) The Bidders/Applicants 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, the Bidding system automatically considers such applications for allocation under Non-Institutional Category. These applications are neither eligible for Discount nor fall under RII category.

4.1.8 **FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS**

- (a) Only the First Bidder is required to sign the Bid cum 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, 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 ASBA 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 ASBA Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder and/or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders/Applicants should ensure that they receive the Acknowledgement 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.
- (c) 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 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 (other than QIBs and NIIs, 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) RII 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 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 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:

COMMON BID REVISION FORM		XYZ LIMITED - INITIAL PUBLIC ISSUE - R		FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-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 _____			
		Email _____			
		Tel. No (with STD code) / Mobile _____			
SUB-BROKER'S / SUB-AGENT'S 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					

PLEASE CHANGE MY BID												
4. FROM (AS PER LAST BID OR REVISION)												
Bid Options	No. of Equity Shares: Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>
5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")												
Bid Options	No. of Equity Shares: Bid (Bids must be in multiples of Bid Lot as advertised)								Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only)			
	(In Figures)								(In Figures)			
	8	7	6	5	4	3	2	1	Bid Price	Retail Discount	Net Price	"Cut-off" (Please tick)
Option 1												<input type="checkbox"/>
(OR) Option 2												<input type="checkbox"/>
(OR) Option 3												<input type="checkbox"/>

6. PAYMENT DETAILS											
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____										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 APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED ABBREVIATED 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 REVISION FORM GIVEN OVERLEAF.		
7A. SIGNATURE OF SOLE / FIRST BIDDER _____ Date : _____	7B. 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) _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system) _____

TEAR HERE		
LOGO	XYZ LIMITED BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. _____
PAN of Sole / First Bidder		
DPID / CLID		
Additional Amount Paid (₹)		Bank & Branch
ASBA Bank A/c No.		Stamp & Signature of SCSB Branch
Received from Mr./Ms.		
Telephone / Mobile		
Email		
TEAR HERE		

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R	Option 1 Option 2 Option 3			Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares				
	Bid Price				
	Additional Amount Paid (₹)				
	ASBA Bank A/c No.				
	Bank & Branch				
Acknowledgement Slip for Bidder 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, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

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 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 has Bid for three options in the Bid cum Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder 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 RIIs, Employees and Retail Individual Shareholders, such Bidders/Applicants should ensure that the Bid Amount, subsequent to revision, does not exceed ₹200,000. In case the Bid Amount exceeds ₹200,000 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 RIIs, 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, the Bid will be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the RII 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 shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs 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 blocking of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. 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) Bidder 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 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, the Bid may be considered for allocation under the Non-Institutional Category in terms of the RHP/Prospectus. If, however, the Bidder 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 may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- (d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, 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 finalisation of Basis of Allotment.

4.2.4 **FIELDS 7 : SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders 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, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER**

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 Lead Managers 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 RIIs, 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.
- (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 and FII sub-accounts, Bids bearing the same PAN may be treated as multiple applications by a Bidder and may be rejected.
 - ii. For applications from Mutual Funds and FII sub-accounts, submitted under the same PAN, as well as Bids 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, and sub-accounts of FIIs (or FIIs and its sub-accounts) 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 RIIs, individual applicants other than RII'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 ASBA for applying in the Issue.
- (b) Application Amount cannot be paid in cash, through money order 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 4.1.7.2.3

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/REVISION FORM**

4.4.1 **Bidders may submit completed Bid cum application form/Revision Form in the following manner:-**

Mode of Application	Submission of Bid cum Application Form
Anchor Investors Application Form	1) To the Book Running Lead Managers at the locations mentioned in the Anchor Investor Application Form
ASBA Form	(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 (b) To the Designated Branches of the SCSBs

- (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 NIIs and QIBs) Bidding at Cut-off Price, the Bidders 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 1:00 pm 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 Centers during the Bid/Issue Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII 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 finalisation of Basis of Allotment. QIBs and NIIs 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 Members, as the case may be, may reject Bids if all the 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/Applicants, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) BRLMs and their affiliate Syndicate Members (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, NIIs & RIIs can be rejected on technical grounds listed herein.

5.5.1 **GROUND FOR TECHNICAL REJECTIONS**

Bid cum 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, inter-alia, on the following grounds, which have been detailed at various places in this GID:-

- a. Bid by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account supported by guardian as per Demographic Details provided by Depositories);
- b. Bids by OCBs;
- c. In case of partnership firms, Bid 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 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 by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- f. Bids 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, except for Bids 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 for lower number of Equity Shares than the minimum specified for that category of investors;
- j. Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- k. Bids at Cut-off Price by NIIs and QIBs;
- l. The amounts mentioned in the Bid cum Application Form do not tally with the amount payable for the value of the Equity Shares Bid for;
- m. Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- n. Submission of more than five ASBA Forms as through a single ASBA Account;
- o. Bids for number of Equity Shares which are not in multiples of the specified number of Equity Shares which are not in multiples as specified in the RHP;
- p. Multiple Bids as defined in this GID and the RHP/Prospectus;
- q. Inadequate funds in the bank account to block the Bid Amount specified in the Bid cum Application Form at the time of blocking such Bid Amount in the bank account;
- r. Where no confirmation is received from SCSB for blocking of funds;
- s. Bids by Bidders/Applicants (other than Anchor Investors) not submitted through ASBA process;
- t. Bids submitted to Designated Intermediaries at locations other than the Bidding Centers 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;
- u. Bids not uploaded on the terminals of the Stock Exchanges;

- v. Bids 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; and
- w. Bids not uploaded in the Stock Exchanges bidding system.

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 may refer to the RHP/Prospectus.
- (b) Under-subscription in any category (except QIB Category) 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/Applicants 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/Applicants 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/Applicants, details of which are shown in the table below. The illustrative book given below shows the demand for the equity shares of the issuer 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 book running lead managers, may 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/Applicant with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder/Applicant is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and Allotment to these categories of Bidders/Applicants 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/Applicant, decide whether a Bidder/Applicant be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder/Applicant 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 Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

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 Investors 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 Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor 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 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 RIIs

Bids received from the RIIs 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 RIIs 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 RIIs who can be Allotted the minimum Bid Lot will be computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Bid Lot ("Maximum RII Allottees"). The Allotment to the RIIs will then be made in the following manner:

- (a) In the event the number of RIIs who have submitted valid Bids in the Issue is equal to or less than Maximum RII Allottees, (i) all such RIIs 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 RIIs 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 RIIs who have submitted valid Bids in the Issue is more than Maximum RII Allottees, the RIIs (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 NIIs

Bids received from NIIs at or above the Issue Price may be grouped together to determine the total demand under this category. The Allotment to all successful NIIs 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 NIIs 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 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 Issue 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 Issue 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 Issue 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), NIIs 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/Applicants 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/Applicants 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/Applicants may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder/Applicant 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/Applicant, the Allotment may be made as follows: the successful Bidders/Applicants out of the total Bidders/Applicants 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/Applicant 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/Applicant 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/Applicants 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/Applicants 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/Applicants in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders/Applicants 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 Bankers 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/Applicants 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 GROUND 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 for 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 the 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/Applicants, 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 Account on unsuccessful Bid and also 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 case of Anchor Investors, the Registrar to the Issue may obtain from the depositories, the Bidders'/Applicants' 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 Collection 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) **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 Code 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 Code 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;
- (b) **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;
- (c) **RTGS**—Anchor Investors having a bank account at any of the centres notified by SEBI where **clearing houses are managed by the RBI, may have the option to receive refunds, if any**, through RTGS; and

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 the Allotment is not made and 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 the 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.

Term	Description
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

Term	Description
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 Bidders/Applicants, other than Anchor Investors, to make a Bid and authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB
ASBA Form	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 Bidder/Applicant
ASBA Bidder/Applicant	All Bidders/Applicants except Anchor Investors
Banker(s) to the Issue/Escrow Collection Bank(s)/Collecting Banker	Banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account(s) for Anchor Investors may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Issuer
Basis of Allotment	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/Applicants 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/Applicants 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	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 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/Applicant should be construed to mean an Applicant

Term	Description
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.
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 nd and 4 th Saturday of a month and public holidays)
CAN/ Confirmation of Allocation Note	Notice or intimation of allocation of Equity Shares sent to Anchor Investors, who have been allocated 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 RIIs, 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 Bidders'/Applicants' 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders/Applicants 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 websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
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

Term	Description
Designated Intermediaries	Members of the Syndicate, Sub-Syndicate/Agents, SCSBs, Registered Brokers, Brokers, the CDPs and RTAs, who are authorized to collect Bid cum Application Forms from the Bidders/Applicants, in relation to the Issue
Designated RTA Locations	Such locations of the RTAs where Bidders/Applicants 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 websites of the respective Stock Exchanges (www.bseindia.com and www.nseindia.com)
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 NEFT, direct credit or RTGS in respect of the Bid Amount when submitting a Bid
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
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Issue/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
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

Term	Description
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
Locations	Bidding centers where the syndicate shall accept ASBA Forms from Bidders/Applicants
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
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	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs 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 Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted to Bidders/Applicants other than Anchor Investors, in terms of the Prospectus. Equity Shares will be Allotted to Anchor Investors at the Anchor Investor Issue Price The Issue Price may be decided by the Issuer in consultation with the Book Running Lead Manager(s)
PAN	Permanent Account Number allotted under the Income Tax Act, 1961

Term	Description
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	Date on which the Issuer in consultation with the Book Running Lead Manager(s), finalise the Issue Price
Prospectus	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	Bank 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 Investors/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

Term	Description
Revision Form	The form used by the Bidders/ Applicants 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 http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
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
Specified Locations	Bidding centers where the Syndicate shall accept Bid cum Application Forms
Syndicate	The Book Running Lead Manager(s) and the Syndicate Member
Syndicate Agreement	The agreement to be entered into among the Issuer, and the Syndicate in relation to collection of ASBA Forms by Syndicate Members
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, shall mean all days, excluding Saturdays, Sundays and public holidays, on which commercial banks in Mumbai are open for business; and (c) the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays, as per the SEBI Circular SEBI/HO/CFD/DIL/CIR/P/2016/26 dated January 21, 2016

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India, the FDI Policy as defined below and FEMA. The government bodies responsible for granting foreign investment approvals are FIPB and RBI.

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 by way of circular no. D/o IPP F. No. 5(1)/2016-FC-1 dated the June 7, 2016 (“**FDI Policy**”), which with effect from June 7, 2016, 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 June 6, 2016.. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“**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 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 of India, OCBs cannot participate in the Offer.

The Equity Shares offered in the Offer have not been and will not be registered under the U.S. Securities Act, 1933 (“U.S. Securities Act”) or any state securities laws in the United States, and unless so registered may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the U.S. Securities Act and applicable state securities laws. Accordingly, such Equity Shares are being offered and sold (i) outside of the United States in offshore transactions in reliance on Regulation S under the U.S. Securities Act and the applicable laws of the jurisdiction where those offers and sales occur; and (ii) to “qualified institutional buyers” (as defined in Rule 144A under the Securities Act), pursuant to the private placement exemption set out in Section 4(a)(2) of the U.S. Securities Act.

SECTION VIII: MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalized terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Each provision below is numbered as per the corresponding article number in the Articles of Association and defined terms herein have the meaning given to them in the Articles of Association.

The Articles of Association of our Company are divided into Parts A and B which parts shall, unless the context otherwise requires, co-exist with each other. In case of inconsistency or contradiction, conflict or overlap between Part A and Part B, the provisions of Part B shall be applicable. However, Part B will automatically terminate and cease to have any force and effect immediately upon the commencement of trading of the equity shares of our Company on a recognized stock exchange in India pursuant to an initial public offering of the equity shares of our Company without any further action by our Company or by its shareholders.

The following Articles comprised in these Articles of Association were adopted pursuant to members' resolution passed at the extraordinary general meeting of the Company held on September 29, 2016 in substitution for, and to the entire exclusion of, the earlier Articles comprised in the extant Articles of Association of the Company.

PART A

3. The following words and expressions shall have the following meanings unless repugnant to the subject or context:

“**Act**” shall mean the Companies Act, 2013, and/or the Companies Act, 1956, in each case, to the extent in effect at the relevant time; “**Articles**” shall mean these Articles of Association as adopted or as from time to time altered in accordance with the provisions of these Articles and Act;

“**Adjourned Meeting**” shall have the meaning as set forth in Article 106;

“**Beneficial Owner**” shall mean beneficial owner as defined in Clause (a) of subsection (1) of section 2 of the Depositories Act;

“**Board**” or “**Board of Directors**” or “**Directors**” shall mean the board of directors of the Company in office at the relevant time, appointed in accordance with the Articles and the Act;

“**Business Day**” shall mean a day (other than a Saturday or a Sunday) on which scheduled commercial banks are generally open for business in New York, New York; Washington D.C.; Mumbai, India and Mauritius;

“**Committee**” shall mean any committee of the Board of the Company, constituted in accordance with these Articles and the applicable Law;

“**Depositories Act**” shall mean The Depositories Act, 1996 and shall include any statutory modification or re-enactment thereof;

“**Depository**” shall mean a Depository as defined in Clause (e) of sub-section (1) of section 2 of the Depositories Act;

“**Director**” shall mean any director of the Company;

“**Financial Year**” shall mean the period commencing from April 1 of one year and ending on March 31 of the immediately succeeding year, or such other period that may be decided by the Company to be the financial year of the Company;

“**Fully Diluted Basis**”, with respect to any share, security, note, option, warrant or instrument convertible into Shares, shall mean number of Shares of the Company calculated as if all Securities then outstanding, which are convertible to, or exercisable or exchangeable for, common shares of the Company had been converted, exercised or exchanged in full;

“**General Meeting**” shall mean a general meeting of the Shareholders of the Company, convened and held in accordance with these Articles and the Act;

“**Governmental Authority**” shall mean any national, state, provincial, local or similar government, governmental, regulatory or administrative authority, branch, agency, any statutory body or commission or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law or any court, tribunal, arbitral or judicial body, or any stock exchange of India or any other country;

“**Independent Director**” shall mean an independent Director as defined in the Act and meets the following criteria:

- (a) is not, and has not been in the past 5 (five) years, employed by the Company or its affiliates;
- (b) does not have, and has not had in the past 5 (five) years, a material business relationship with the Company or its affiliates (either directly or as a partner, shareholder (other than to the extent to which shares are held by such Director pursuant to a requirement of applicable Law relating to directors generally), and is not a director, officer or senior employee of a Person that has or had such a relationship);
- (c) does not receive and has not received in the past 5 (five) years, any additional remuneration from the Company or its affiliates other than his or her director's fee and such director's fee does not constitute a significant portion of his or her annual income;
- (d) does not participate in any share option plan or pension plan of the Company or any of its affiliates;
- (e) is not employed as an executive officer of another company where any of the Company's executives serve on that company's board of directors;
- (f) is identified in the annual report of the Company distributed to the Shareholders of the Company as an independent director; and
- (g) has not served on the Board for more than 10 (ten) years.

“Key Managerial Personnel”, in relation to a company, means –

- (i) the Chief Executive Officer or the Managing Director or the Manager,
- (ii) the Company Secretary;
- (iii) the whole time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed.

“Law” shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, government approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision, or determination, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question;

“Listing Regulations” shall mean the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

“Member” or **“Shareholder”** shall mean every holder of Shares of the Company;

“Person” shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable Laws;

“Share” shall mean an equity share having a face value of Rs. 10 (Rupees Ten only) each carrying 1 (one) vote in the Share Capital; and

“Share Capital” shall mean the share capital of the Company;

“Securities” shall mean any equity Shares or any other securities, debentures, warrants or options whether or not, directly or indirectly convertible into, or exercisable or exchangeable into or for equity Shares; and

“Subsidiaries” shall mean all direct and indirect subsidiaries (as defined in the Act), and shall, for the avoidance of doubt, include companies that may become direct or indirect Subsidiaries of the Company; and the term **“Subsidiary”** shall be construed accordingly.

- 3A Reference to any legislation or law or to any provision thereof, shall include reference to any such legislation or law or the relevant provision thereof as may be amended, supplemented or re-enacted, from time to time. Without prejudice to the aforesaid, the reference to the provisions of the Companies Act, 1956, under these Articles shall be deemed to refer to the relevant provisions of the Act which is in force at the relevant time. In the event any of the provisions of the Articles is inconsistent with the provisions of the Act, the Shareholders shall amend such Articles to give effect to the commercial understanding as evidenced in the Articles.

SHARE CAPITAL

4. The Authorised Share Capital of the Company is Rs. 1000,000,000 (Rupees Thousand million only) divided into 100,000,000 (Hundred million) Shares of Rs.10 (Rupees Ten Only) each.

VARIATION OF SHAREHOLDERS' RIGHTS

5. If at any time the Share Capital is divided into different classes of Shares, the rights attached to any class (unless otherwise provided by the terms of issue of the Shares of the class) may, subject to the provisions of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the Shares of that class. If variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such class of shareholders shall also be obtained.
6. The provisions of these Articles relating to the General Meetings shall mutatis mutandis apply to meetings of Shareholders of a class, but the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class in question.

FURTHER ISSUE OF SHARES

7. (i) The Board or the Company, as the case may be, in accordance with the Act, issue further shares:
- (a) to persons who, at the date of offer, are holders of Shares of the Company in proportion, as nearly as circumstances admit, to the paid up Share Capital on those Shares by sending a letter of offer subject to the following conditions, namely:
 - (A) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than 15 days and not exceeding 30 days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined;
 - (B) such offer shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in Clause (i) above shall contain a statement of this right;
 - (C) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the Person to whom such notice is given that he declines to accept the shares offered, the Board may dispose of them in such manner which is not disadvantageous to the Members and the Company; or
 - (b) to employees under a scheme of employees' stock option, subject to special resolution passed by the Company and subject to the rules and such other conditions, as may be prescribed under Law; or
 - (c) to any persons, if it is authorised by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b) above, either for cash or for a consideration other than cash in accordance with Act and the applicable rules.
 - (d) A rights issue/offer shall be deemed to include a right exercisable by the person concerned to renounce the Shares offered to him or any of them in favour of any other person; and the notice referred to shall contain a statement of this right.

The notice referred to in clause (A) of sub-Article (a) of Article 8 shall be dispatched through registered post or speed post or through electronic mode to all the existing Shareholders of the Company at least three days before the opening of the issue.

Nothing in Article 8 shall apply to the increase of the Share Capital of the Company caused by the exercise of an option as a term attached to the Debentures issued or loan raised by the Company to convert such debentures or loans into Shares in the Company:

Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the Company in a General Meeting.

SHARES AT THE DISPOSAL OF THE DIRECTORS

8. Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the Company shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at par or at a premium, subject to

compliance with the applicable provisions of the Act, as they think fit and with the sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares, and if so issued, shall be deemed to be fully paid up Shares. Provided that right to call on Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting.

PAYMENT IN ANTICIPATION OF CALL MAY CARRY INTEREST

9. The Board may, if they think fit, subject to the provisions of Section 50 of the Act, agree to and receive from any Member willing to advance the same, whole or any part of the moneys due upon the Shares held by him beyond the sums actually called for and upon the amount so paid or satisfied in advance, or so much thereof, as from time to time exceeds the amount of the calls then made upon the Shares in respect of which such advance has been made, the Company may pay interest at such rate, not exceeding, unless the Company in a General Meeting shall otherwise direct, twelve per cent per annum, as the Member paying such sum in advance and the Directors agree upon, provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. The provisions of these Articles shall mutatis mutandis apply to the calls on debentures of the Company.

CERTIFICATE

10. Every Person whose name is entered as a Member in the register of Members shall be entitled to without payment to one or more certificates in marketable lots, for all the Shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such Shares and the Company shall complete and have ready for delivery such certificates within fifteen days after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided
- (i) One certificate for all Shares or for a lot of 50 Shares each and also one certificate for the balance of Shares, if any, without any payment; or
 - (ii) Several certificates upon payment of one rupee each when issued otherwise than in the cases referred to in Article 11(i) above.

Such share certificates shall also be issued in the event of consolidation or sub-division of shares of the Company.

11. Every certificate shall be under the common seal and shall specify the Shares to which it relates and the amount paid to thereon. Certificates shall be in the form as prescribed by Law.
12. In respect of any Share or Shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a Share to one of several joint holders shall be sufficient delivery to all such holders.
13. If a Share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding Rupees Two and on such terms, if any, as to evidence and upon execution of such indemnity as the Company may deem adequate, and the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Directors think fit. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any stock exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to debentures of the Company.

DEMATERIALIZATION OF SECURITIES

14. Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialize its existing Securities, rematerialize its Securities held in the Depositories and/or to offer its fresh Securities in a dematerialized form pursuant to the Depositories Act, and the rules framed thereunder, if any.
15. Subject to the applicable provisions of the Act, either the Company or the investor may exercise an option to issue, dematerialize, hold the securities (including shares) with a Depository in electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act.

16. Notwithstanding anything contained in these Articles to the contrary, in the event the Securities of the Company are dematerialized, the Company shall issue appropriate instructions to the Depository not to Transfer the Securities of any Shareholder except in accordance with these Articles.
17. If a Person opts to hold his Securities with a Depository, the Company shall intimate such Depository the details of allotment of the Securities and on receipt of the information, the Depository shall enter in its record the name of the allottee as the Beneficial Owner of the Securities.
18. Securities in Depositories to be in fungible form:

All Securities held by a Depository shall be dematerialized and be held in fungible form. Nothing contained in Sections 88, 89 and 186 of the Act shall apply to a Depository in respect of the Securities held by it on behalf of the Beneficial Owners.

DIRECTORS MAY REFUSE TO REGISTER TRANSFER

19. Subject to the provisions of Section 58 of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.

CALLS ON SHARES

20. The Board may from time to time make, call upon the Members in respect of any moneys unpaid on their Shares (whether on account of the nominal value of the Shares or by way of premium) and not by the condition of allotment thereof made payable at fixed times.
- Provided that no call shall exceed one-fourth of the nominal value of the Share or be payable at less than one month from the date fixed for the payment of the last preceding call.
21. Each Member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the Company at the time or times so specified the amount called on his Shares.
22. A call may be revoked or postponed at the discretion of the Board.
23. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the calls was passed and may be required to be paid by installments.
24. The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
25. If a sum called in respect of a Share is not paid on or before the day appointed for payment thereof, the persons from whom the sum is due shall pay interest thereon from the day appointed or payment thereof to the time or actual payment at 12% per annum, or at such rate as the Board may determine.
26. The Board shall be at liberty to waive payment of any such interest, in whole or in part.
27. Any such sum which by the terms of issue of a Share became payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles, be deemed to be a call duly made and be payable on the date on which by the terms of issue such sum becomes payable.
28. In case of non-payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.

COMPANY'S LIEN ON SHARES/DEBENTURES

29. The Company shall have a first and paramount lien:
- (i) on every Share/debenture (not being a fully paid Share/debenture) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share; and

- (ii) on all Shares/debentures (not being fully paid up Shares/debentures) standing registered in the name of each Member whether solely or jointly with others for all moneys, presently payable by him or his estate to the Company. Provided that the Board may at any time declare any Shares to be wholly or in part exempt from the provisions of the Article.
- 30. The Company's lien, if any, on a Share/debenture shall extend to all dividends and bonuses payable thereon subject to the applicable provisions of the Act.
- 31. Unless otherwise agreed, the registration of a transfer of Shares/debentures shall operate as a waiver of the Company's lien if any, on such Shares/debentures. The Directors may at any time declare any Shares/debentures wholly or in part to be exempt from the provisions of this clause.
- 32. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien provided that no sale shall be made:
 - (i) Unless a sum in respect of which the lien exists is presently payable; or
 - (ii) Until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
- 33. To give effect to any such sale, the Board may authorize some person to transfer the Shares sold to the purchaser thereof.
- 34. The purchaser shall be registered as the holder of the Shares comprised in any such transfer.
- 35. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
- 36. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the Shares at the date of the sale.
- 37. No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised any right of lien.

FORFEITURE OF SHARES

- 38. Subject to the provisions of these Articles, if a Member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment if so much of the call or installment as is unpaid, together with any interest which may have accrued.
- 39. The notice aforesaid shall:
 - (i) Name a further day (not earlier than the expiry of fourteen days from the date of the service of the notice) on or before which the payment required by the notice is to be made, and
 - (ii) State that, in the event of non-payment on or before the day so named, the Shares in respect of which the call was made will be liable to be forfeited.
- 40. If the requirements of any notice as aforesaid are not complied with, any Share in respect of which the notice has been given, may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
- 41. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
- 42. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
- 43. The Board may accept in the name of the Company and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any Share liable to forfeiture and so far as the law permits of any other Shares. Such forfeiture shall include all dividends declared in respect of the forfeited Share, and not actually paid before the forfeiture.

44. A person whose Shares have been forfeited, shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the Shares.
45. The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.
46. A duly verified declaration in writing that the declarant is a director, manager or secretary of the Company, and that a Share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
47. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of Share in favour of the persons to whom the Share is sold or disposed of.
48. The transferee shall thereupon be registered as the holder of Share.
49. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
50. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a Share, becomes payable at a fixed time, whether on account of the nominal value of the Share by way of premium, as if the same had been payable by virtue of a call duly made and notified.
51. The forfeiture of a Share shall involve the extinction of all interest and also of all claims and demands against the Company in respect of the Share, and all other rights incidents to the Share, except only such of those rights as by these Articles are expressly saved.

ALTERATION OF SHARE CAPITAL

52. Subject to the provisions of Section 61 of the Act, the Company shall have power to alter the conditions of its Memorandum as follows, that is to say, it may:
- (i) increase its Share Capital by such amount as it thinks expedient by issuing new Shares.
 - (ii) consolidate and divide all or any of its Share Capital into Shares of large amount than its existing Shares.
 - (iii) convert all or any of its fully paid-up Share into stock and convert that stock into fully paid-up shares of any denomination.
 - (iv) sub-divide its shares or any of them into Shares of smaller amount than is fixed by the memorandum, so however, that in the sub-division, 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.
 - (v) cancel Shares, which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of the shares so cancelled provided however cancellation of Shares in pursuance of the exercise of this power shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
- The power conferred by this Article shall be exercised by the Company in a General Meeting and shall not require to be confirmed by the court.
53. The Company shall have power to reduce the Share Capital in the manner provided for the Section 66 of the Act or any statutory modifications thereof.
54. The Company shall have power:
- (i) to reduce any share premium account in accordance with the applicable provisions of the Act and the relevant rules made thereunder.
 - (ii) to reduce any capital redemption reserve fund in accordance with the provisions of the Act or any statutory modifications thereof.
55. Except as permitted under the provisions of Section 67 of the Act or any statutory modifications thereof, the Company shall not provide any financial assistance to any person in connection with a purchase or subscription to Shares in the Company or its holding company.

TRANSFER AND TRANSMISSION OF SHARES

56. The Company shall comply with the applicable provisions of the Act in registering transfer and transmission of Shares.
- The Company shall use a common form of transfer.
57. The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of Members in respect thereof.
58. The instrument of transfer shall be in writing and all provisions of Section 56 of the Act (and statutory modification thereof for the time being) shall be duly complied with in respect of all transfer of Shares and registration thereof.
59. Shares in the Company shall be transferred in the form prescribed in Section 56 of the Act, read with the Companies (Share Capital and Debentures) Rules, 2014. The Board may, subject to the right of appeal conferred by Section 58 and 59, decline to register the transfer for sufficient cause, including if the instrument of transfer is not accompanied by the certificate of the Shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
60. The registration of transfer may be suspended, subject to the provisions of the Act, at such times and for such periods as the Board may from time to time determine provided that such registration shall not be suspended for more than forty five days in any year.
61. The Company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney or other instrument.
62. On the death of a Member, the survivor or survivors where the Members was a joint holder and his legal representatives where he was sole holder, shall be the only person recognized by the Company as having any title to his interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any Share which had been jointly held by him with other persons.
63. Any person becoming entitled to a Share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time being properly required by the Board and Subject as hereinafter provided, elect either:
- (i) to be registered himself as holder of the Share or
 - (ii) to make such transfer of the Share as the deceased or insolvent Member could have made.
64. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member has transferred the Share before his death or insolvency.
65. If the persons so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or sent to the Company as notice in writing signed by him stating that he so elects.
66. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of Share shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
67. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as Member in respect of its to exercise any right conferred by membership in relation to meetings of the Company, provided that the Board may at any time given notice requiring any such person to elect either to be registered himself or to transfer the Share, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the Share, until the requirements of the notice have been complied with.

BUY BACK OF SHARES

68. Subject to the provision of these Articles and the provisions of Sections 68 to 70 of the Act and any other applicable provision of the Act or any other law for the time being in force, the Company may purchase its own Shares or other specified securities.

TERM OF ISSUE OF DEBENTURE

69. Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of Shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a special resolution.

UNPAID OR UNCLAIMED DIVIDEND

70. If the Company has declared a dividend but which has not been paid or claimed within 30 days or such other period as may be prescribed, from time to time, under the Act, or a Dividend warrant in respect thereof has not been posted within that time from the date of declaration, to any Members entitled to the payment of the dividend, the Company shall, within seven days or such other period as may be prescribed, from time to time, under the Act, from the date of the expiry of the said period of 30 days or otherwise, open a special account in that behalf in any scheduled bank called "the Unpaid Dividend Account of CWCNSL" and transfer to the said account, the total, amount of Dividend which remains unpaid or in relation to which no Dividend warrant has been posted. No unclaimed Dividend shall be forfeited before the claim becomes barred by law and the Company shall comply with all applicable provisions of the Act in respect of unpaid or unclaimed Dividend.
71. Any money transferred to the unpaid Dividend account of the Company which remains unpaid or unclaimed for a period of seven (7) years or such other period as may be prescribed, from time to time, under the Act, from the date of such transfer shall be transferred by the Company to the fund known as Investors Education And Protection Fund or any such other Fund in accordance with the applicable provisions of the Act or any other applicable provisions or by the Central Government. A claim to any money so transferred to the General Revenue Account or the Fund or the Authority may be preferred to the Central Government by the Members to whom the money is due.
72. No unclaimed or unpaid dividend shall be forfeited by the Board before it becomes barred by Law.

CAPITALIZATION OF PROFITS

73. Subject to the provisions of these Articles-
- (i) The Company in General Meeting may, upon the recommendation of the Board, resolve:
 - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
 - (ii) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards :
 - (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - (b) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus Shares;
 - (e) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.
74. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares if any; and
 - (b) generally do all acts and things required to give effect thereto.

- (ii) The Board shall have power:
 - (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and
 - (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing Shares;
- (iii) Any agreement made under such authority shall be effective and binding on such Members.

GENERAL MEETINGS OF THE COMPANY

- 75. The Company shall hold at least 1 (one) General Meeting in any given calendar year. The annual General Meeting shall be held in each calendar year within 6 (six) months following the end of the previous Financial Year of the Company. All other General Meetings, other than the Annual General Meeting shall be Extraordinary General Meetings. Subject to the provisions of these Articles, all General Meetings shall be governed by the provisions of the Act.
- 76. The prior written notice of 21 (twenty one) Business Days for a General Meeting shall be given to all Shareholders of the Company; provided however, that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting.
- 77. A body corporate (whether a company within the meaning of this Act or not) may, if it is a Member of the Company by resolution of the board of directors or other governing body, authorize such persons as it thinks fit to act as its representative at any meeting of any class of Members of the Company.
- 78. The person authorized by the resolution as aforesaid shall be entitled to exercise the same right and powers including the right to vote by proxy on behalf of the body corporate which he represents as that body could exercise if it were a Member.
- 79. Subject to provisions of these Articles, any Member of the Company entitled to attend and vote at meeting of the Company shall be entitled to appoint another person or persons whether a Member or not, as his proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting, provided however the instrument appointing proxy shall be deemed to confer authority to demand or joint in demanding poll.
- 80. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
- 81. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or the revocation of the proxy or of the authority under which the proxy was executed or the transfer of the Shares in respect of which the proxy is given; provided that no such intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
- 82. Every Member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed, for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days notice in writing of the intention so to inspect is given to the Company.

CONTENTS OF NOTICE

- 83. The notice to Shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the Shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
- 84. The notice of the resolution requiring special notice required to be given under the provisions of the Act shall be given to the Members and shall set out the reasons which make the resolution necessary.
- 85. In every notice calling a meeting of the company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy or proxies, to attend and vote instead of himself and that a proxy need not be a Member.

86. The Company shall, in the case of a resolution to be moved as a special resolution, duly specify in the notice calling the General Meeting or other intimation given to the Members of the intention to propose the resolution as a special resolution.
87. The Company, shall in compliance with Section 115 read with Sections 140, 169 of the Act or any statutory modifications thereof, give to its Members notice of resolution requiring special notice, at the same time and in the same manner, as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having a circulation in the State in which the registered office is situated not less than 21 days before the meeting.
88. Where any item of business to be transacted at the meeting are deemed to be special in accordance with the provisions of Section 102 of the Act, there shall be annexed to the notice of the meeting a statement setting out all materials facts concerning each item of business, including in particular nature and extent of the interest, if any, therein of every director and the manager, if any.
89. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement mentioned above.
90. A copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements which is to be laid before the Company in its General Meeting, shall be sent not less than twenty-one days before the date of the meeting to every Member of the Company, in accordance with the provisions of Section 136 (1) of the Act or any statutory modifications thereof.
91. A copy of representations if any made under Section 140 of the Act by a retiring auditor or under Section 169 of the Act by a director sought to be removed from office, shall be sent to the Members of the Company as provided for in Section 140 and 169 of the Act or any statutory modifications thereof.
92. Subject to the provisions of Section 111 of the Act or any statutory modification thereof, Members' resolution shall be circulated to the Members of the Company entitled to receive notice of the next annual General Meeting.
93. All notices of and other communications relating to any General Meeting which any Member of the Company is entitled to have sent to him shall also be forwarded to the auditor of the Company, and the auditor shall be entitled to attend any General Meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as auditor.

BOARD OF DIRECTORS

94. Name of First Directors of the Company are:
 - (i) Mr. Naidu Adikesava Reddy
 - (ii) Mr. Konda Reddy Mosali
 - (iii) Mr. Naidu Venkatanarasa Reddy
95. Subject to provisions of Section 149 of the Act and until otherwise determined by the Company in General Meeting, the number of Directors shall be not be more than fifteen.
96. Independent Directors

The Company shall have such number of Independent Directors on the Board of the Company, as may be required in terms of the provisions of Section 149 of the Act and the Companies (Appointment and Qualification of Directors) Rules, 2014 or any other Law, as may be applicable. Further, the appointment of such Independent Directors shall be in terms of the aforesaid provisions of Law and subject to the requirements prescribed under the Listing Regulations.
- 96A. From and upon the receipt of final listing and trading approvals from the relevant stock exchange and commencement of trading of the equity shares of the Company on the relevant stock exchange in connection with and pursuant to the initial public offering of the Company: (a) BIL shall have a right to nominate 1 (one) director on the Board, until such time that BIL along with its affiliates and transferees continues to hold 15% (fifteen percent) of the issued and paid up Share Capital of the Company on a Fully Diluted Basis; and (b) IFC shall have a right to nominate 1 (one) director on the Board, until such time that IFC holds 5% (five percent) of the issued and paid up Share Capital of the Company on a Fully Diluted Basis.
97. The Company shall indemnify the Directors up to the maximum extent permissible under the provisions of the Act.

98. A person who is not a retiring director shall not be appointed director of the Company unless he has by himself or by his agent authorized in writing signed and filed with the Registrar his consent in writing to act as such director.
99. No qualification Share is required for the Directors.
100. Not less than 2/3rds of the number of directors of the Company, shall be persons whose period of office is liable to be determined by retirement by rotation in accordance with the provisions of Section 152 of the Act or any statutory modifications thereof. The retirement by rotation shall take effect in accordance with the provisions of Section 152 (6)(c) and (d) of the Act or any statutory modifications thereof. The filling up of vacancy created by the retirement of a director by rotation shall be in accordance with the provisions of Sections 152 (6)(e) and (7) of the Act or any statutory modifications thereof.
101. Subject to the provisions of these Articles, the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do, provided that the Board shall not exercise any power or do any act or thing, which is directed or required by the Act or any other provision, law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in a General Meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other provisions of law or the Memorandum of Association of the Company, or these Articles or in any regulation not inconsistent therewith and duly made hereunder, including regulations made by the Company in General Meeting.
102. No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

MEETINGS OF THE BOARD OF DIRECTORS

103. The Board of the Company shall hold regular meetings at the registered office of the Company or at such other place, at least one in every 3 (three) months, and at least 4 (four) such meetings shall be held in every calendar year. Subject to Article 106 and Section 173 of the Act, the notice for any Board meeting and meeting of any Committees shall be sent to the Directors at least 7 (seven) Business Days prior to the meeting together with the agenda, and the relevant documents for the same, unless all Directors, agree to meet at a shorter notice. All notices for all meetings of the Board and Committees shall be in writing, and shall be sent to each of the Directors (with a copy thereof to the Investor) in the manner specified in these Articles.
104. The quorum for a meeting of the Board or any Committee shall be as required under the Act or the relevant applicable Law.
105. In the event that the quorum as set forth above is not achieved at any Board or at any Committee meeting, such meeting shall stand adjourned to the same day, location and time on the 7th (seventh) day following the date on which the meeting was originally scheduled to be held (an “**Adjourned Meeting**”). The Company shall issue a notice of 5 (five) Business Days for such Adjourned Meeting to all the Directors. In the event that the quorum as set forth in Article 105 is not achieved at such an Adjourned Meeting, the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum at such Adjourned Meeting.
106. A decision shall be said to have been made and/or a resolution passed at a meeting of the Board or any Committee, only if passed at a validly constituted meeting, and such decisions/resolutions are approved of by the majority of the Directors which, unless otherwise mandated by applicable Law, shall mean approval by a majority of the Directors present and voting at such meeting of the Board.
107. Subject to applicable Law, Directors or Members of any Committee may participate in meetings of the Board or Committees through video-conference or telephonic conference.
108. A written resolution circulated to all the Directors or Members of Committees, whether in India or overseas, in accordance with the Act, and signed by a majority of them as approved shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or of any Committee, as the case may be, called and held in accordance with these Articles (provided that such written resolution has been circulated in draft form, together with the relevant papers, if any to all the Directors).

GENERAL POWERS OF THE BOARD AND COMMITTEES

Subject to the provisions of these Articles and the Act, the Board shall have the following powers:

109. To carry out the objects and exercise the powers contained in Article III of the Memorandum of Association of the Company.

110. To have the superintendence, control and direction over managers, managing directors, whole time directors and all other officers of the Company.
111. To delegate, subject to the provisions of Section 179 of the Act, by a resolution passed at a meeting, to any committee of directors, managing directors, whole time director, manager or secretary of the Company:
 - (i) Power to borrow money, other than on debentures,
 - (ii) The power to invest the funds of the Company;
 - (iii) The power to make loans.
112. To provide for the management of the affairs of the Company in any specified locality in or outside India and to delegate to person in charge of the local management such powers (not exceeding those which are delegatable by the directors under these Articles).
113. To appoint at any time and from time to time by a power of attorney under seal, any person to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which are delegatable by the directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with powers for such attorneys sub-delegate all or any of the powers authorities and discretion vested in the attorney for the time being.
114. To acquire by lease, mortgage, purchase or otherwise any property, rights or privileges which the Company is authorized to acquire at such price generally on such terms and conditions as the Board may think fit and to sell, let, exchange or otherwise dispose of absolutely or conditionally any property rights of privileges and undertaking of Company upon such terms and conditions for such considerations they think fit, subject however to the restrictions imposed on the Board by Section 180 of the Act.
115. To open any account or accounts with such Bank or Banks as the Board may select or appoint, to make sign, draw, accept, endorse, or otherwise execute all cheques, promissory notes, drafts, hundies orders, bills of exchange, bill of lading and other negotiable instruments, to make and give receipts, release and other discharge for moneys payable to the Company, and for the Claims and demands of the Company to make contracts and to execute deeds; provided however, the provisions of Sections 22 of the Act shall be complied with.
116. To secure the fulfillment of any contract or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being, or on such other manner as they may think fit.
117. To appoint officers, clerks and servants for permanent, temporary or special service as the board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instances and to such amount as the Board may think fit and to remove or suspend any such officers, clerks and servants, provided however that in making such appointments, the provisions of applicable Law shall be complied with.
118. To sanction, pay and reimburse the officers of the Company in respect of any expenses incurred by them on behalf of the Company.
119. To invest and deal with any of the moneys of the Company to vary or release such investments subject to the provisions of Sections 19, 187, 179, 180, 67, and 185, of the Act or any Statutory modifications thereof.
120. To refer claims or demands by or against the Company to arbitration and observe and perform any awards made thereon.
121. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or other wise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due and of claims or demand by or against the Company to appoint Solicitors, Advocates, Counsel and other legal advisors for such purposes or for any other purpose and settle and pay their remunerations.
122. To act on behalf of the Company in all matters of insolvency in which the Company is interested.
123. To pay and give gratuities, pensions and allowance to any person or persons including any director, to his widow, children or dependents, that may appear to the directors just or proper whether any such person, widows, children or other dependents have or have not a legal claim upon the Company and whether such person is still in the service of the Company or has retired from services, to make contributions to any funds and pay premiums for the purchase of provisions of any such gratuity, pension or allowance.

124. To insure upon such terms as they think fit all or any of the buildings and other properties of the Company and to repair, improve or rebuild the same and to spend such sums of money towards the purpose as the directors shall think fit.
125. To establish, maintain, support and subscribe to any charitable or public object or any institution, society, or club which may be for the benefit of the Company or its employees.
126. To set aside portions of the profits of the Company to form a fund or funds before recommending any dividends for the objects mentioned above.
127. To make, vary, repeal bye-laws for the regulations of the business of the Company, its officers and servants from time to time, not inconsistent with the provisions of the Act or Memorandum and Articles of the Company
128. To make and alter rules and regulations concerning the time and manner of payment to the contribution of employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefit of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said funds as the directors shall from time to time think fit.
129. To exercise the powers conferred on the Company by Sections 88 and 94 of the Act.
130. To authorize or sell any goods or articles manufactured or produced by the company or to purchase, obtain or acquire machinery, stores, goods or materials for the purpose of the Company or to sell the same when no longer required for those purposes.
131. To determine by resolution from time to time the name of person or persons who shall be entitled to do all or any of the acts mentioned in these regulations on behalf of the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

132. Subject to the provisions of these Articles and the Act—
 - (i) A chief executive officer, managing director, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer.
 - (iii) A director may be appointed as a managing director as well as chairperson of the Company at the same time.
133. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
134. Any assignment of office by the manager of the Company shall be void.
135. No person shall be appointed manager of the Company for more than a period of five years and in making such appointment, provisions of Section 196 of the Act shall be complied with.

REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES

136. Payment of remuneration to a Director including managing and whole-time Director, and manager, if any shall be subject to the provisions of Section 197 of the Act.
137. In fixing the remuneration of the directors including managing and whole time directors, the provisions of Section 197 of the Act shall be complied with. Subject to the provisions of the Act, the sitting fees of the Directors shall be such amount as may be determined by the Board.

AUDIT

138. The appointment, remuneration, rights and duties of the Auditors will be regulated by the relevant provisions of the Act and the rules prescribed thereunder.

SEAL

139. The Board shall provide for the safe custody of the seal.

The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of any one director or such other person as the Board may appoint for the purpose; and that director or authorised person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

140. The Company in General Meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to the provisions of Section 123, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the company.

- (i) The Board may, before recommending any dividend, set aside out of the profits of the Company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the Company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Board may, from time to time, thinks fit.
- (ii) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- (iii) Subject to the rights of persons, if any, entitled to Shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the Shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the Shares in the Company, dividends may be declared and paid according to the amounts of the Shares.
- (iv) No amount paid or credited as paid on a Share in advance of calls shall be treated for the purposes of this regulation as paid on the Share.
- (v) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the Shares during any portion or portions of the period in respect of which the dividend is paid; but if any Share is issued on terms providing that it shall rank for dividend as from a particular date such Share shall rank for dividend accordingly.
- (vi) The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the Company on account of calls or otherwise in relation to the Shares of the Company.
- (vii) Any dividend, interest or other monies payable in cash in respect of Shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of Members, or to such person and to such address as the holder or joint holders may in writing direct.
- (viii) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
- (ix) Any one of two or more joint holders of a Share may give effective receipts for any dividends, bonuses or other monies payable in respect of such Share.
- (x) Notice of any dividend that may have been declared shall be given to the persons entitled to Share therein in the manner mentioned in the Act.
- (xi) No dividend shall bear interest against the Company.

SECRECY

141. Every manager, auditor, trustee, Members of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe 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 Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
142. No Member or other person (unless he is a director or other person in management of the affairs of the Company) can inspect or examine the Company's premises or properties of the Company without the permission of the Directors of the Company or officers authorized by the directors for the time being and to require discovery of or any

information respecting any detail, of the company's trading any matter which is or may be in the nature of a trade secret, mystery of trade or secret process of any matter whatsoever which may relate to the conduct of the Company and which in the opinion of the Directors, officers authorized by directors, it will be inexpedient in the interest of the Members of the Company to communicate.

143. The Company shall maintain a register and index of beneficial owners in accordance with the Law, with details of Shares held in dematerialized forms in any medium as may be permitted by Law including in any form of electronic medium. The Company shall be entitled to maintain in any country outside India a branch register of beneficial owners residing outside India.
144. At any point of time from the date of adoption of these Articles, if the Articles become contrary to the provisions of the Listing Regulations, the provisions of the Listing Regulations shall prevail over the Articles to such extent and the Company shall discharge all of its obligations as prescribed under the Regulations, from time to time.
145. (i) The Company shall, and shall cause each of the Subsidiaries to, and (ii) the Promoters and each member of the promoter group who holds any Share in the Company shall cause the Company and each of the Subsidiaries to: comply with the provisions of the Policy on Certain Operational Covenants (on sanctionable practices, environmental covenants, Anti-Corruption Guidelines and their reporting) ("**Policy**") which has been adopted by the Board in its meeting held on September 29, 2016 in relation to compliance with environmental standards, anti-corruption and sanctionable practices. Subject to any additional requirements under applicable Law, any modification of, or amendment to the Policy will require the approval of the Shareholders (other than the Promoters) holding at least two-thirds of the Share Capital of the Company (without taking into account any Shares held by the Promoters).

For the purpose of this Article, 'promoter group' shall have the meaning as ascribed to it under the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.

PART B

Part B includes the rights and obligations of the parties in the Amended and Restated Shareholders' Agreement dated March 31, 2016 and the Amendment Agreement to the Amended and Restated Shareholders' Agreement dated September 29, 2016 (collectively, the "Shareholders' Agreement"), entered into between the Company and Mr. N. Adikesavulu Reddy, Mr. N. Amrutesh Reddy, NDR Warehousing Private Limited (the "Promoters") and International Finance Corporation ("IFC"), India Opportunities Fund, Aureos South Asia Fund L.L.C., Aureos Offshore India Opportunities Fund L.L.C. ("Abraaj"), Bridgeview Investment Ltd ("BIL"), Delex Cargo India Private Limited, Continental Multimodal Terminals Limited (the "Certain Group Entities") and Saastha Warehousing Limited ("Other Shareholder").

The following words and expressions shall have the following meanings unless repugnant to the subject or context:

"Abraaj" shall mean the following shareholders: India Opportunities Fund, Aureos South Asia Fund L.L.C. and Aureos Offshore India Opportunities Fund L.L.C;

"Abraaj Director" shall have the meaning as set forth in Article 86;

"Abraaj Offered Securities" shall have the meaning as set forth in Article 133(ix)(a) ;

"Abraaj OFS Component" shall have the meaning as set forth in Article 135(iii)(b);

"Abraaj Securities" shall mean Securities held by Abraaj in the Company at any relevant time;

"Abraaj Securities Transferee" shall have the meaning as set forth in Article 133(vii)(a);

"Act" shall mean the Companies Act, 2013, the Companies Act, 1956 (to the extent not repealed by the Companies Act, 2013), and any re-enactment, amendments and modifications thereto, as in effect from time to time, including any rules, regulations, notifications, circular and clarification thereunder or thereto;

"Acceptance Notice Period" shall have the meaning as set forth in Article 133(ix)(d);

"Acceptance Notice" shall have the meaning as set forth in Article 133(ix)(c);

"Adjourned Meeting" shall have the meaning as set forth in Article 101;

"Affiliate" shall mean:

- (a) with respect to any Person (other than a natural Person, or BIL or Abraaj), any other Person that is directly or indirectly, through one or more intermediate Persons, Controlling, Controlled by, or under common Control of such Person;
- (b) with respect to any natural Person: (i) any other Person that is a Relative of such Person; and (ii) any Person that is directly or indirectly, through one or more intermediate Persons, Controlled by, or under common Control of or otherwise affiliated with such Person or the Relative of such Person;
- (c) with respect to BIL, any entity in the Warburg Pincus Group; and
- (d) with respect to Abraaj, (i) the manager, managing member, general partner, limited partners, shareholders and management company of Abraaj; and (ii) any pooled investment fund(s) and/or juristic entity, directly or indirectly, managed by the same manager, managing member, general partner or management company or by an entity Controlling, Controlled by, or under common Control with such manager, managing member, general partner or management company, or such other pooled investment fund as may be notified by Abraaj to the other Parties;

"Arbitration Board" shall have the meaning as set forth in Article 146(ii);

"Arm's Length" (including, with correlative meaning, the term **"Arm's Length Basis"**) shall mean on terms consistent with market practice and those actually made in comparable transactions between independent enterprises and/or third Parties under comparable circumstances, and where such comparable transactions are not available, the term **"Arm's Length Basis"** shall mean the price that would be an arm's length price as determined in accordance with the provisions of the Income Tax Act, 1961, and all other terms and conditions should be entered into such that the contracting parties are unrelated and independent parties;

"Assets" shall mean assets or properties of every kind, nature, character and description (whether immovable, movable, tangible, intangible, absolute, accrued, fixed or otherwise) as operated, hired, rented, owned or leased by a Person from time to time, including cash, cash equivalents, receivables, securities, accounts and note receivables,

real estate, plant and machinery, equipment, patents, copyrights, domain names, trademarks, brands and other intellectual property, raw materials, inventory, furniture, fixtures and insurance;

“**Audit Committee**” shall mean a Committee constituted in terms of these Articles with the responsibility to deal with all material matters concerning auditing and accounting policy of the Company and its Subsidiaries and their financial controls and systems or any other function as may be directed by the Board;

“**Auditors**” shall be the statutory auditors of the Company;

“**Bhingar Assets**” shall have the meaning as set forth in Article 142(i);

“**BIL**” shall mean Bridgeview Investment Ltd;

“**BIL Consent Notice**” shall have the meaning set forth in Article 133(x)(f)(B)(3);

“**BIL Director**” shall have the meaning set forth in Article 86(i);

“**BIL Reserved Matters**” shall have the meaning as set forth in Article 108;

“**BIL Securities**” shall mean the Securities held by BIL in the Company at any relevant time;

“**BIL Securities Transferee**” shall have the meaning as set forth in Article 133(vi)(a);

“**BIL Subscription Agreement**” shall mean agreement dated February 25, 2011, executed *inter alia* amongst BIL, the Company, the Promoters, Other Shareholder and Group Entities as amended and restated from time to time;

“**Board**” shall mean the board of directors of the Company in office at the relevant time, appointed in accordance with the Articles and the Act;

“**Business**” shall mean the business of logistics and infrastructure activities, including but not limited to:

- (i) the construction and operation of container freight stations and inland container depots whether connected by rail or by road;
- (ii) the provisioning of warehousing, transportation, and freight forwarding services for all types of cargo, including but not limited to ambient cargo and cold storage cargo;
- (iii) bulk, break-bulk and container cargo handling and storage services, whether port-based or inland;
- (iv) any other logistics service provided, whether by road, rail, waterway, or air;
- (v) the ownership, development or operation of any rail, road, port, air, or other infrastructure asset or concession; and
- (vi) such other business that the Company is engaged in at the relevant time;

“**Business Day**” shall mean a day (other than a Saturday or a Sunday) on which scheduled commercial banks are generally open for business in New York, New York; Washington D.C.; Mumbai, India and Mauritius;

“**Certain Group Entities**” shall mean Delex Cargo India Private Limited and Continental Multimodal Terminals Limited;

“**Change in Control**” occurs when:

- (i) any Person, or Persons acting together, acquires Control of the Company and/or any of the Group Entities, if such Person or Persons does not or do not have, and would not be deemed to have, Control of the Company and/or any of the Group Entities on the Effective Date; or
- (ii) the Company and/or any of the Group Entities consolidates with or merges into or sells or Transfers any material Asset to any other Person;

“**Charges**” shall have the meaning as set forth in Article 141(ix);

“**Charter Documents**” shall mean, with respect to a Person, the articles of association and memorandum of association of that Person

“**CMTL SPA**” shall mean the agreement dated March 28, 2014 executed amongst the Company, N. Adikesavulu Reddy, N. Kamakshamma, the BIL and Continental Multimodal Terminal Limited;

“Company” means Continental Warehousing Corporation (Nhava Seva) Limited;

“Committee” shall mean any committee of the Board of the Company, appointed in accordance with, these Articles and the Act;

“Confirmation Request” shall have the meaning as set forth in Article 133(x)(b);

“Conforming of Rights” shall have the meaning as set forth in Article 137(ii)(a);

“Consent Notice” shall have the meaning as set forth in Article 133(ix)(d);

“Contract” shall mean any agreement, contract, obligation, promise, undertaking, subcontract, lease, understanding, instrument, note, warranty, insurance policy, benefit plan or legally binding commitment or undertaking of any nature (whether written or oral or express or implied) entered into by such Person;

“Control” shall mean the power to direct or exercise significant influence over the management or policies of a Person, directly or indirectly, whether through the ownership of shares or other securities, by contract or otherwise; provided that, in any event: the direct or indirect acquisition or control of more than 50% (fifty per cent) of the voting rights or of securities of a Person is deemed to constitute Control of that Person, and **“Controlling”** and **“Controlled”** have corresponding meanings;

“Cure Period” shall have the meaning as set forth in Article 140(ii);

“Deed of Adherence” shall mean the deed of adherence in the form as may be agreed to between the Promoters, IFC, BIL and Abraaj;

“Definitive Agreements” shall mean the following:

- (i) the Shareholders’ Agreement;
- (ii) BIL Subscription Agreement as amended or restated from time to time;
- (iii) the agreement dated February 25, 2011, entered into by and amongst inter alia, BIL, Abraaj, the Company and the Promoters, as amended or restated from time to time;
- (iv) the agreement dated February 25, 2011, entered into by and amongst inter alia BIL, IL&FS, the Company, the Other Shareholder and the Promoters, as amended or restated from time to time;
- (v) the agreement dated April 6, 2011 into and amongst inter alia BIL, ePlanet Ventures Mauritius Ltd., the Company, the Other Shareholder and the Promoters, as amended or restated from time to time;
- (vi) the agreement dated April 6, 2011 amongst Company, ePlanet Ventures Mauritius Ltd., Delex Cargo India Private Limited, Mr. N. Amrutesh Reddy and Mrs. N. Kamakshamma, as amended or restated from time to time;
- (vii) the representations and warranties agreements dated February 25, 2011, entered into by and amongst inter alia BIL, the Company, the Other Shareholder and the Promoters as amended or restated from time to time;
- (viii) any other agreements and documents that may be required pursuant to or entered into in connection with the Shareholders’ Agreement, or the transactions contemplated thereby, including but not limited to, the CMTL SPA;
- (ix) the IFC Subscription Agreement; and
- (x) the Put Option Agreement dated March 31, 2016 entered into amongst the Company, the Promoters and IFC;

“Differential Securities” shall have the meaning as set forth in Article 133(x)(a);

“Differential Securities Price” shall have the meaning as set forth in Article 133(x)(d);

“Director” shall mean a director of the Company;

“Dispute Notice” shall have the meaning as set forth in Article 146(ii);

“Disputing Parties” shall have the meaning as set forth in Article 146(ii);

“Distribution” shall mean (a) the transfer of cash or other property without consideration, whether by way of dividend or otherwise, distributed by the Company or a Key Subsidiary of the Company in respect of any class of Securities; or (b) the purchase or redemption of Securities for cash or property, other than, with respect to the Company, any repurchase of Securities of the Company issued to or held by employees, officers, directors or consultants of the Company or its Subsidiaries upon termination of their employment pursuant to an employee stock plan approved by the Board in compliance with Article 108;

“Effective Date” shall mean the date on which IFC subscribes to IFC Securities in accordance with the terms of the IFC Subscription Agreement;

“Encumbrance” shall mean any mortgage, pledge, non-disposal undertaking, escrow, power of attorney (by whatever name called) charge, lien or other security interest securing any obligation of any Person or any other agreement or arrangement having a similar effect, option, pre-emptive right, adverse claim, title retention agreement, conditional sale agreement, co-sale agreement, trust (other title exception of whatsoever nature) or other encumbrance of any kind, or a contract to give or refrain from giving any of the foregoing, including any restriction imposed under applicable Laws or contract on the transferability of shares or the operation of the Business, and the term **“Encumber”** shall be construed accordingly;

“Event of Default” shall have the meaning as set forth in Article 140(i);

“FCPA” shall have the meaning as set forth in Article 141(iii)(e)(A);

“Financial Indebtedness” shall mean as to any Person, all obligations of such Person, whether incurred as principal or surety and whether present, future, actual or contingent, for the payment or repayment of money, including without limitation any indebtedness for or in respect of:

- (i) all forms of debt instruments, term debt, whether secured or unsecured, guarantees, working capital financing, short-term debt, and convertible debt instruments;
- (ii) any indebtedness of such Person for or in respect of the deferred purchase price of assets or services;
- (iii) monies borrowed;
- (iv) any amount raised by acceptance under any acceptance credit, bill acceptance or bill endorsement facility or dematerialized equivalent;
- (v) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (vi) the amount of any liability in respect of any lease or hire purchase Contract which would, in accordance with Indian GAAP, be treated as a finance or capital lease;
- (vii) receivables sold or discounted;
- (viii) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (ix) any derivative transaction entered into in connection with, for protection against, or for benefit from fluctuation in any rate or price including any credit support arrangement in respect thereof (and, when calculating the value of any derivative transaction, only the marked to market value shall be taken into account);
- (x) Shares which are expressed to be redeemable;
- (xi) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (xii) the amount of any liability in respect of any guarantee or indemnity for any of the items referred to in paragraphs (i) to (xi) above;

“Financial Investor” shall mean any of the following:

- (i) a banking company within the meaning of the Banking Regulation Act, 1949;
- (ii) foreign banks regulated by a banking supervisory authority in the country of their incorporation;

- (iii) financial institutions including non-banking financial companies, incorporated in India, which are in the business of lending as their primary business;
- (iv) foreign institutional investors and their sub-accounts registered with the Securities and Exchange Board of India;
- (v) funds (including equity, mutual fund, venture capital, hedge funds, bond, balanced, private equity, buy-out or any other investment style);
- (vi) any Person or pension funds or corporate funds or any other entity set up to explicitly make financial investments or any entity whose primary purpose is to invest capital; and/or
- (vii) investment companies controlled directly or indirectly, by such entities referred to in (i), (ii), (iii), (iv), (v), and (vi);

“Financial Statements” shall mean the balance sheet, profit and loss account statements and cash flows (audited or unaudited, as the case may be) of the Company and each of the Group Entities (as applicable);

“Financial Year” shall mean the period commencing from April 1 of one year and ending on March 31 of the immediately succeeding year, or such other period that may be decided by the Company to be the financial year of the Company;

“Financing Documents” shall have the meaning as set forth in Article 147;

“Fresh Offering” shall have the meaning as set forth in Article 134(i)(a);

“Fresh Offering Securities” shall have the meaning as set forth in Article 134(i)(a);

“Fully Diluted Basis”, with respect to any share, security, note, option, warrant or instrument convertible into Shares, shall mean number of Shares of the Company calculated as if all Securities then outstanding, which are convertible to, or exercisable or exchangeable for, common shares of the Company had been converted, exercised or exchanged in full;

“Fully Diluted Share Capital” shall mean the Share Capital calculated on a Fully Diluted Basis;

“General Meeting” shall mean a general meeting of the Shareholders of the Company, convened and held in accordance with the Articles and the Act;

“Governmental Approvals” shall mean any permission, approval, consent, license, permit, order, decree, authorization, registration, filing, notification, exemption or ruling to or from or with any Governmental Authority;

“Governmental Authority” shall mean any national, state, provincial, local or similar government, governmental, regulatory or administrative authority, branch, agency, any statutory body or commission or any non-governmental regulatory or administrative authority, body or other organization to the extent that the rules, regulations and standards, requirements, procedures or orders of such authority, body or other organization have the force of Law or any court, tribunal, arbitral or judicial body, or any stock exchange of India or any other country;

“Government Official” shall have the meaning as set forth in Article 141(iii)(e)(B);

“Group Entities” shall mean and include: (a) Certain Group Entities; and (b) any Subsidiary;

“Group Entities Reserved Matters” shall have the meaning as set forth in Article 108(i)(b);

“IFC” shall mean the International Finance Corporation;

“IFC Acceptance Notice Period” shall have the meaning as set forth in Article 133(x)(f)(B)(3);

“IFC and BIL OFS Component” shall have the meaning set forth in Article 135(iii)(b);

“IFC Confirmation” shall have the meaning set forth in Article 133(x)(b);

“IFC Director” shall have the meaning set forth in Article 86;

“IFC Reserved Matter” shall have the meaning set forth in Article 108(ii);

“IFC Shares” shall mean the Subscription Shares and/ or Securities of the Company as held by IFC from time to time;

“IFC Subscription Agreement” shall mean the agreement dated March 31, 2016 executed amongst IFC, the Company and the Promoters in relation to IFC's subscription to the Subscription Shares;

“Independent Director” shall mean an independent Director as defined in the Act and meets the following criteria:

- (a) is not, and has not been in the past 5 (five) years, employed by the Company or its Affiliates;
- (b) does not have, and has not had in the past 5 (five) years, a material business relationship with the Company or its Affiliates (either directly or as a partner, shareholder (other than to the extent to which shares are held by such Director pursuant to a requirement of applicable Law relating to directors generally), and is not a director, officer or senior employee of a Person that has or had such a relationship);
- (c) does not receive and has not received in the past 5 (five) years, any additional remuneration from the Company or its Affiliates other than his or her director's fee and such director's fee does not constitute a significant portion of his or her annual income;
- (d) does not participate in any share option plan or pension plan of the Company or any of its Affiliates;
- (e) is not employed as an executive officer of another company where any of the Company's executives serve on that company's board of directors;
- (f) is identified in the annual report of the Company distributed to the Shareholders of the Company as an independent director; and
- (g) has not served on the Board for more than 10 (ten) years;

“Indian GAAP” shall mean India generally accepted accounting principles promulgated by the Institute of Chartered Accountants of India, together with its pronouncements thereon from time to time and applied on a consistent basis;

“Investors” shall mean IFC and BIL;

“IPO” shall mean the initial public offering of Shares or other Securities of the Company (including depository receipts), on a Recognized Stock Exchange, which is approved by each of the Investors, and which satisfies the following conditions:

- (i) the IPO results in the listing of the Shares on a Recognized Stock Exchange;
- (ii) all decisions in respect of the offering including the size, timing, pricing, and appointment of merchant banker, are to be made with prior written consent of each of the Investors;
- (iii) the offering complies with all applicable legal, regulatory and listing requirements; and
- (iv) the IPO is to be completed at a pre-money market capitalization as may be acceptable to the Investors;

“IPO Notice” shall have the meaning as set forth in Article 135(iv)(a);

“Issuance Notice” shall have the meaning as set forth in Article 134(i)(b);

“Issuance Price” shall have the meaning as set forth in Article 134(i)(b);

“Issuance Securities” shall have the meaning as set forth in Article 134(i)(b);

“Key Employees” shall mean the following employees of the Company and/or the Group Entities:

- (i) Managing director and/or chief financial officer and/or the chief executive officer and/or the chief operating officer; and/or
- (ii) Non-executive Directors not related to BIL or any of the Promoters; and/or
- (iii) Personnel who report directly to the Board or any of the Promoters; and/or
- (iv) Such other individuals as may be identified by BIL from time to time;

“Key Subsidiary” shall mean, at the relevant time or times:

- (i) each Subsidiary where, as of the end of the then most recently completed fiscal year of the Company:

- (a) the assets of such Subsidiary account for more than five per cent (5%) of the total consolidated assets of the Company; or
 - (b) the revenues of such Subsidiary account for more than five per cent (5 %) of the total consolidated revenues of the Company; and
- (ii) the following named Subsidiaries, whether or not they meet any of the conditions set forth in sub-section (i) above: Delex Cargo India Private Limited and Continental Multimodal Terminal Limited;

“**Law**” shall mean any statute, law, regulation, ordinance, rule, judgment, notification, rule of common law, order, decree, bye-law, government approval, directive, guideline, requirement or other governmental restriction, or any similar form of decision, or determination, or any interpretation, policy or administration, having the force of law of any of the foregoing, by any Governmental Authority having jurisdiction over the matter in question;

“**Liquidation Event**” shall mean any of the following:

- (i) the appointment of a provisional or official liquidator by an appropriate court under any applicable Laws;
- (ii) the commencement of any:
 - (a) proceedings in relation to a compromise or arrangement with the creditors/debtors of the Company or failure to pay debts, under which the Company may be wound up under the Act;
 - (b) voluntary or involuntary liquidation, dissolution or winding up;
 - (c) action indicating an intention to a merger, acquisition, Change in Control, consolidation, or other transaction or series of transactions in which the Company’s Shareholders prior to such transaction or transactions will not retain a majority of the voting power of the surviving entity or the Promoters shall be no longer in Control of the Company; and/or
 - (d) sale, lease, license or other Transfer of all or more than 25% (twenty five per cent) of the Assets of the Company, without the prior written approval of each Investor;

“**Listing**” shall mean the admission of Shares of the Company to listing on any Recognized Stock Exchange;

“**Listing Date**” shall have the meaning set forth in Article 137(ii)(b);

“**Losses**” shall mean any and all losses, liabilities, obligations, claims, demands, actions, suits, judgments, awards, fines, penalties, Taxes, fees, settlements and proceedings, fines, costs, expenses, royalties, deficiencies, damages (whether or not resulting from third party claims), charges, costs (including costs of investigation, remediation or other response actions), interests, penalties, out-of-pocket expenses, reasonable attorneys’ and accountants’ fees and disbursements; and the term “**Loss**” shall be construed accordingly;

“**Material Adverse Change**” shall mean any event, condition or item that, individually or in the aggregate, would have an adverse effect on: (i) the business, Assets, condition (financial or otherwise), business prospects or results of operations of the Company or the Key Subsidiaries; (ii) the ability of the Company and/or the Group Entities to conduct their respective business and to own, lease, possess, and use their respective Assets and properties, in the same manner as previously conducted/held in the Ordinary Course of Business; (iii) the ability of the Company and/or the Group Entities and/or the Promoters to comply with the terms of these Articles, the Shareholders’ Agreement and consummate the transactions contemplated hereby; (iv) the validity or enforceability of any agreement entered into by the Company with the Promoters, the Investors and Abraaj; (v) any of the above due to general economic, regulatory, political, social, financial or industry conditions; (vi) the rights and remedies of each of the Investors under such agreements, including their enforceability and/or the ability of each Investor to enforce them;

“**NDR Warehousing**” means NDR Warehousing Private Limited, a company incorporated under the laws of India, and having its registered office at No.9, Erabalu Chetty Street, Parrys, Chennai – 600001, Tamil Nadu;

“**Notice Period**” shall have the meaning as set forth in Article 133(x)(d);

“**OFAC**” shall have the meaning as set forth in Article 141(iii)(e)(D);

“**Offered Securities**” shall have the meaning as set forth in Article 133(x)(a);

“**Offering**” shall mean any primary or secondary public offering of Shares or other Securities of the Company;

“Order” shall mean any order, injunction, judgment, decree, ruling, writ, assessment or award of a court, arbitration body or panel or other Governmental Authority;

“Ordinary Course” shall mean an action taken by or on behalf of a Person that satisfies all of the following:

- (i) recurring in nature and is taken in the ordinary course of the Person’s normal day-to-day operations;
- (ii) taken in accordance with sound and prudent business practices;
- (iii) not required to be authorized by the Person’s shareholders, board of directors, or any committee of the board of directors, or other governing body of such Person and does not require any other separate or special authorization of any nature;
- (iv) similar in nature and magnitude to actions customarily taken, without any separate or special authorization, in the ordinary course of the normal day-to-day operations of other Persons that are engaged in businesses similar to the Person’s business; and
- (v) consistent with past practice and existing policies;

“Other Shareholder” shall mean Saastha;

“Person” shall mean any natural person, limited or unlimited liability company, corporation, partnership (whether limited or unlimited), proprietorship, Hindu undivided family, trust, union, association, government or any agency or political subdivision thereof or any other entity that may be treated as a person under applicable Laws;

“PMLA” shall have the meaning as set forth in Article 141(iii)(e)(A);

“Pre-emptive Right” shall have the meaning as set forth in Article 134(i)(a);

“Promoters” mean the following shareholders: Mr. N Adikesavulu Reddy, Mr. N. Amrutesh Reddy and NDR Warehousing;

“Promoter Director” shall have the meaning set forth in Article 86(iv);

“Promoter Lock-in” shall have the meaning as set forth in Article 133(iv)(a);

“Promoter Offer Notice” shall have the meaning as set forth in Article 133(x)(d);

“Promoter ROFO” shall have the meaning as set forth in Article 133(x)(a);

“Promoter ROFO Notice” shall have the meaning as set forth in Article 133(x)(c);

“Promoter Sale Securities” shall have the meaning as set forth in Article 133(v)(a);

“Promoter Transferor” shall have the meaning as set forth in Article 133(v)(e)(A);

“Proposed Transferee” shall have the meaning as set forth in Article 133(v)(a);

“Recognized Stock Exchange” shall mean the National Stock Exchange of India Limited (NSE), the Bombay Stock Exchange Limited (BSE) or any other national or international exchange that is approved by BIL and IFC;

“Related Party”, with respect to the Company and the Group Entities (as applicable), shall mean:

- (i) all the Group Entities;
- (ii) the Affiliates of the Company and the Group Entities;
- (iii) the Promoters, Affiliates of any Promoter, Directors (excluding BIL Director, Abraaj Director and IFC Director), any Affiliates of any such Directors and Shareholders holding more than 1% (one per cent) of the Fully Diluted Share Capital at any time;
- (iv) any Person in, or of which, any of the Persons in paragraphs (i), (ii) or (iii) above are directors, partners or proprietors or in which any of the above have any Control;
- (v) any Person owned or Controlled by the Relatives or nominees of any Promoter;
- (vi) Key Employees; and

- (vii) any Relative of any natural Persons in paragraphs (i) to (vi) above; and
- (viii) any related party as defined in the Act;

“Related Party Transactions” shall mean transactions of any nature with a Related Party; provided however, that the term **“Related Party Transactions”**, when used with reference to transactions with any Key Employee, shall mean transactions of any nature with any Key Employee other than in the Ordinary Course of Business;

“Relative” shall have the meaning as set forth in Section 2(77) of the Act, and shall include the meaning ascribed to it under Accounting Standard 18 prescribed by the Institute of Chartered Accountants of India (as amended or restated from time to time);

“Relevant Parties” shall mean the Company, the Promoters, BIL, Abraaj, Certain Group Entities, the Other Shareholder and each of the other Shareholders of the Company that agrees to become a party pursuant to a Deed of Adherence;

“Response Notice” shall have the meaning as set forth in Article 133(v)(e)(B);

“ROFO Closing” shall have the meaning as set forth in Article 133(ix)(e);

“ROFO Notice” shall have the meaning as set forth in Article 133(ix)(a);

“ROFO Notice Period” shall have the meaning as set forth in Article 133(ix)(c);

“ROFO Terms” shall have the meaning as set forth in Article 133(ix)(c);

“Saastha” means Saastha Warehousing Limited, a company incorporated under the laws of India, and having its registered office at 7-20, NDR Godown Complex, Moosapet, Hyderabad – 500018

“SEBI” shall mean the Securities and Exchange Board of India;

“Securities” shall mean the Shares and the Share Equivalents;

“Share” shall mean an equity share having a face value of Rs. 10 (Rupees Ten only) each carrying 1 (one) vote in the Share Capital;

“Share Capital” shall mean the share capital of the Company;

“Share Equivalents” shall mean preference shares, debentures, bonds, loans, warrants, options, depositary receipts, debt securities, loan stock, notes, or any other instruments, securities or certificates which are convertible into or exercisable or exchangeable for, or which carry a right to subscribe to or purchase or which represent or bestow any beneficial ownership / interest in, Shares / Share Capital;

“Member” or **“Shareholder”** shall mean a Person holding Shares of the Company that is a party to the Shareholders’ Agreement or has executed a Deed of Adherence;

“Shareholders’ Agreement” means the shareholders agreement dated March 31, 2016 entered into *inter alia* amongst the Company, the Promoters, BIL, Abraaj, IFC, Certain Group Entities and Other Shareholder.

“SIAC Rules” shall have the meaning as set forth in Article 146(ii);

“Strategic Investor” shall have the meaning as set forth in Article 133(x)(a);

“Strategic Investor Offer” shall have the meaning as set forth in Article 133(x)(f);

“Strategic Investor Period” shall have the meaning as set forth in Article 133(x)(f);

“Strategic Investor Price” shall have the meaning as set forth in Article 133(x)(f)(A);

“Subscription Shares” shall mean 7,953,215 (Seven Million Nine Hundred Fifty Three Thousand Two Hundred and Fifteen) Shares in the Company, constituting 9.73% (nine point seventy three per cent) of the Fully Diluted Share Capital of the Company, as agreed to be subscribed by IFC pursuant to IFC Subscription Agreement;

“Subsidiaries” shall mean all direct and indirect subsidiaries (as defined in the Act), and shall, for the avoidance of doubt, include companies that may become direct or indirect Subsidiaries of the Company; and the term **“Subsidiary”** shall be construed accordingly;

“Supermajority Matters” shall have the meaning set forth in Article 108(iii);

“**Tag-along Offer Notice**” shall have the meaning as set forth in Article 133(v)(e)(A);

“**Tag Along Rights**” shall have the meaning as set forth in Article 133(v)(d)(B);

“**Tag Along Response Period**” shall have the meaning as set forth in Article 133(v)(e)(B);

“**Tag Along Securities**” shall have the meaning as set forth in Article 133(v)(e)(B);

“**Tax**” or “**Taxes**” shall include without limitation all taxes (Indian and where applicable non-Indian), including without limitation, income tax, withholding tax, dividend distribution tax, capital gains tax, fringe benefit tax, sales tax, customs duty, wealth tax, gift tax, gains, franchise, property, sales, use, employment, license, excise duty, service tax, payroll tax, occupation tax, recording, value added or transfer taxes, governmental charges, fees, levies or assessments or other taxes, levies, fees, stamp duties, statutory gratuity and provident fund payments or other employment benefit plan contributions, withholding obligations and similar charges of any jurisdiction and shall include any interest, fines, and penalties related thereto and, with respect to such taxes, any estimated tax, interest, education cess, surcharge and penalties or additions to tax and interest on such penalties and additions to tax;

“**Third Party**” shall mean a Person other than the Investors, Abraaj, the Company, the Promoters, Certain Group Entities and the Other Shareholder;

“**Transfer**” (including with correlative meaning, the terms “**Transferred by**” and “**Transferability**”) shall mean to transfer, sell, assign, pledge, hypothecate, create a security interest in or beneficial ownership over, or lien on, place in trust (voting or otherwise), exchange, gift or transfer by operation of Law or in any other way, subject to any Encumbrance or dispose of, whether or not voluntarily;

“**Warburg Pincus LLC**” shall mean a company incorporated under the laws of Delaware and having its registered office at 450 Lexington Avenue, New York NY 10017, USA;

“**Warburg Pincus Group**” shall mean the funds managed by Warburg Pincus LLC and its Affiliates; and

“**World Bank Listing of Ineligible Firms**” shall mean the list, as updated from time to time, of persons or entities ineligible to be awarded a World Bank Group-financed contract or otherwise sanctioned by the World Bank Group sanctions board for the periods indicated on the list because they were found to have violated the fraud and corruption provisions of the World Bank Group anticorruption guidelines and policies. The list may be found at <http://www.worldbank.org/debarr> or any successor website or location.

SECTION I

SHARE CAPITAL

1. The Authorised Share Capital of the Company is Rs. 1,000,000,000 (Rupees Thousand Million only) divided into 100,000,000 (Hundred Million and Five Hundred Thousand) Equity Shares of Rs.10 (Rupees Ten Only) each.
2. Subject to Article 108, the shares shall be under the control of the directors who may allot or otherwise dispose of them to such persons on such terms and conditions and to such times as the directors may think fit, provided however, directors shall comply with applicable provisions of the Act.

VARIATION OF SHAREHOLDERS' RIGHTS

3. Subject to Article 108, if at any time the share capital is divided into different classes of shares, the rights attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issued shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of the shares of that class.
4. Subject to Article 108, the provisions of these Articles relating to the General Meetings shall mutatis mutandis apply to meetings of Shareholders of a class, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issued shares of the class is question.

CERTIFICATE

5. Every Person whose name is entered as a Member in the register of members shall be entitled to receive within two months after allotment or within one month after the application for the registration of transfer or transmission or within such other period as the conditions of issue shall be provided:
 - (i) One certificate for all shares or for a lot of 50 shares each and also one certificate for the balance of shares, if any, without any payment; or

- (ii) Several certificates upon payment of one rupee each when issued otherwise than in the cases referred to in Article 10(i) above.
- 6. Every certificate shall be under the common seal and shall specify the shares to which it relates and the amount paid to thereon.
- 7. In respect of any share or shares held jointly by several persons, the Company shall not be bound to issue more than one certificate, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 8. If a share certificate is defaced, lost or destroyed, it may be renewed on payment of such fee, if any, not exceeding Rupees Two and on such terms, if any, as to evidence and upon execution of such indemnity as the company may deem adequate, and the payment of out of pocket expenses incurred by the Company in investigating evidence, as the Directors think fit.

CALLS ON SHARES

- 9. Subject to Article 108, the Board may from time to time make, call upon the Members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the condition of allotment thereof made payable at fixed times.
- 10. Provided that no call shall exceed one-fourth of the nominal value of the share or be payable at less than one month from the date fixed for the payment of the last preceding call.
- 11. Each Member shall, subject to receiving at least fourteen days notice specifying the time or times and place of payment, pay to the Company at the time or times so specified the amount called on his shares.
- 12. A call may be revoked or postponed at the discretion of the Board.
- 13. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the calls was passed and may be required to be paid by installments.
- 14. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.
- 15. If a sum called in respect of a share is not paid on or before the day appointed for payment thereof, the persons from whom the sum is due shall pay interest thereon from the day appointed or payment thereof to the time or actual payment at 12% per annum, or at such rate as the Board may determine.
- 16. The Board shall be at liberty to waive payment of any such interest, in whole or in part.
- 17. Any such sum which by the terms of issue of a Share became payable on allotment or at any fixed date, whether on account of the nominal value of the Share or by way of premium, shall for the purposes of these Articles, be deemed to be a call duly made and be payable on the date on which by the terms of issue such sum becomes payable.
- 18. In case of non payment of such sum, all the relevant provisions of these Articles as to payment of interest and expenses, forfeiture or otherwise, shall apply as if such sum had become payable by virtue of a call duly made and notified.
- 19. Subject to the provisions of Section 50 of the Act, the Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the moneys uncalled and unpaid upon any Shares held by him.
- 20. Upon all or any of the moneys so advanced, may (until the same would be but for such advances becomes presently payable) pay interest at such rate not exceeding (Unless the Company in general meeting shall otherwise direct) six percent per annum as may be agreed upon between the Board and the Member paying the sum in advance.

LIEN

- 21. Subject to Article 108, the Company shall have a first and paramount lien:
 - (i) on every Share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that Share; and
 - (ii) on all Shares (not being fully paid up shares) standing registered in the name of each Member whether solely or jointly with others for all moneys, presently payable by him or his estate to the Company. Provided that the Board may at any time declare any shares to be wholly or in part exempt from the provisions of the Article.

22. The Company's lien, if any, on a share shall extend to all dividends payable thereon subject to the applicable provisions of the Act.
23. The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has a lien provided that no sale shall be made:
 - (i) Unless a sum in respect of which the lien exists is presently payable; or
 - (ii) Until the expiration of fourteen days after a notice in writing, stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency.
24. To give effect to any such sale, the Board may authorize some person to transfer the Shares sold to the purchaser thereof.
25. The purchaser shall be registered as the holder of the Shares comprised in any such transfer.
26. The purchaser shall not be bound to see to the application of the purchase money, nor shall his title to the Shares be affected by any irregularity or invalidity in the proceedings in reference to the sale.
27. The proceeds of the sale shall be received by the Company and applied in payment of such part of the amount in respect of which the lien exists as is presently payable. The residue, if any, shall, subject to a like lien for sums not presently payable as existed upon the Shares before the sale, be paid to the person entitled to the shares at the date of the sale.
28. No Member shall exercise any voting rights in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has, and has exercised any right of lien.

FORFEITURE OF SHARES

29. Subject to the provisions of these Articles, if a Member fails to pay any call or installment of a call on the day appointed for payment thereof, the Board may, at any time thereafter during such time as any part of the call or installment remains unpaid, serve a notice on him requiring payment if so much of the call or installment as is unpaid, together with any interest which may have accrued.
30. The notice aforesaid shall:
 - (i) Name a further day (not earlier than the expiry of fourteen days from the date of the service of the notice) on or before which the payment required by the notice is to be made, and
 - (ii) State that, in the event of non-payment on or before the day so named, the shares in respect of which the call was made will be liable to be forfeited.
31. If the requirements of any notice as aforesaid are not complied with, any Share in respect of which the notice has been given, may, at any time thereafter, before the payment required by the notice has been made, be forfeited by a resolution of the Board to that effect.
32. A forfeited Share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.
33. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.
34. The Board may accept in the name of the Company and for the benefit of the Company and upon such terms and conditions as may be agreed upon, the surrender of any Share liable to forfeiture and so far as the law permits of any other Share. Such forfeiture shall include all dividends declared in respect of the forfeited Share, and not actually paid before the forfeiture.
35. A person whose Shares have been forfeited, shall cease to be a Member in respect of the forfeited Shares, but shall, notwithstanding the forfeiture, remain liable to pay the Company all moneys which, at the date of forfeiture, were presently payable by him to the Company in respect of the Share.
36. The liability of such person shall cease if and when the Company shall have received payment in full of all such moneys in respect of the Shares.
37. A duly verified declaration in writing that the declarant is a director, manager or secretary of the Company, and that a share in the Company has been duly forfeited on a date stated in the declaration shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.

38. The Company may receive the consideration, if any, given for the Share on any sale or disposal thereof and may execute a transfer of share in favour of the persons to whom the Share is sold or disposed of.
39. The transferee shall thereupon be registered as the holder of Share.
40. The transferee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the share be affected by any irregularity or invalidity in the proceedings in reference to the forfeiture, sale or disposal of the Share.
41. The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share by way of premium, as if the same had been payable by virtue of a call duly made and notified.
42. The forfeiture of a Share shall involve the extinction of all interest and also of all claims and demands against the Company in respect of the Share, and all other rights incidents to the Share, except only such of those rights as by these Articles are expressly saved.

ALTERATION OF SHARE CAPITAL

43. Subject to Article 108 and the provisions of Section 61 of the Act, the Company shall have power to alter the conditions of its Memorandum as follows, that is to say, it may:
- (i) increase its Share Capital by such amount as it thinks expedient by issuing new Shares.
 - (ii) consolidate and divide all or any of its Share Capital into shares of large amount than its existing Shares.
 - (iii) convert all or any of its fully paid-up Share into stock and convert that stock into fully paid-up Shares of any denomination.
 - (iv) sub-divide its Shares or any of them into Shares of smaller amount than is fixed by the memorandum, so however, that in the sub-division, 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.
 - (v) cancel Shares, which at the date of the passing of the resolution in that behalf, have not been taken or agreed to be taken by any person, and diminish the amount of the Shares so cancelled provided however cancellation of Shares in pursuance of the exercise of this power shall not be deemed to be a reduction of Share Capital within the meaning of the Act.
44. The power conferred by Article 43 shall be exercised by the Company in a General Meeting and shall not require to be confirmed by the court.
45. The Company shall have power to reduce the Share Capital in the manner provided for the Section 66 of the Act or any statutory modifications thereof.
46. The Company shall have power:
- (i) to reduce any share premium account in accordance with the applicable provisions of the Act and the relevant rules made thereunder.
 - (ii) to reduce any capital redemption reserve fund in accordance with the provisions of the Act or any statutory modifications thereof.
47. Except as permitted under the provisions of Section 67 of the Act or any statutory modifications thereof, the Company shall not provide any financial assistance to any person in connection with a purchase or subscription to Shares in the Company or its holding company.

TRANSFER AND TRANSMISSION OF SHARES

48. Subject to Article 133 and 108, in registering transfer and transmission of Shares, the Company shall comply with the applicable provisions of the Act.
49. The instrument of transfer of any Share in the Company shall be executed by or on behalf of both the transferor and transferee. The transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of members in respect thereof.

50. Shares in the Company shall be transferred in the form prescribed in Section 56 of the Act, read with the Companies (Share Capital and Debentures) Rules, 2014.
51. The Board may, subject to the right of appeal conferred by Section 58 and 59, decline to register the transfer for sufficient cause, including if the instrument of transfer is not accompanied by the certificate of the Shares to which it relates and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer.
52. The registration of transfer may be suspended, subject to the provisions of the Act, at such times and for such periods as the Board may from time to time determine provided that such registration shall not be suspended for more than forty five days in any year.
53. The Company shall be entitled to charge a fee not exceeding two rupees on the registration of every probate, letters of administration, certificate of death or marriage, power of attorney or other instrument.
54. On the death of a Member, the survivor or survivors where the Members was a joint holder and his legal representatives where he was sole holder, shall be the only person recognized by the Company as having any title to his interest in the Shares. Nothing in this Article shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.
55. Any person becoming entitled to a share in consequence of the death or insolvency of a Member may, upon such evidence being produced as may from time to time being properly required by the Board and subject as hereinafter provided, elect either:
- (i) to be registered himself as holder of the Share; or
 - (ii) to make such transfer of the share as the deceased or insolvent Member could have made.
56. The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent Member has transferred the Share before his death or insolvency.
57. If the persons so becoming entitled shall elect to be registered as holder of the Share himself, he shall deliver or sent to the Company as notice in writing signed by him stating that he so elects.
58. All the limitations, restrictions and provisions of these Articles relating to the right to transfer and the registration of transfer of share shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the Member had not occurred and the notice or transfer were a transfer signed by that Member.
59. A person becoming entitled to a Share by reason of the death or insolvency of the holder shall be entitled to the same dividends and other advantages to which he would be entitled if he were the registered holder of the Share, except that he shall not, before being registered as Member in respect of its to exercise any right conferred by membership in relation to meetings of the Company, provided that the Board may at any time given notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied within ninety days, the Board may thereafter withhold payment of all dividends, bonus or other moneys payable in respect of the share, until the requirements of the notice have been complied with.

BUY BACK OF SHARES

60. Subject to the provision of these Articles and the provisions of Sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own Shares or other specified securities.

CAPITALIZATION OF PROFITS

61. Subject to the provisions of these Articles:
- (i) The company in General Meeting may, upon the recommendation of the Board, resolve:
 - (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and
 - (b) that such sum be accordingly set free for distribution in the manner specified in clause (ii) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.
 - (ii) The sum aforesaid shall not be paid in cash but shall be applied, either in or towards :

- (a) paying up any amounts for the time being unpaid on any Shares held by such Members respectively;
 - (b) paying up in full, unissued Shares of the Company to be allotted and distributed, credited as fully paid-up, to and amongst such Members in the proportions aforesaid;
 - (c) partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);
 - (d) A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to Members as fully paid bonus shares;
 - (e) The Board shall give effect to the resolution passed by the company in pursuance of this regulation.
62. (i) Whenever such a resolution as aforesaid shall have been passed, the Board shall:
- (a) make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid Shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- (ii) The Board shall have power:
- (a) to make such provisions, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, for the case of Shares becoming distributable in fractions; and
 - (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further Shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing Shares;

Any agreement made under such authority shall be effective and binding on such Members.

GENERAL MEETINGS OF THE COMPANY

63. The Company shall hold at least 1 (one) General Meeting in any given calendar year. The annual General Meeting shall be held in each calendar year within 6 (six) months following the end of the previous Financial Year of the Company. All other General Meetings, other than the Annual General Meeting shall be Extraordinary General Meetings. Subject to the provisions of these Articles, all General Meetings shall be governed by the provisions of the Act.
64. The prior written notice of 21 (twenty one) Business Days for a General Meeting shall be given to all Shareholders of the Company; provided however, that any General Meeting may be held upon shorter notice in accordance with the provisions of the Act and subject to the prior written approval of BIL. All notices shall be accompanied by an agenda setting out the particular business proposed to be transacted at such meeting. Notwithstanding the generality of the foregoing, the Board shall provide the Company's previous Financial Year's audited financial statements to all Shareholders at least thirty (30) days before the General Meeting which is held to approve and adopt such audited financial statements.
65. The quorum for General Meetings of the Company and the Group Entities shall be as required under the Act or the relevant applicable Law, subject to at least 1 (one) authorised representative of BIL being present at such meeting; provided however, that (a) no decision or determination shall be made and no action shall be taken by or with respect to the Company or the Group Entities in respect of any of BIL Reserved Matters except in accordance with the provisions of Article 108(i); (b) no decision or determination shall be made and no action shall be taken by or with respect to the Company or the Key Subsidiaries in respect of any of the IFC Reserved Matters except in accordance with the provisions of Article 108(ii); and (c) no decision or determination shall be made and no action shall be taken by or with respect to the Company or the Key Subsidiaries in respect of any of the Supermajority Matters except in accordance with the provisions of Article 108(iii).
66. In the event that the authorized representative of BIL is not present at a General Meeting, such meeting shall stand adjourned to the same location and time on the 15th (fifteenth) day following the date on which the meeting was scheduled to be held. The Company shall issue notices for such adjourned meeting to all the Shareholders of the Company. In the event that the quorum as set forth in Article 65 is not achieved at such adjourned meeting, the Shareholders (or their authorized representatives) present shall, subject to their constituting a valid quorum under the

Act, constitute a valid quorum at such adjourned meeting even though the authorized representative of BIL is not present, save and except for the purposes of decisions on the BIL Reserved Matters. Notwithstanding anything in these Articles, (i) no discussions or resolutions on the Reserved Matters shall be taken up or passed at the General Meeting without the authorized representative of BIL being present, unless prior written consent of BIL has been received; (ii) no discussions or resolutions on the IFC Reserved Matters shall be taken up or passed at the General Meeting unless prior written consent of IFC has been obtained; and (iii) no discussions or resolutions on the Supermajority Matters shall be taken up or passed at the General Meeting unless prior written consent in accordance with Article 108(iii) has been obtained.

67. The provisions of these Articles 63-66 shall apply, mutatis mutandis, to meetings of any class of Shareholders of the Company.
68. A body corporate (whether a company within the meaning of this Act or not) may, if it is a Member by resolution of the board of directors or other governing body, authorize such persons as it thinks fit to act as its representative at any meeting of any class of Members.
69. The person authorized by the resolution as aforesaid shall be entitled to exercise the same right and powers including the right to vote by proxy on behalf of the body corporate which he represents as that body could exercised if it were a Member.
70. Subject to provisions of these Articles, any Member entitled to attend and vote at meeting of the Company shall be entitled to appoint another person or persons whether a Member or not, as his proxy to attend and vote instead of himself and the proxy so appointed shall have no right to speak at the meeting, provided however the instrument appointing proxy shall be deemed to confer authority to demand or joint in demanding poll.
71. An instrument appointing a proxy shall be in the form as prescribed in the rules made under Section 105 of the Act.
72. A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal of the revocations of the proxy or of the authority under which the proxy was executed or the transfer of the shares in respect of which the proxy is given; provided that no such intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.
73. Every Member entitled to vote at a meeting of the Company or on any resolution to be moved thereat shall be entitled during the period beginning twenty four hours before the time fixed, for the commencement of the meeting and ending with the conclusion of the meeting, to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than three days notice in writing of the intention so to inspect is given to the Company.

CONTENTS OF NOTICE

74. Subject to the provisions of these Articles, the notice to Shareholders shall specify the place, date and time of the meeting. Every notice convening a meeting of the shareholders shall set forth in full and sufficient detail the business to be transacted thereat, and no business shall be transacted at such meeting unless the same has been stated in the notice convening the meeting.
75. The notice of the resolution requiring special notice required to be given under the provisions of the Act shall be given to the Members and shall set out the reasons which make the resolution necessary.
76. In every notice calling a meeting of the company, there shall appear with reasonable prominence a statement that a Member entitled to attend and vote is entitled to appoint a proxy or proxies, to attend and vote instead of himself and that a proxy need not be a Member.
77. The Company shall, in the case of a resolution to be moved as a special resolution, duly specify in the notice calling the general meeting or other intimation given to the Members of the intention to propose the resolution as a special resolution.
78. The Company, shall in compliance with Section 115 read with Sections 140, 169 of the Act or any statutory modifications thereof, give to its Members notice of resolution requiring special notice, at the same time and in the same manner, as it gives notice of the meeting, or if that is not practicable, shall give them notice thereof, either by advertisement in a newspaper having a circulation in the State in which the registered office is situated not less than 21 days before the meeting.
79. Where any item of business to be transacted at the meeting are deemed to be special in accordance with the provisions of Section 102 of the Act, there shall be annexed to the notice of the meeting a statement setting out all

materials facts concerning each item of business, including in particular nature and extent of the interest, if any, therein of every director and the manager, if any.

80. Where any item of business consists of the according of approval to any document by the meeting, the time and place where the document can be inspected shall be specified in the statement mentioned above.
81. Subject to the provisions of these Articles, a copy of the financial statements, including consolidated financial statements, if any, auditor's report and every other document required by law to be annexed or attached to the financial statements which is to be laid before the Company in its general meeting, shall be sent not less than twenty-one days before the date of the meeting to every Member of the Company, in accordance with the provisions of Section 136 (1) of the Act or any statutory modifications thereof.
82. A copy of representations if any made under Section 140 of the Act by a retiring auditor or under Section 169 of the Act by a director sought to be removed from office, shall be sent to the Members of the Company as provided for in Section 140 and 169 of the Act or any statutory modifications thereof.
83. Subject to the provisions of Section 111 of the Act or any statutory modification thereof, Members' resolution shall be circulated to the Members of the Company entitled to receive notice of the next annual general meeting.
84. All notices of and other communications relating to any General Meeting which any Member of the Company is entitled to have sent to him shall also be forwarded to the auditor of the Company, and the auditor shall be entitled to attend any general meeting and to be heard at any General Meeting which he attends on any part of the business which concerns him as auditor.

BOARD OF DIRECTORS

85. The Board of the Company shall have responsibility for the management of the Company.
86. On the Effective Date, the Board of the Company shall consist of a maximum of 10 (ten) Directors, of which:
- (i) BIL shall be entitled to nominate up to 2 (two) individual as Directors on the Board of the Company (the "**BIL Director**");
 - (ii) IFC shall be entitled to nominate 1 (one) individual as Director on the Board of the Company (the "**IFC Director**");
 - (iii) Abraaj shall be entitled to nominate 1 (one) individual as Director on the Board of the Company (the "**Abraaj Director**").
 - (iv) The Promoters shall be entitled to nominate up to 4 (four) individual as Directors on the Board of the Company (the "**Promoter Director**");
 - (v) 2 (two) individuals shall appointed as Independent Directors, which shall be nominated by the Promoters and acceptable to IFC and BIL.
87. Name of First Directors of the Company are:
- (i) Mr. Naidu Adikesava Reddy
 - (ii) Mr. Konda Reddy Mosali
 - (iii) Mr. Naidu Venkatanarasa Reddy
88. Subject to the Act, each BIL Director, IFC Director and Abraaj Director be a non-executive Director and shall not be liable to retire by rotation.
89. Each BIL Director, IFC Director and Abraaj Director shall be entitled to nominate an alternate Director, and such alternate Director shall serve in the absence of the respective BIL Director, IFC Director and Abraaj Director. Any such appointment as alternate Director shall take place as the first item of business at the Board meeting following receipt by the Company of such nomination. Upon his/her appointment as such alternate Director, an alternate Director shall be entitled to constitute the quorum, vote, issue, consent and sign written resolutions on behalf of BIL Director, IFC Director and Abraaj Director (as the case may be).
90. Each of BIL, IFC and Abraaj shall be solely entitled to remove its respective nominee directors, including any alternate directors nominated by each of them, by notice to the Company. Any vacancy occurring with respect to the position of any BIL Director, IFC Director or Abraaj Director, as the case may be, by reason of death, disqualification, resignation, removal or the inability to act, shall be filled only by another nominee specified by BIL,

IFC and Abraaj, as the case may be. BIL, IFC or Abraaj, as the case may be. Each of the Shareholders and the Company shall ensure, to the fullest extent of all rights and powers available to them, that such nominee is promptly appointed as a Director.

91. The Board shall constitute and maintain the following Committees whose members shall all be Directors: (i) the Audit Committee; (ii) the corporate governance Committee and such other committees as are required to be constituted under applicable Law. The Audit Committee shall consist of a minimum of 3 (three) Directors with at least 1 (one) Independent Director. None of the Promoter Directors shall be eligible for appointment to the Audit Committee. Any financial audit of the Company must be in compliance with the Indian GAAP and approved by the Audit Committee. BIL shall have the right, at its sole discretion, to appoint at least one BIL Director as members of any and all the Committees established by the Board, including but not limited to the Audit Committee. The Audit Committee shall review and approve all Related Party Transactions and oversee a risk based internal audit system that is acceptable to the Investors.
92. The Promoters and the Company expressly agree and undertake that:
- (i) IFC Director, BIL Directors and the Abraaj Director shall not be liable for any default or failure of the Company in complying with the provisions of any applicable Laws.
 - (ii) IFC Director, BIL Directors and Abraaj Director shall not be identified as an 'officer' or 'officer in default' of the Company, or occupiers of any premises used by the Company and/or any of the Group Entities under Laws.
 - (iii) The Company shall indemnify the Directors, including the IFC Director, BIL Directors and Abraaj Director, up to the maximum extent permissible under applicable Laws for any costs, expenses or liabilities incurred by each such Director in the course of, or in any way related to, his or her activities or his or her position as a Director. The IFC Director, BIL Directors and Abraaj Director shall be indemnified, out of the Assets and capital of the Company, against any liability incurred by the IFC Director, BIL Directors and/or the Abraaj Director in defending any proceedings, whether civil or criminal, against the Company and/or the Group Entities.
93. A person who is not a retiring director shall not be appointed director of the Company unless he has by himself or by his agent authorized in writing signed and filed with the Registrar his consent in writing to act as such director.
94. No qualification share is required for the Directors
95. Subject to Article 88, not less than 2/3rds of the number of directors of the Company, shall be persons whose period of office is liable to be determined by retirement by rotation in accordance with the provisions of Section 152 of the Act or any statutory modifications thereof. The retirement by rotation shall take effect in accordance with the provisions of Section 152 (6)(c) and (d) of the Act or any statutory modifications thereof. The filling up of vacancy created by the retirement of a director by rotation shall be in accordance with the provisions of Sections 152 (6)(e) and (7) of the Act or any statutory modifications thereof.
96. The Board shall adopt and maintain a director remuneration and expense reimbursement policy providing for the payment of directors' fees and reimbursement of expenses to any Director who is not an employee of the Company. Such policy shall include reimbursement of the reasonable expenses incurred by such Directors: (i) in attending a Board or Committee meeting or a General Meeting or any other meeting which the Director is requested to attend in his capacity as a Director of the Company (including the reasonable costs of travel and attendance of an IFC Director, BIL Director and Abraaj Director); and (ii) in obtaining independent legal or professional advice in furtherance of his or her duties as a Director.
97. Subject to the provisions of these Articles, the Board shall be entitled to exercise all such powers and to do all such acts and things as the Company is authorized to exercise and do, provided that the Board shall not exercise any power or do any act or thing, which is directed or required by the Act or any other provision, law or by the Memorandum of Association of the Company or by these Articles, to be exercised or done by the Company in a general meeting. Provided further that in exercising any such power or doing any such act or thing, the Board shall be subject to the provisions contained in that behalf in the Act or any other provisions of law or the Memorandum of Association of the Company, or these Articles or in any regulation not inconsistent therewith and duly made hereunder, including regulations made by the Company in General Meeting.
98. No regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.

MEETINGS OF THE BOARD OF DIRECTORS

99. The Board of the Company shall hold regular meetings at the registered office of the Company or at such other place as is acceptable to BIL, and at least 4 (four) such meetings shall be held in every calendar year subject to an annual schedule and confirmation of the date of the next Board meeting at the previous Board meeting in such a manner that not more than 120 (one hundred and twenty) days shall intervene between 2 (two) consecutive meetings of the Board. Subject to Article 101 and Section 173 of the Act, the notice for any Board meeting and meeting of any Committees shall be sent to the Directors at the address notified from time to time by the Directors and their alternates, if any, at least 15 (fifteen) Business Days prior to the meeting together with the agenda, and the relevant documents for the same, unless all Directors, including BIL Director, agree to meet at a shorter notice. All notices for all meetings of the Board and Committees shall be in writing, and shall be sent to each of the Directors (with a copy thereof to BIL) in the manner specified in these Articles. An agenda setting out in detail the items of business proposed to be transacted at a meeting of the Board together with necessary information and supporting documents shall be circulated to each of the Directors and their alternates, if any along with the notice.
100. The quorum for a meeting of the Board or a Committee shall be as required under the Act or the relevant applicable Law, subject to at least 1 (one) BIL Director being present at such meeting of the respective Boards or Committees (unless no BIL Director has been nominated to such Board or Committee by BIL).
101. In the event that the quorum as set forth above is not achieved at any Board or at any Committee meeting, such meeting shall stand adjourned to the same day, location and time on the 7th (seventh) day following the date on which the meeting was originally scheduled to be held (an “**Adjourned Meeting**”). The Company shall issue a notice of 5 (five) Business Days for such Adjourned Meeting to all the Directors. In the event that the quorum as set forth in Article 101 is not achieved at such an Adjourned Meeting, the Directors present shall, subject to their constituting a valid quorum under the Act, constitute a valid quorum at such Adjourned Meeting despite BIL Director not being present. Notwithstanding anything in these Articles, (a) no discussions or resolutions on the BIL Reserved Matters shall be taken up or passed at the Board and/or any Committee without the prior written consent of BIL; (b) no discussions or resolutions on the IFC Reserved Matters shall be taken up or passed at the Board and/or any Committee without the prior written consent of IFC; and (c) no discussions or resolutions on the Supermajority Matters shall be taken up or passed at the Board and/or any Committee without the prior written consent in accordance with Article 108(iii).
102. Subject to the provisions of Article 108 and Articles 99 to 107, a decision shall be said to have been made and/or a resolution passed at a meeting of the Board or any Committee, only if passed at a validly constituted meeting, and such decisions/resolutions are approved of by the majority of the Directors which, unless otherwise mandated by applicable Law, shall mean approval by a majority of the Directors present and voting at such meeting of the Board.
103. Subject to applicable Law, the Directors or members of any Committee may participate in meetings of the Board or Committees through video-conference or telephonic conference.
104. A written resolution circulated to all the Directors or members of Committees, whether in India or overseas, in accordance with the Act, and signed by a majority of them as approved shall (subject to compliance with the relevant requirements of the Act) be as valid and effective as a resolution duly passed at a meeting of the Board or of any Committee, as the case may be, called and held in accordance with these Articles (provided that such written resolution has been circulated in draft form, together with the relevant papers, if any to all the Directors in accordance with the Act); provided however, that: (a) a circular resolution in relation to a BIL Reserved Matter shall be valid and effective only if it has received the prior written consent of BIL; (b) a circular resolution in relation to an IFC Reserved Matter shall be valid and effective only if it has received the prior written consent of the IFC; and (c) a circular resolution in relation to Supermajority Matters shall be valid and effective only if it has received the prior written consent in accordance with Article 108.
105. For the avoidance of doubt, it is expressly clarified hereby that with respect to resolutions relating to any BIL Reserved Matter or IFC Reserved Matter or the Supermajority Matters, the process prescribed under Article 108 shall prevail over the provisions of Articles 99 to 107.
106. Each Promoter shall take such actions as may be necessary (including exercising their votes at General Meetings, meeting of the Board or any Committees), to give effect to the provisions of, and to comply with their obligations under these Articles, including Articles 99 to 107.
107. Each of IFC Director and BIL Director shall have the right to call a meeting of the Board at any time, in order to update such Director on all the discussions undertaken and decisions made in relation to BIL Reserved Matters and IFC Reserved Matter (as the case may be) in meetings of the Board, or of Committees or in General Meetings.

BIL, IFC AND ABRAAJ RESERVED MATTERS AND SUPERMAJORITY MATTERS

108. RESERVED MATTERS

(i) BIL Reserved Matters

- (a) Notwithstanding any other provision of these Articles, no obligation of the Company shall be entered into, no decision shall be made and no action shall be taken by the Promoters, Company, Group Entities, employees, Committees, directors, agents, representatives, etc. with respect to the Company, whether in General Meetings or meetings of the Board or Committees or otherwise, in relation to any of the matters set forth below without following the procedure set forth in this Article 108(i) (collectively, the “**BIL Reserved Matters**”):
- (A) Mergers, demergers, spin-offs, amalgamations, consolidations or any other similar form of corporate restructuring of the Company or its Group Entities;
 - (B) Divestment or sale of assets (including but not limited to a lease or exchange), capital expenditures or acquisition of assets or businesses, creation of joint ventures / partnerships, creation or investment in Group Entities, or any other investments;
 - (C) Assumption of any Financial Indebtedness by the Company or its Group Entities.;
 - (D) Increase, decrease, or other alteration or modification in authorized or issued share capital (including, without limitation, by way of bonus issue or stock splits or other forms of restructurings of the share capital of the Company or its Group Entities), or creation or issuance or allotment or delisting of securities (including equity shares, preference shares, convertible instruments, non-voting shares, warrants, options, etc.) of the Company or its Group Entities;
 - (E) Determining the size, timing, pricing, and place/exchange/book running lead manager of any initial public offering or any offering of equity / equity linked securities by the Company or its Group Entities;
 - (F) Any affiliated / Related Party Transactions conducted by the Company, other than as agreed to between the Investor and the Promoters;
 - (G) Amendments to the memorandum of association and/or articles of association of the Company and/or the Group Entities;
 - (H) Amendments to any agreement to which the Company, the Investor, the Continuing Investor and the Promoters may be a party;
 - (I) Approval or amendment to the annual business plan/budget/capital plans of the Company or the Group Entities, or any deviation there from;
 - (J) Commencement of any new business activities by the Company or its Group Entities;
 - (K) Appointment/removal of the Key Employees of the Company and/or Key Employees of the Group Entities;
 - (L) Changes to material accounting or tax policies, including change in financial year for preparation of audited accounts, for the Company or its Group Entities;
 - (M) Declaration or payment of any dividend or repurchase of any securities of the Company and/or its Group Entities;
 - (N) Entry into, amendment, or termination of any agreement or commitment that imposes or is likely to impose obligations on the Company or its Group Entities;
 - (O) Giving or renewing of security for, or the guaranteeing of Debts of the Company or any third parties, or creating a lien or charge on the assets of the Company or its Group Entities;
 - (P) Any sale, transfer, license, or other user arrangement in relation to brand-names or trademarks or any other intellectual property used by the Company; or its Group Entities
 - (Q) Winding up and/or liquidation of the Company or its Group Entities;

- (R) Approval of the terms of any stock option plans for employees or directors and the allocation of options thereunder;
 - (S) Appointment or removal of statutory or internal auditors of the Company or its Group Entities;
 - (T) Delegation of authority or any of the powers of the board of directors of the Company or the Group Entities to any individual, or any amendments to the authority or power so delegated;
 - (U) The initiation or settlement of any material litigation involving the Company or the Group Entities, other than disputes between the Parties to the Shareholders' Agreement;
 - (V) Any proposal involving, directly or indirectly, a Change in Control or management of the Company or its Group Entities;
 - (W) Any change in the percentage or absolute ownership interest of the Company in its Group Entities;
 - (X) Any change in the manner of exercise of the affirmative voting rights by the Company in relation to these affirmative vote items at the Group Entity level;
 - (Y) Change of name and/or registered office of the Company or its Group Entities;
 - (Z) Any amendment or change of the rights, preferences, privileges or powers of, or the restrictions provided for the benefit of or on the Securities held by any shareholder in the Company or its Group Entities; and
 - (AA) Any agreement or commitment to give effect to any of the foregoing.
- (b) In the event that any matter, decision, action or resolution relating to a BIL Reserved Matter is proposed to be considered or passed:
- (A) In a meeting of the Board or any Committees thereof;
 - (B) By circular resolution;
 - (C) In a General Meeting or Committees thereof; or
 - (D) In any other manner whatsoever,

the Company shall inform BIL: (a) at least 7 (seven) Business Days (or such shorter period as may be consented to by BIL in writing) prior to the occurrence of the meeting of the Board or Committees thereof referred to in Articles 108(i) and 108(ii); and (b) at least 21 (twenty one) Business Days (or such shorter period as may be consented to by BIL in writing) prior to the occurrence of the General Meeting or Committees thereof referred to in Article 108(iii) and the event referred to in Article 108(iv), to consider or pass such Reserved Matter. The BIL Reserved Matters shall be considered approved only if they have been approved by BIL in writing.

- (c) The Board of the Company shall not delegate the power to take decisions in relation to the matters specified in Article 108(i) to any other Committee or individual, without the prior approval of BIL.
- (d) The affirmative rights on the matters specified in Article 108(i) will also be available to BIL in relation to each of the Group Entities (the “**Group Entities Reserved Matters**”), and the procedure specified in Article 108(i) shall apply mutatis mutandis to any decision or action proposed to be taken with respect to the Group Entities Reserved Matters.
- (e) The Promoters and the Company shall ensure that none of the Group Entities take any decisions on the Group Entities Reserved Matters, including, whether at meetings of their shareholders and/or their board and/or committees of their respective boards, in each case without the prior written consent of BIL, or the prior consent of BIL, as the case may be.

(ii) **IFC Reserved Matters**

The Company shall not and shall ensure that each of its Key Subsidiaries shall not take the decisions or actions set out in relation to matters set out below without the prior written consent of IFC (“**IFC Reserved Matters**”):

- (a) Amend or repeal the Charter Documents of the Company or of any Key Subsidiary: (i) in any material manner or (ii) in contravention of the terms of these Articles;
- (b) Change the designations, powers, rights, preferences or privileges, or the qualifications, limitations or restrictions of the IFC Shares, through amendment or repeal of the Company's Charter Documents or otherwise;
- (c) Create, authorize or issue any Securities in the Company or incur any Financial Indebtedness to any Shareholder of the Company or any of its Key Subsidiaries;
- (d) Change the primary business of the Company or of any of its Key Subsidiaries;
- (e) Authorize or undertake any arrangement for the disposal (including but not limited to any sale, exchange or lease) of: (i) more than fifteen per cent (15%) of the fair market value of the Assets of the Company or any Key Subsidiary, whether in one or a series of transactions; (ii) Assets that contribute to the generation of more than 10% of the revenues of the Company or any Key Subsidiary; or (iii) any shares or securities of any Subsidiary;
- (f) Any amalgamation, merger, consolidation, reconstitution, restructuring or similar transaction that results in a change in Control of the Company or any Key Subsidiary;
- (g) Authorize or undertake any liquidation, winding up or bankruptcy, reorganization, composition with creditors or other analogous insolvency proceeding of the Company or any Key Subsidiary, whether voluntary or involuntary, or any petition presented or resolution passed for any such event or for the appointment of an insolvency practitioner;
- (h) Authorize or undertake any reduction of capital or share repurchase, other than any repurchase of Securities issued to or held by employees, officers, directors or consultants of the Company or its Subsidiaries upon termination of their employment pursuant to an employee stock plan approved by the Board in compliance with Clause 15; and
- (i) Authorize or undertake any Listing, Offering or any delisting of any Securities of the Company (or any Key Subsidiary).

(iii) Shareholder Supermajority Requirements

Subject to Articles 108(i) and 108(ii), the Company shall not and shall ensure that each of its Key Subsidiaries shall not take the decisions or actions in relation to matters set out below without the prior written consent of the holders of at least 75% of all the voting shares of the Company then issued and outstanding and entitled to vote ("**Supermajority Matters**"):

- (a) Delegation of authority or any of the powers of the Board of the Company or the Key Subsidiaries to any individual, or any amendments to the authority or power so delegated;
- (b) Appointing, removing or change in terms of appointment of chief executive officer and chief financial officer of the Company or any of its Key Subsidiaries;
- (c) Enter into any agreement, arrangement or transaction with any Related Party, other than non-material agreements having a term of less than 1 (one) year that are negotiated on an Arm's-Length Basis in the Ordinary Course of Business and contemplated by the business plan;
- (d) Remove or replace the Auditors or internal auditors of the Company or change the Financial Year of the Company or changes to material accounting or tax policies;
- (e) Approval or amendment to the annual business plan/budget/capital plans of the Company or the Key Subsidiaries, or any deviation there from;
- (f) Authorize or undertake any arrangement for the disposal (including but not limited to any sale, exchange or lease) of: (i) less than 15% (fifteen per cent) of the fair market value of the assets of the Company or any Key Subsidiary, whether in one or a series of transactions; (ii) assets that contribute to the generation of less than 10% (ten per cent) of the revenues of the Company or any Key Subsidiary;
- (g) Enter into any obligation outside of the Ordinary Course of Business in excess of USD 1,000,000 (One Million United States Dollars) (or the equivalent in any other currency);

- (h) Enter into any commitments for acquisitions of other entities (whether by the acquisition of shares, assets, or otherwise);
- (i) Enter into any commitments for capital investments in excess of USD 1,000,000 (One Million United States Dollars) (or the equivalent in any other currency) in the aggregate in any Financial Year;
- (j) Incur Financial Indebtedness which involves the payment by it, in cash or otherwise, of amounts in excess of USD 1,000,000 (One Million United States Dollars) (or the equivalent in any other currency) in the aggregate in any Financial Year;
- (k) Directly or indirectly declare, authorize or make any Distribution in relation to any Securities of the Company (or Securities of any Key Subsidiary);
- (l) Create any Subsidiary or enter into any joint venture or partnership.
- (m) Initiation or settlement of any material litigation involving the Company or any of the Key Subsidiaries;
- (n) Change in name or registered office of the Company or any of the Key Subsidiaries;
- (o) The sale, transfer or assignment of any intellectual property rights (including those relating to copyrights, trademarks, patents and designs) of the Company or any of its Key Subsidiaries and its Subsidiaries that is required for current or future company operations;
- (p) Grant or enter into any material license, agreement or arrangement concerning any intellectual property rights (including those relating to copyrights, trademarks, patents and designs);
- (q) Adopt, amend or revise the dividend policy; and
- (r) Adopt, amend or revise any employee stock plan.

(iv) Abraaj Reserved Matters

The prior written consent of Abraaj shall be taken in the event that: (i) the Company intends to be merged with or acquire an entity in which either the Promoters or BIL is a Shareholder, and (ii) the price per share for such merger or acquisition is lower than the price per Share paid by BIL for the subscription of the Shares.

GENERAL POWERS OF THE BOARD OF DIRECTORS

109. Subject to the provisions of these Articles and the Act, the Board shall have the following powers:

- (i) To carry out the objects and exercise the powers contained in Article III of the Memorandum of Association of the Company;
- (ii) To have the superintendence, control and direction over managers, managing directors, whole time directors and all other officers of the Company;
- (iii) To delegate, subject to the provisions of Section 179 of the Act, by a resolution passed at a meeting, to any committee of directors, managing directors, whole time director, manager or secretary of the Company;
- (iv) Power to borrow money, other than on debentures;
- (v) The power to invest the funds of the Company;
- (vi) The power to make loans;
- (vii) To provide for the management of the affairs of the Company in any specified locality in or outside India and to delegate to person in charge of the local management such powers (not exceeding those which are delegatable by the directors under these Articles);
- (viii) To appoint at any time and from time to time by a power of attorney under seal, any person to be an attorney of the Company for such purposes and with such powers, authorities and discretions (not exceeding those which are delegatable by the directors under these presents) and for such period and subject to such conditions as the Board may from time to time think fit, with powers for such attorneys sub-delegate all or any of the powers authorities and discretion vested in the attorney for the time being;

- (ix) To acquire by lease, mortgage, purchase or otherwise any property, rights or privileges which the Company is authorized to acquire at such price generally on such terms and conditions as the Board may think fit and to sell, let, exchange or otherwise dispose of absolutely or conditionally any property rights or privileges and undertaking of Company upon such terms and conditions for such considerations they think fit, subject however to the restrictions imposed on the Board by Section 180 of the Act;
- (x) To open any account or accounts with such Bank or Banks as the Board may select or appoint, to make sign, draw, accept, endorse, or otherwise execute all cheques, promissory notes, drafts, hundies orders, bills of exchange, bill of lading and other negotiable instruments, to make and give receipts, release and other discharge for moneys payable to the Company, and for the claims and demands of the Company to make contracts and to execute deeds; provided however, the provisions of Sections 22 of the Act shall be complied with;
- (xi) To secure the fulfillment of any contract or engagements entered into by the Company by mortgage or charge of all or any of the property of the Company and its unpaid capital for the time being, or on such other manner as they may think fit;
- (xii) To appoint Officers, Clerks and Servants for permanent, temporary or special service as the board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require security in such instances and to such amount as the Board may think fit and to remove or suspend any such officers, clerks and servants, provided however that in making such appointments, the provisions of applicable Law shall be complied with;
- (xiii) To sanction, pay and reimburse the officers of the Company in respect of any expenses incurred by them on behalf of the Company;
- (xiv) To invest and deal with any of the moneys of the Company to vary or release such investments subject to the provisions of Sections 19, 187, 179, 180, 67, and 185, of the Act or any Statutory modifications thereof;
- (xv) To refer claims or demands by or against the Company to arbitration and observe and perform any awards made thereon;
- (xvi) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or other wise concerning the affairs of the company and also to compound and allow time for payment or satisfaction of any debts due and of claims or demand by or against the Company to appoint Solicitors, Advocates, Counsel and other legal advisors for such purposes or for any other purpose and settle and pay their remunerations;
- (xvii) To act on behalf of the Company in all matters of insolvency in which the Company is interested;
- (xviii) To pay and give gratuities, pensions and allowance to any person or persons including any director, to his widow, children or dependents, that may appear to the directors just or proper whether any such person, widows, children or other dependents have or have not a legal claim upon the Company and whether such person is still in the service of the Company or has retired from services, to make contributions to any funds and pay premiums for the purchase of provisions of any such gratuity, pension or allowance;
- (xix) To insure upon such terms as they think fit all or any of the buildings and other properties of the Company and to repair, improve or rebuild the same and to spend such sums of money towards the purpose as the directors shall think fit;
- (xx) To establish, maintain, support and subscribe to any charitable or public object or any institution, society, or club which may be for the benefit of the Company or its employees;
- (xxi) To set aside portions of the profits of the Company to form a fund or funds before recommending any dividends for the objects mentioned above;
- (xxii) To make, vary, repeal bye-laws for the regulations of the business of the Company, its officers and servants from time to time, not inconsistent with the provisions of the Act or Memorandum and Articles of the Company;
- (xxiii) To make and alter rules and regulations concerning the time and manner of payment to the contribution of employees and the Company respectively to any such fund and accrual, employment, suspension and forfeiture of the benefit of the said fund and the application and disposal thereof and otherwise in relation to the working and management of the said funds as the directors shall from time to time think fit;
- (xxiv) To exercise the powers conferred on the Company by Sections 88 and 94 of the Act;

- (xxv) To authorize or sell any goods or articles manufactured or produced by the company or to purchase, obtain or acquire machinery, stores, goods or materials for the purpose of the Company or to sell the same when no longer required for those purposes;
- (xxvi) To determine by resolution from time to time the name of person or persons who shall be entitled to do all or any of the acts mentioned in these regulations on behalf of the Company.

CHIEF EXECUTIVE OFFICER, MANAGER, COMPANY SECRETARY OR CHIEF FINANCIAL OFFICER

- 110. Subject to the provisions of these Articles and the Act:
 - (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;
 - (ii) A director may be appointed as chief executive officer, manager, company secretary or chief financial officer;
 - (iii) A director may be appointed as a managing director as well as chairperson of the Company at the same time.
- 111. A provision of the Act or these regulations requiring or authorizing a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place of, chief executive officer, manager, company secretary or chief financial officer.
- 112. Any assignment of office by the manager of the Company shall be void.
- 113. No person shall be appointed manager of the Company for more than a period of five years and in making such appointment, provisions of Section 196 of the Act shall be complied with.

REMUNERATION OF DIRECTORS, MANAGERS AND EMPLOYEES

- 114. Subject to the provisions of Article 115, payment of remuneration to a Director including managing and whole-time Director, and manager, if any shall be subject to the provisions of Section 197 of the Act.
- 115. In fixing the remuneration of the directors including managing and whole time directors, the provisions of Section 197 of the Act shall be complied with. Subject to the provisions of Article 108 and of the Act, the sitting fees of the Directors shall be such amount as may be determined by the Board.

AUDIT

- 116. Unless otherwise agreed by the Investors in writing, the Company shall appoint one of the big four audit firms (being, PwC, Deloitte, EY or KPMG) as the statutory auditors and/or internal auditors of the Company.

SEAL

- 117. The Board shall provide for the safe custody of the seal.
- 118. The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of any one director or such other person as the Board may appoint for the purpose; and that director or authorised person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND RESERVE

- 119. Subject to Article 108, the company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board. Subject to Article 108 and the provisions of Section 123, the Board may from time to time pay to the Members such interim dividends as appear to it to be justified by the profits of the company
- 120. The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.

121. The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
122. Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the company, dividends may be declared and paid according to the amounts of the shares.
123. No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
124. All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
125. The Board may deduct from any dividend payable to any Member all sums of money, if any, presently payable by him to the company on account of calls or otherwise in relation to the shares of the company.
126. Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct.
127. Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
128. Any one of two or more joint holders of a share may give effective receipts for any dividends, bonuses or other monies payable in respect of such share.
129. Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.
130. No dividend shall bear interest against the company.

SECRECY

131. Every manager, auditor, trustee, members of a committee, officer, servant, agent, accountant or other person employed in the business of the Company shall, if so required by the Board before entering upon his duties, sign a declaration pledging himself to observe 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 Directors or by any meeting or by a court of law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
132. No Member or other person (unless he is a director or other person in management of the affairs of the Company) can inspect or examine the Company's premises or properties of the Company without the permission of the Directors of the Company or officers authorized by the directors for the time being and to require discovery of or any information respecting any detail, of the company's trading any matter which is or may be in the nature of a trade secret, mystery of trade or secret process of any matter whatsoever which may relate to the conduct of the Company and which in the opinion of the Directors, officers authorized by directors, it will be inexpedient in the interest of the Members of the Company to communicate.

SECTION II

SPECIAL RIGHTS AND OBLIGATIONS OF THE SHAREHOLDERS

133. RESTRICTIONS ON TRANSFER OF SECURITIES

- (i) Except in accordance with this Article 133, the Promoters shall not, directly or indirectly, Transfer all or any of the Securities held by them in the Company to any Person (including any Affiliate of such Promoters) and any Transfer of such Securities by any member of the Promoters or their Affiliates in breach of these Articles, including this Article 133, shall be null and void ab-initio, and shall not be binding on the Company.
- (ii) Notwithstanding anything contained in the Articles, Shareholders shall not Transfer any Securities to any of the individuals or entities named on (A) lists promulgated by the United Nations Security Council or its committees pursuant to resolutions issued under Chapter VII of the United Nations Charter; or (B) the

World Bank Listing of Ineligible Firms (see www.worldbank.org/debarr); and the Company and the Board of the Company shall, refuse to recognize any purported Transfer of Securities in violation of this Article 133, or record or register any such Transfer of Securities in its share registry. Any Transfer made in breach of this Article 133 shall be null and void.

- (iii) If a Shareholder wishes to Transfer any Securities in the Company to a Person that is not a Party, it shall require as a condition of the Transfer that the transferee executes an Deed of Adherence as the transferring Shareholder in respect of the Shares Transferred to that transferee and complies with the provisions of Article 133.

(iv) **Promoter Lock-in**

- (a) The Promoters shall not, without prior written consent of each Investor, directly or indirectly, Encumber or otherwise Transfer any Securities or economic interest (including voting rights or any beneficial right with respect to the foregoing) held by them in the Company to any Person or permit any dilution of their stake in the Company until the IPO of the Company (“**Promoter Lock-in**”). The Investors however-acknowledge that the Promoters have, as of the Effective Date, pledged 18,896,489 (eighteen million eight hundred ninety six thousand four hundred and eighty nine) Securities of the Company constituting 26% (twenty six percent) of the shareholding of the Company on a Fully Diluted Basis for securing Financial Indebtedness of the Company and the Group Entities. Notwithstanding anything contained in this Article 133(iv)(a), following the completion of an IPO (in accordance with Article 135), the Promoters shall be permitted to Transfer not more than 2% (Two per cent) of their cumulative shareholding in the Company in a Financial Year without the prior written consent of IFC and BIL.
- (b) Notwithstanding anything contained herein:
 - (A) There shall be no change in the shareholding pattern, directly or indirectly, of Saastha and NDR Warehousing and/or there shall be no change in Control of Saastha and NDR Warehousing; and (ii) all securities of NDR Warehousing shall remain free of Encumbrances (other than any securities pledged (currently or in the future) to the lenders of NDR Warehousing for any loans/credit facilities availed for or in relation to the business conducted by NDR Warehousing and the Company); and
 - (B) there shall be no Change in Control of the Company, including any change in management or constitution of the Board of the Company, which may lead to a Change in Control of the Company, without prior written consent of each Investor.
- (c) No management, operational or voting rights in the Company or any of the Group Entities, including any options, warrants, rights, instruments, or agreements for the subscription or purchase of any Security or economic interest in the Company or any of the Group Entity, directly or indirectly, shall be granted to any third party/entity, without prior written consent of each Investor.

(v) **Tag-Along Right**

- (a) Subject to the provisions of the Articles 133(i) to 133(v), if any of the Promoters which own, whether directly or indirectly, legally or beneficially, any Securities or economic interest in the Company propose to sell or Transfer, either directly or indirectly, legal or beneficial ownership of, or any economic interest in, any of the Securities held by them in the Company (the “**Promoter Sale Securities**”), to any Person (the “**Proposed Transferee**”), then IFC, BIL and Abraaj shall have a Tag Along Right in the manner as set out in this Article 133(v)(b) and 133(v)(c).
- (b) Pro Rata Tag Along Right: Subject to Articles 133(v) and 133(v)(c) below, in the event that the Promoters propose to Transfer, directly or indirectly, the Promoter Sale Securities to a third party/(ies), IFC, BIL and Abraaj shall have the right to simultaneously, with the Promoter(s), tag-along for sale to such third party(ies), such number of Securities as are equal to their respective pro rata share of Securities proposed to be Transferred, at a price per Security equal to the price offered to, and on terms and conditions not less favourable than those offered to the Promoter. If the Proposed Transferee is willing to purchase such number of Securities which is equal to or less than the aggregate number of Promoter Sale Securities and the Tag Along Securities of IFC, BIL and Abraaj and their Affiliates, then the number of shares to be Transferred by the Promoters to the Proposed Transferee shall reduce in order to accommodate all the Tag Along Securities of IFC, BIL and Abraaj and their Affiliates.
- (c) Full Tag Along Right: Subject to Article 133(v), if the Promoters propose to Transfer any of the Promoter Sale Securities, and:

- (A) such proposed Transfer would result in: (i) the Promoters collectively holding less than 45% (Forty Five per cent) of shareholding (directly or indirectly) of the Company on a Fully Diluted Basis; or (ii) the Promoters ceasing to have the power to appoint maximum number of Directors on the Board, then BIL and Abraaj shall have a right, but not an obligation, to Transfer up to 100% (Hundred per cent) of BIL Securities and 100% (Hundred per cent) of Abraaj Securities, respectively, to the Proposed Transferee prior to any Transfer of any Security by the Promoters, at a price equal to the price offered to and on terms no less favourable than the terms offered to the Promoters in the manner as set out in Article 133(v)(c) hereto.
- (B) (i) such proposed Transfer would result in the Promoters collectively holding less than 45% (Forty Five per cent) of shareholding (directly or indirectly) of the Company on a Fully Diluted Basis; or (ii) such proposed Transfer would result in the Promoters ceasing to have the power to appoint maximum number of Directors on the Board; or (iii) following the proposed Transfer (including the Transfer of the maximum number of Tag Along Securities permitted under Article 133(v)), the Securities held by IFC would account for less than 3% (Three per cent) of the Shares of the Company then outstanding on a Fully-Diluted Basis, then in that case, IFC shall be entitled to Transfer up to 100% (Hundred per cent) of the Securities held by IFC to the Proposed Transferee prior to any Transfer of any Security by the Promoters, at a price equal to the price offered to and on terms no less favourable than the terms offered to the Promoters in the manner as set out in Article 133(v)(c) hereto.
- (d) Tag on BIL Transfers: If BIL proposes to:
 - (A) Transfer 100% (Hundred per cent) of its Securities, to any Third Party, except as permitted under these Articles, then Abraaj shall have a right, but not an obligation, to Transfer up to 100% (Hundred per cent) of the Securities held by Abraaj to the proposed transferee, prior to, the Transfer of any Security by BIL, at a price equal to the price offered to BIL. It is clarified that Abraaj shall not be entitled to exercise its right to tag-along over the Securities held by BIL in the Company as set forth in this Article 133(v)(d)(A), unless BIL is Transferring its entire 100% (Hundred percent) shareholding to a Third Party.
 - (B) Transfer Securities to any Third Party such that after such Transfer BIL would hold less than 20% (Twenty per cent) of the Securities held by BIL as on Effective Date, then IFC shall have a right, but not an obligation, to Transfer up to 100% (Hundred per cent) of the Securities held by IFC to the proposed transferee, prior to, the Transfer of any Security by BIL, at a price equal to the price offered to BIL.

The tag along rights referred to in Articles 133(v)(b) and 133(v)(c) are collectively hereinafter referred to as the “**Tag Along Rights**” and the Tag Along Rights shall be exercised in the manner set out in this Article 133(v).

- (e) Process for exercise of Tag Along Right:
 - (A) If any one or more of the Promoters (the “**Promoter Transferor(s)**”) are proposing to Transfer any Security held by them to any Person, then, the Promoter Transferor(s) shall provide prior written notice (the “**Tag-along Offer Notice**”) of at least 30 (thirty) Business Days to BIL, IFC and Abraaj with a copy to the Company. The Tag-along Offer Notice shall state the following: (a) the number of Securities the Promoters collectively own (on a Fully Diluted Basis) prior to the proposed Transfer; (b) the number of Promoter Sale Securities proposed to be Transferred by the Promoter Transferor(s); (c) the proposed consideration, amount and form of consideration; (d) the manner and time of payment of the consideration; (e) the proposed date of consummation of the proposed Transfer; (f) the identity of the Proposed Transferee; (g) the rights which are proposed to be granted/transferred to such Proposed Transferee; (h) a representation that the Proposed Transferee stated in the Tag-along Offer Notice has been informed of the Tag Along Right and of the requirement that such Proposed Transferee is required to purchase the Securities from IFC, BIL and its Affiliates, and Abraaj and its Affiliates, in accordance with the manner set out in Articles 133(v)(b) and 133(v)(c), as the case may be; (i) a representation that no consideration other than that set out in the Tag Along Offer Notice is being provided to the Promoter Transferor(s); and (j) in case of consideration other than cash, the fair market value of such form of consideration shall be based on the valuation conducted by an independent valuer identified by the Investors. Such Tag-along Offer

Notice shall be accompanied by true and complete copies of all the agreements (if any) between the Promoter Transferor(s) and the Proposed Transferee regarding the proposed Transfer.

- (B) In the event IFC and/ or BIL and/or Abraaj and/or their Affiliates, elect to exercise the Tag Along Right, then each of IFC, BIL and Abraaj may deliver a written notice of such election to the Promoter Transferor(s) (the “**Response Notice**”) at anytime within 30 (thirty) Business Days from the date of receipt of the Tag-along Offer Notice (the period of 30 (thirty) Business Days hereinafter referred to as the “**Tag Along Response Period**”) specifying that it has elected to exercise its Tag Along Right and the number of Securities that it intends to offer (the “**Tag Along Securities**”).
- (C) If IFC and/ or BIL and/or Abraaj and/or their Affiliates, as the case may be, decide to exercise the Tag Along Rights, the Promoter Transferor(s) shall cause the Proposed Transferee to purchase simultaneously from IFC, BIL and/or its Affiliates and Abraaj and/or its Affiliates (as applicable), their respective Tag Along Securities at the same price and on the same terms and condition as are mentioned in the Tag-along Offer Notice.
- (D) IFC and/ or BIL and/or Abraaj and/or their Affiliates, as the case may be, shall not be required to provide any representations, covenants or undertakings, grant any indemnifications, or incur any obligations to the Proposed Transferee or any Person other than providing a representation on the clear title of their respective Tag Along Securities and due authority and capacity to hold and Transfer their respective Tag Along Securities. It is clarified that if requested by the relevant Proposed Transferee, then in relation to any representation on title of its Tag Along Securities provided by IFC, the requisite indemnity shall be provided by the Company.
- (E) The Promoters shall ensure that all of the terms of the proposed Transfer offered by the Proposed Transferee to the Promoter Transferor(s) are also offered to IFC and/or BIL and/or its Affiliates and Abraaj and/or its Affiliates.
- (F) The closing of any purchase of the Promoter Sale Securities and the Tag Along Securities by the Proposed Transferee shall be completed on or before the expiry of the 30th (thirtieth) Business Day from the date of expiry of the Tag Along Response Period or within such other time as the parties to the transaction may agree. Provided that the said 30 (thirty) Business Days’ period shall be extended for such additional period as may be necessary to obtain any Governmental Approvals required for such purchase and payment.
- (G) Upon the receipt of the Response Notice by the Promoters, the Promoters shall provide to IFC, BIL and Abraaj and their Affiliates, a written confirmation from the Proposed Transferee regarding its intention to purchase all the Tag Along Securities.
- (f) If: (a) IFC and/or BIL and/ or Abraaj, as the case may be, do not deliver the Response Notice to the Promoter Transferor(s) by the end of the Tag Along Response Period; or (b) IFC and/or BIL and/ or Abraaj, as the case may be, expressly waive their respective Tag Along Rights, then the Promoter Transferor(s) shall be entitled to sell the Promoter Sale Securities to the Proposed Transferee mentioned in the Tag-along Offer Notice on the same terms and conditions and for the same consideration as is specified in the Tag-along Offer Notice. Provided however that, if completion of the Transfer to the Proposed Transferee does not take place within 30 (thirty) Business Days’ following the expiry of the Tag Along Response Period, the right of the Promoter Transferor(s) to Transfer the Promoter Sale Securities to such Proposed Transferee shall lapse and the provisions of this Article 133(v) shall once again apply to the Promoter Sale Securities. Provided, that the said period of 30 (thirty) Business Days may be extended by such additional period, as may be agreed.
- (g) It is agreed that if the Proposed Transferee is not willing to purchase all or part of the Tag Along Securities from IFC, BIL and Abraaj and/or their Affiliates on or before the Transfer of Promoter Sale Securities to such Proposed Transferee, then, the Promoter Transferor(s) shall not be entitled to Transfer any of the Promoter Sale Securities to the Proposed Transferee.
- (h) In the event the Tag Along Right over BIL Securities accrues to Abraaj and/or IFC under, and in accordance with Article 133(v)(d), then the procedure specified in Article 133(v) shall *mutatis mutandis* apply to the extent applicable for exercise of such Tag Along Right, and in such an

event, the reference to the term ‘Promoter Sale Securities’ under Article 133(v)(e) shall refer to the ‘BIL Securities’.

(vi) Transfer by BIL

- (a) Subject to the provisions of these Articles, BIL may freely Transfer BIL Securities, with or without rights attached thereto, to: (a) any Affiliate; or (b) any Financial Investor (such Affiliate and/or Financial Investor shall hereinafter be referred to as the “**BIL Securities Transferee**”). In the event, BIL Transfers its rights (including part Transfer) under these Articles, BIL and BIL Securities Transferee shall both have all the rights and obligations of BIL under these Articles.
- (b) In case where BIL Transfers any rights to any BIL Securities Transferee, the Parties to the Shareholders’ Agreement shall enter into a Deed of Adherence with such BIL Securities Transferee.
- (c) The Promoters and the Company shall promptly provide all assistance, make available all information, books, registers, contracts, documents and records and provide access to all premises, sites, offices, personnel, officers, employees, agents, accountants, consultants, etc. of the Company that BIL and/or its Affiliates or any Person identified by BIL and/or its Affiliates as BIL Securities Transferee may require to enable such Persons to carry out a due diligence review of the Company and the Group Entities.

(vii) Transfer by Abraaj

- (a) Subject to the provisions of these Articles, Abraaj may freely Transfer the Shares held by it: (a) to its Affiliate; (b) any Financial Investor; and (c) any other Person with the express prior written consent of BIL, subject to such Affiliate or Financial Investor or other Person executing a Deed of Adherence. The entities referenced in Articles 133(vii)(a)(a) and 133(vii)(a)(c) shall be collectively referred to as a “**Abraaj Securities Transferee**”.
- (b) Notwithstanding anything contained herein or otherwise, Abraaj shall not, without the express prior written consent of BIL, Transfer directly or indirectly economic interest, beneficial interest, rights or Securities held by it to any Person, except as permitted in Article 133(vii)(a) or through a Transfer consummated pursuant to the exercise of the Tag Along Right of Abraaj under Article 133(vii) or any Transfer in connection with or subsequent to the IPO. Any Transfer in violation of these Articles shall be void *ab-initio*.

(viii) Transfer by IFC

Except as otherwise set forth in these Articles, the IFC Shares shall be freely transferable. At IFC's request, the Company shall provide to a potential purchaser of the IFC Shares such information about the Company as IFC may reasonably request, subject to applicable Law, including reasonable access to the Company's management, staff and Directors as necessary or desirable for the Transfer of the IFC Shares.

(ix) BIL’s & Promoter’s Right of First Offer

- (a) If, at any time, from the Effective Date and until the completion of the IPO or expiry of 4 (four) years from the Effective Date, whichever is earlier, Abraaj proposes to Transfer any of the Securities held by it to a Abraaj Securities Transferee, Abraaj shall intimate the Promoters and BIL of its intention to sell some or all the Securities held by it (the “**Abraaj Offered Securities**”) by way of a written notice (the “**ROFO Notice**”). Simultaneously with the issue of the ROFO Notice, Abraaj shall also intimate IFC regarding such a proposed Transfer of the Abraaj Offered Securities.
- (b) The ROFO Notice shall provide the number of Securities proposed to be sold Abraaj Securities Transferee.
- (c) Upon receipt of the ROFO Notice, the Promoters (together as a group) and BIL, shall have the right (but not the obligation), within 30 (thirty) Business Days of the receipt of the ROFO Notice (the “**ROFO Notice Period**”), to offer to acquire all or any of Abraaj Offered Securities by providing a written notice to Abraaj (the “**Acceptance Notice**”) proportionate to their shareholding or in such proportion as may be agreed upon between the Promoters and BIL in writing, within the ROFO Notice Period. The Acceptance Notice shall set out the number of Abraaj Offered Securities, the price per Abraaj Offered Security offered by the Promoters and/or BIL, as the case may be, payment mechanism and all other terms and conditions, that are reasonable and customary to such transaction, under which the Promoters and/or BIL, as the case may be, are willing to

purchase such Abraaj Offered Securities (the “**ROFO Terms**”). Such Acceptance Notice shall be irrevocable upon fulfilment of all the conditions as set forth in the Acceptance Notice. In the event that the Promoters and/or BIL, as the case may be, do not respond to the ROFO Notice within the ROFO Notice Period, or fail to provide the Acceptance Notice for reasons other than non-fulfilment of the conditions by Abraaj, then the Promoters and/or BIL, as the case may be, shall cease to have the right of first offer to purchase the Abraaj Offered Securities under Article 133(ix).

- (d) Within a period of 30 (thirty) Business Days from the Promoters and BIL delivering the Acceptance Notice to Abraaj (the “**Acceptance Notice Period**”) and in the event that Abraaj is agreeable to the ROFO Terms set forth in the Acceptance Notice, Abraaj shall have the obligation to Transfer to the Promoters and BIL such number of the Abraaj Offered Securities as are mentioned in the Acceptance Notice, on the ROFO Terms. Such acceptance shall be communicated by Abraaj to BIL and the Promoters, by sending the Promoters and BIL a written notice signifying the Abraaj’s irrevocable acceptance (the “**Consent Notice**”).
- (e) Upon Abraaj delivering a Consent Notice, the Promoters and BIL shall forthwith purchase, and Abraaj shall sell Abraaj Offered Securities free and clear of all Encumbrances on the ROFO Terms set forth in the Acceptance Notice, which shall be no later than 30 (thirty) Business Days from the date of receipt of the Consent Notice (the “**ROFO Closing**”).
- (f) Payment of the consideration for Abraaj Offered Securities shall be made on the ROFO Closing. At such ROFO Closing, Abraaj shall deliver to the Promoters and BIL: (a) the share certificates, properly endorsed for Transfer, representing Abraaj Offered Securities so purchased by them; and (b) duly stamped share transfer deeds validly executed in the name of the Promoters and BIL (as applicable). In the event that Abraaj Offered Securities are in dematerialized form, Abraaj shall issue irrevocable instructions to its depository to Transfer Abraaj Offered Securities to a securities account(s) designated by the Promoters and BIL.
- (g) In the event that Abraaj does not indicate its acceptance by delivering the Consent Notice in accordance with Article 133(ix)(d) above; then Abraaj shall have a right to freely Transfer Abraaj Offered Securities to Abraaj Securities Transferee at a price that is at least greater than the price offered by the Promoters and BIL on terms that are no less favourable than the ROFO Terms specified by Promoters and BIL under the Acceptance Notice. Any sale to an Abraaj Securities Transferee shall be consummated within 90 (ninety) Business Days of the completion of the Acceptance Notice Period failing which the rights of Abraaj under this Article 133(ix) shall lapse and the relevant provisions of this Article 133(ix) shall once again apply to such sale by Abraaj. Provided, that the said period of 90 (ninety) Business Days shall be extended for such additional period, as may be agreed to by BIL in writing.
- (h) Notwithstanding anything contained herein in the event Abraaj Transfers all the Securities held by it in the Company to Abraaj Securities Transferee, then only the rights available to Abraaj under Articles 134(i), 133(v) and 138 will be transferred to Abraaj Securities Transferee.
- (i) The Company shall render all necessary assistance and cooperate fully with Abraaj to facilitate the transaction with Abraaj Securities Transferee by agreeing to all reasonable requests by Abraaj for arranging plant visits, management meetings, and sharing all such information that Abraaj is entitled to receive under these Articles with Abraaj Securities Transferee.

(x) Promoter's Right of First Offer

- (a) In case, (a) BIL proposes to Transfer any or all of the Securities held by it (“**Offered Securities**”) to any Person (other than BIL Securities Transferee) (“**Strategic Investor**”) in accordance with the provisions of these Articles; (b) pursuant to such proposed Transfer by BIL to a Strategic Investor, IFC's right to Transfer up to 100% (Hundred per cent) of the Securities held by IFC in accordance with Article 133(v)(d)(B) will get triggered; and (c) if the aggregate Securities proposed to be Transferred by BIL and IFC (“**Total ROFO Securities**”) would provide such Strategic Investor, shareholding of more than 50.1% in the Company, on a Fully Diluted Basis, then the Promoters (together as a group) shall have the right (but not the obligation) exercisable against BIL (“**Promoter ROFO**”) requiring BIL to offer such number of Securities out of the Total ROFO Securities to the Promoters, which will enable the Promoters to achieve an aggregate shareholding of 50.1% in the Company, on a Fully Diluted Basis (“**Differential Securities**”) in the manner set out below.
- (b) If BIL proposes to Transfer the Offered Securities to a Strategic Investor and the number of Offered Securities intended to be Transferred by BIL is such that pursuant to such proposed

Transfer, IFC's right to tag along under Article 133(v)(d)(B) will get triggered, then, in that case, BIL shall send a written notice to IFC requesting IFC to confirm whether IFC would consider selling upto 100% of the Securities held by IFC, to a Strategic Investor (“**Confirmation Request**”). IFC shall respond to the Confirmation Request by issuing a written notice within 20 Business Days of receipt of Confirmation Request (“**IFC Confirmation**”). It is clarified that IFC Confirmation does not create any obligation on it to exercise its Tag Along Right and is subject to terms and conditions (including pricing and the identity of the Strategic Investor), being acceptable to IFC.

- (c) If the Offered Securities together with such number of Securities held by IFC would provide the Strategic Investor, shareholding of more than 50% in the Company, on a Fully Diluted Basis, then, BIL shall, within 15 Business Days of receipt of IFC Confirmation, send a written notice to the Promoters (“**Promoter ROFO Notice**”) and accordingly, give the Promoters a right to make the first offer in respect of the Differential Securities. The Promoter ROFO Notice shall specify:
 - (A) the number of Offered Securities proposed to be Transferred to a Strategic Investor;
 - (B) the fact that IFC may also Transfer up to 100% of the Securities held by IFC to such Strategic Investors pursuant to IFC's right to tag along under Article 133(v)(d)(B);
 - (C) that pursuant to such Transfer of Securities by BIL and IFC, a Strategic Investor will acquire a shareholding of more than 50% in the Company, on a Fully Diluted Basis; and
 - (D) the number of Differential Securities in relation to which the Promoters (together as a group) shall have a right to make an offer to purchase.
- (d) Upon receipt of the Promoter ROFO Notice, the Promoters (together as a group), shall within 15 (Fifteen) Business Days of the receipt of the Promoter ROFO Notice (the “**Notice Period**”), have the right to offer to acquire all of the Differential Securities by providing a written notice to BIL (the “**Promoter Offer Notice**”), within the Notice Period. The Promoter Offer Notice, which shall be a bona fide offer, shall set out the aggregate consideration for the Differential Securities (in accordance with applicable Law) and the per share price for the Differential Securities (“**Differential Security Price**”), and other terms and conditions as may be applicable.
- (e) In the event that the Promoters do not respond to the Promoter ROFO Notice or fail to provide the Promoter Offer Notice within the Notice Period, then the Promoters shall cease to have the right of first offer to purchase all the Differential Securities under Article 133(x) and BIL shall have the right to freely Transfer the Offered Securities to any Strategic Investor at any price and on such terms and conditions as it deems fit but subject to IFC's right to tag along under Article 133(v)(d)(B). In that case, the procedure to be followed upon exercise of right to tag along under Article 133(v)(d)(B) by IFC, shall be as set out in 133(v)(e).
- (f) In case, BIL is able to procure an offer from a Strategic Investor for purchase of the Total ROFO Securities (“**Strategic Investor Offer**”) within 120 Business Days of receipt of the Promoter Offer Notice (“**Strategic Investor Period**”), and
 - (A) If the per share price offered by the Strategic Investor for purchase of the Total ROFO Securities (“**Strategic Investor Price**”) is more than the Differential Security Price, then BIL shall have the right (but not the obligation) to freely Transfer the Offered Securities to such Strategic Investor at the Strategic Investor Price subject to IFC's right to tag along under Article 133(v)(d)(B). In that case, the procedure to be followed upon exercise of right to tag along under Article 133(v)(d)(B) by IFC shall be as set out in Article 133(v)(e); or
 - (B) If the Strategic Investor Price is equal to the Differential Security Price and the offer provides at least the same terms and conditions as set out in the Promoter Offer Notice and such terms and conditions are acceptable to BIL, then the following procedure shall be followed:
 - (1) BIL shall, within a period of 15 (fifteen) Business Days from the receipt of the Strategic Investor Offer, send a Tag-along Offer Notice to IFC (whether or not, the Promoter Offer Notice is acceptable to BIL) specifying such details as set out in Article 133(v)(e)(A) and shall also include (A) the details of the offer made by the Promoters in relation to the Differential Securities including the Differential Security Price and other terms and conditions as may be applicable; and (B) the details of the offer made by the Strategic Investor for purchase of Total ROFO

Securities including the Strategic Investor Price and other terms and conditions as may be applicable.

- (2) In the event, IFC elects to exercise the Tag Along Right pursuant to Article 133(v)(d)(B) then IFC may deliver the Response Notice to BIL at anytime within Tag Along Response Period in the manner provided in Article 133(v)(e)(B).
 - (3) Within 30 (Thirty) Business Days from the receipt of the Response Notice from IFC (the “**IFC Acceptance Notice Period**”), BIL shall send a written notice to the Promoters, of its acceptance of the offer made by the Promoters for purchase of Differential Securities (“**BIL Consent Notice**”) The copy of the BIL Consent Notice shall also be marked to IFC.
 - (4) In the event BIL delivers the BIL Consent Notice within the IFC Acceptance Notice Period, then BIL shall have the obligation to Transfer the Differential Securities to the Promoters simultaneously with the Transfer of the remaining Total ROFO Securities to the Strategic Investor.
 - (5) Upon BIL delivering a BIL Consent Notice, the Promoters shall forthwith purchase, and BIL shall sell the Differential Securities free and clear of all Encumbrances and shall deliver to the Promoters: (a) the share certificates, properly endorsed for Transfer, representing the Differential Securities; and (b) duly stamped share transfer deeds validly executed in the name of the Promoters (as applicable). In the event that the Differential Securities are in dematerialized form, BIL shall issue irrevocable instructions to the depository to Transfer the Differential Securities to a securities account(s) designated by the Promoters. It is clarified that this process shall be carried out simultaneously with the Transfer of the remaining Total ROFO Securities to the Strategic Investor.
 - (6) It is clarified that with respect to the Tag Along Securities of IFC, BIL shall have the right to require IFC and IFC shall have the obligation to Transfer the Tag Along Securities to either the Promoters (if the Promoters have exercised the Promoter ROFO in accordance with Article 133(x)(d)) and/or to the Strategic Investor, subject to the following conditions:
 - (I) All the Tag Along Securities will be Transferred to the Promoters and/or Strategic Investor simultaneously along with the Transfer of Offered Securities by BIL to the Strategic Investor and/or the Promoters; and
 - (II) The Transfer of Tag Along Securities shall take place at the same price as payable by the Promoters and/or the Strategic Investor to BIL for the Offered Securities.
 - (7) The provisions of Article 133(v)(e)(C), (D), (E), (F), (G), Article 133(v)(f) and Article 133(v)(g) shall apply mutatis mutandis to the provisions of this Article 133(x)(f)(B).
- (C) If the terms and conditions offered by the Strategic Investor for purchase of the Total ROFO Securities (“**Strategic Investor Terms**”) is in BIL’s opinion more favourable than the terms and conditions provided in the Promoter Offer Notice, irrespective of the price offered by the Strategic Investor, then BIL shall have the right (and not the obligation) to freely Transfer the Offered Securities to such Strategic Investor at the Strategic Investor Terms, subject to IFC’s right to tag along under Article 133(v)(d)(B). In that case, the procedure to be followed upon exercise of right to tag along under Article 133(v)(d)(B) by IFC shall be as set out in Article 133(v)(e); or
- (D) If the Strategic Investor Price is less than the Differential Security Price, and the Strategic Investor Offer is acceptable to BIL, then BIL shall have the right (but not the obligation) to transfer the Differential Securities to the Promoters and the remaining Total ROFO Securities to the Strategic Investor subject to the process set out in Clause (b) above being followed. In the event IFC elects to exercise its Tag Along Right then the Securities constituting the Differential Securities shall consist of the Tag Along Securities and the Offered Securities in a proportionate manner and the remaining balance of the Total ROFO Securities shall be transferred to the Strategic Investor. It is clarified that if

pursuant to the proposed transfer of the Offered Securities, the Tag Along Right of Abraaj is also triggered pursuant to Article 133(v)(d)(A) and Abraaj elects to exercise its Tag Along Right, then the Differential Securities shall consist of the Tag Along Securities and the Offered Securities in a proportionate manner and the balance Tag Along Securities and the Offered Securities shall be transferred to the Strategic Investor.

- (g) In case, BIL is unable to procure the Strategic Investor Offer within Strategic Investor Period, then any subsequent proposed Transfer by it of some or all of the Securities held by it to a Strategic Investor shall again be subject to the provisions of this Article 133(x)133(x).
- (h) The Company agrees to render all necessary assistance and cooperate fully with BIL/IFC to facilitate the transaction with the Strategic Investor by agreeing to all reasonable requests by BIL and IFC.

Notwithstanding anything contained in these Articles, the rights and obligations of BIL and Abraaj, as applicable, under Articles 133(v), 133(vi), 133(vii), 133(viii), 133(ix) and 133(x) shall not be applicable in the case of IPO (in accordance with the provisions of Article 135(i))

134. Pre-Emptive Rights

Notwithstanding anything to the contrary, no Securities of the Company shall be issued or allotted or agreed to be issued, without the prior written approval of BIL in accordance with Article 108(i) or IFC in accordance with Article 108(ii). Further, any issuance or allotment of any Securities after the Effective Date shall be subject to the provisions of this Article 134.

i) Fresh Offering

- (a) In the event that the Company proposes to issue any further Securities (the “Fresh Offering Securities”) at any point of time after the Effective Date to any Person (the “**Fresh Offering**”), then the Company shall offer and the Promoters shall cause the Company to offer, Securities out of the Fresh Offering Securities to each of IFC, BIL and Abraaj in proportion to the then existing shareholding (prior to the Fresh Offering) of IFC, BIL and Abraaj in the Company, on the terms and conditions no less favourable than those being offered to any other Person in the proposed Fresh Offering (the “**Pre-emptive Right**”).
- (b) The Fresh Offering shall be offered by the Company by issuing a written notice to IFC, BIL and Abraaj (the “**Issuance Notice**”) setting forth in detail the terms of the Fresh Offering, including the proposed issuance price (the “**Issuance Price**”), the time period for subscribing (in case the pre-emptive right is exercised), which shall not be less than 30 (thirty) Business Days, and the number of Securities proposed to be issued (the “**Issuance Securities**”).
- (c) If IFC, BIL and Abraaj are desirous of exercising their respective Pre-emptive Right, then they shall inform the Company within a period of 30 (thirty) Business Days from the date of receipt of the Issuance Notice that they wish to exercise their Pre-emptive Rights and the number of the Issuance Securities to which they propose to subscribe.
- (d) IFC, BIL and Abraaj may exercise their respective Pre-emptive Rights either by themselves or through their Affiliate(s). It is clarified that IFC, BIL and Abraaj may not renounce their Pre-emptive Right, by themselves or through their respective Affiliates, in favour of any Person other than their Affiliate(s).
 - (A) Thereafter, within the time period prescribed in the Issuance Notice, IFC, BIL and Abraaj shall pay for and subscribe to, simultaneously along with other subscribers to the Fresh Offering, such number of the Issuance Securities as they are desirous of subscribing to at the Issuance Price and on the terms and conditions set out in the Issuance Notice. The issue of Securities pursuant to the Fresh Offering shall be completed no later than 60 (sixty) Business Days from the date of Issuance Notice. The said 60 (sixty) Business Days period may be extended for a period as mutually agreed between the Parties to the Shareholders’ Agreement for the purpose of obtaining any regulatory approvals that are required for such purchase and payment by IFC, BIL and/or Abraaj.
- (e) Notwithstanding anything contained herein, in the event Abraaj does not exercise its Pre-emptive Right to participate in the Fresh Offering, each Investor, provided such Investor has subscribed to or exercised its Pre-emptive Rights as set forth in Article 134, shall have the right to subscribe to such unsubscribed Shares of the Fresh Offering in proportion to their inter-se shareholding in the Company on a Fully Diluted Basis, on the same terms and conditions as offered in the Fresh

Offering. For the sake of clarity, in the event any Person to whom such Fresh Offering is made under this Article 134 also does not subscribe to the Fresh Offering Securities offered to such Person, then BIL and IFC shall have the right, but not the obligation, to purchase such unsubscribed portions of such Person in proportion to their inter inter-se shareholding in the Company on a Fully Diluted Basis on the same terms and conditions as offered under this Article 134, within a period of 90 (ninety) Business Days from the date of the Issuance Notice.

- (f) Notwithstanding anything contained herein, in the event that:
 - (A) BIL does not participate in the Fresh Offering on a pro rata basis and the new investor to whom the Fresh Offering Securities are proposed to be issued as part of the Fresh Offering is unwilling to allow Abraaj to participate in such Fresh Offering, then Abraaj shall not have a right to participate in such Fresh Offering.
- (g) the Company proposes to issue any Securities at any point of time after the Effective Date in accordance with Section 62 of the Act, and the remaining Shareholders (excluding IFC, BIL and Abraaj) do not participate in such offering, then IFC, BIL and Abraaj shall have the right to subscribe to such unsubscribed portion of the offered Securities, in proportion to their shareholding in the Company. The Company shall not issue any Securities to any Person other than a Party unless such Person executes a Deed of Adherence confirming that it shall be bound by these Articles as a Shareholder in respect of all Securities in the Company held or to be held by such Person and promptly provides copies of such executed Deed of Adherence to each of the other Parties to these Articles.

INITIAL PUBLIC OFFERING

- (i) **Company and Promoter IPO Obligation**
 - (a) The Company proposes to undertake an IPO of the Shares of the Company in accordance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, or such other Laws and regulations as may be applicable, on or before September 30, 2017.
 - (b) Notwithstanding anything set out in Article 135(i)(a) above, it is acknowledged that the Company has initiated the process to conduct an IPO and they agree to exercise their rights under these Articles to facilitate such an IPO, provided that:
 - (A) such an IPO is undertaken:
 - (1) at the pre-money valuation of not less than Rs. 20,750,000,000 (Rupees Twenty Billion Seven Hundred and Fifty Million), if the IPO is undertaken on or before June 30, 2017; or
 - (2) at the pre-money valuation of not less than Rs. 21,500,000,000 (Rupees Twenty One Billion and Five Hundred Million only), if the IPO is undertaken after June 30, 2017 but on or before September 30, 2017.
 - (B) upon consummation of such an IPO, (a) at least 10% (ten percent) of the Shares of the Company, or (b) such higher percentage of the Shares of the Company as required under applicable Law, shall be held by the general public and tradeable without restriction (where general public excludes the Promoters, IFC and their Affiliates).

(ii) IFC IPO Rights

If an IPO is proposed, the Company and the Promoters shall: (i) subject to applicable Law, ensure that the IFC Shares are included:

in the IPO such that the IFC Shares shall be freely tradable by IFC immediately following the IPO; (ii) ensure that the IFC Shares are excluded from any mandatory lock-up period applicable to sponsors/promoters of the Company; and (iii) keep IFC fully informed of all material activities undertaken in connection with the IPO. Notwithstanding anything contained hereinabove, upon the completion of the IPO, the IFC Shares shall be locked-in for such period as may be required under applicable Law.

(iii) Right to Offer Shares

- (a) If the Company proposes to undertake the IPO (including any offer for sale which is being offered as part of the IPO), it shall give prompt notice to IFC, BIL and Abraaj of its intention to do so, specifying the material terms of such IPO. Subject to applicable Law, each of IFC, BIL and Abraaj

shall have the right (but not the obligation) to offer the Securities held by each of them in the manner provided below.

- (b) In the event that the Company undertakes the IPO and such IPO contains an offer for sale component, then Abraaj shall have the first right to participate in up to 50% (Fifty per cent) of such offer for sale component (“**Abraaj OFS Component**”) and BIL and IFC shall have the right to participate in the remaining 50% (Fifty per cent) of such offer for sale component in the proportion of their respective inter-se shareholding in the Company as on such date (“**IFC and BIL OFS Component**”). The right of reservation of up to the Abraaj OFS Component in the IPO as set out in this Article 135(iii)(b) shall not be available to Abraaj if Abraaj is unwilling to accept any term, obligation, or representation of such IPO, which is acceptable to BIL and IFC. In the event, the Abraaj does not exercise or partly exercises its right to offer up to the Abraaj OFS Component, then, in addition to the right of BIL and IFC in relation to the IFC and BIL OFS Component as set out above, BIL and IFC shall have the right (but not the obligation) to offer such number of BIL Securities and Subscription Shares in a proportionate manner, that is equivalent to the Abraaj OFS Component or the balance of the Abraaj OFS Component (as the case may be).
- (c) It is clarified that for such an IPO, the Board shall have the sole discretion to determine whether or not such IPO shall contain an offer for sale and it shall have the sole discretion to determine the size of such offer for sale component.
- (d) The Promoters agree that they shall not offer or participate in such offer for sale unless the IFC, BIL and Abraaj have offered such number of Securities as are acceptable to the IFC, BIL and Abraaj in such offer for sale.

(iv) Demand IPO by Investors

- (a) In the event that the Company has not completed the IPO of the Company by September 30, 2017, then from October 1, 2017 or at any time thereafter, each Investor shall be entitled to, by providing a written notice to the Company (the “**IPO Notice**”), require the Company to, within a period of 12 (twelve) months following the IPO Notice, initiate and conclude an IPO and listing of the Shares of the Company with the primary purpose of enabling the Investor issuing the IPO Notice to sell the its Securities through such IPO. Subject to the applicable Law, IFC, BIL and Abraaj have the right, but not the obligation, to require an offer for sale of any or all of the Shares held by them as a part of the IPO in accordance with Article 135(iii) and Article 135(ix).
- (b) Following the receipt of the IPO Notice from an Investor, the Company shall and the Promoters shall undertake all steps necessary, including exercise of their voting rights, to cause the Board to take all steps necessary for the Company to undertake the IPO.
- (c) The Promoters undertake that they shall offer such number of their Shares for sale as may be required to meet the minimum offer requirement for listing of the Shares on a Recognized Stock Exchange in an IPO, if such minimum offer requirement is not fulfilled after taking into account:
 - (a) the number of Shares that IFC offers for sale (at its sole discretion in accordance with Article 135(iii));
 - (b) the number of Shares that BIL offers for sale; (in accordance with Article 135(iii));
 - (c) the number of Shares that Abraaj offers for sale (in accordance with Article 135(iii)); and
 - (d) the capital requirements of the Company.

(v) Company and Promoters' Assurance

The Company and the Promoters shall be jointly and severally liable for the obligations set out in this Article 135 and that they shall provide all assistance, including but not limited to preparing and signing the relevant offer documents, conducting road shows, providing all necessary information and documents necessary for preparing the offer document, obtaining such regulatory or other approvals and doing such further acts or deeds as may be necessary or required by the BIL or IFC or Abraaj (as the case may be), in connection with a sale of the whole or part of the Shares held by them by way of an IPO.

(vi) BIL, IFC, Abraaj not to be promoters

The Promoters and the Company: (i) agree that the IFC, BIL and Abraaj are not the promoters of the Company; and (ii) shall ensure that the IFC, BIL and Abraaj shall not be named as a ‘promoter’ in the prospectus or any other documents related to Offering (including an IPO) of the Securities of the Company or any of the Group Entities and shall not be obliged to offer or make available any Shares and/or any other Securities held by the IFC, BIL and Abraaj in the Company and/or the Group Entities (as applicable) for the purposes of any mandatory lock-in, as applicable to ‘promoters’ under applicable Law in respect of any Offering (including an IPO) or otherwise, nor shall any such declaration or statement be made, either

directly or indirectly, in any filings with regulatory or Governmental Authorities as also any stock exchanges, offer documents or otherwise.

(vii) IPO Costs and expenses

- (a) Subject to applicable Laws, all costs and expenses relating to an IPO, including statutory filing and registration fees, and fees for advisors and managers to an IPO, shall be borne by the Company.
- (b) Subject to applicable Laws, the Company shall also pay all reasonable out-of-pocket expenses and fees incurred by IFC and BIL in connection with an IPO or Offering, including, but not limited to, ensuring that the IFC Shares and BIL Securities are included in the IPO or Offering, as contemplated by this Article 135.

(viii) Indemnification

To the extent permitted by Law, the Company shall indemnify and hold harmless each Investor and Abraaj and their respective officers, directors, employees and consultants, and legal advisers, from and against any loss, claim or liability (and any actions, proceedings or settlements in respect thereof) arising out of or based on: (i) any untrue statement of a material fact contained in any prospectus, offering circular, or other offering document relating to any IPO or Offering; (ii) any failure to state therein a material fact necessary to make the statements therein not misleading; and (iii) any violation of applicable Law (including but not limited to, securities laws and exchange requirements applicable to any Listing or Offering); provided, that the Company shall not be liable under this Article 135 to the relevant Investor/Abraaj to the extent that any such loss, claim or liability is directly based on any written statement furnished by the such Investor/Abraaj to the Company expressly for inclusion in the relevant offering document.

(ix) No Initial Public Offering of Promoter Group

If BIL or Abraaj participate in an offer for sale in the IPO (in accordance with the provisions of Article 135(i)), then they shall provide such representations, warranties or indemnities or provide any undertaking, certificate, disclosure as is customary and as agreed upon between the parties to any merchant bankers, book running lead manager, underwriter, broker, Recognised Stock Exchanges, any Governmental Authority or any other Person.

Notwithstanding the foregoing, IFC shall not, in connection with a IPO or upon Listing or sale of the Securities held by it, be required to give any representations, warranties or indemnities or provide any undertaking, certification, disclosure, etc., to any merchant banker, book running lead manager, underwriter, broker, Recognized Stock Exchanges, any Governmental Authority or any other Person other than in relation to clear title of their Securities, if IFC is participating in an offer for sale in the IPO (in accordance with the provisions of this Article 135(i)),

- (x) The Selling Shareholders in the IPO (in accordance with the provisions of Clause 135(i)), shall provide such representations, warranties or indemnities or provide any undertaking, certificate, disclosure as is customary and as agreed upon between the parties to any merchant bankers, book running lead manager, underwriter, broker, Recognised Stock Exchanges, any Governmental Authority or any other Person

136. FAILURE TO COMPLETE THE IPO

- (i) In the event that the Company and the Promoters fail to complete the IPO, in accordance with Article 135, BIL shall have the right to freely Transfer up to all of BIL Securities (including all rights associated with BIL Securities under the Articles of the Company and any agreement that the parties may have) to any Person, at such price, and on such terms and conditions of Transfer, as BIL and the proposed transferee may mutually agree.
- (ii) The Company and the Promoters shall render all assistance necessary to expeditiously complete the Transfer of up to all of BIL Securities in accordance with Article 136(i), including without limitation, obtaining all consents and Government Approvals, and providing representations, warranties, covenants and indemnities customary to such transactions.
- (iii) BIL shall not be required to provide any guarantees or indemnities, or be subject to any restrictive covenants pursuant to a sale and Transfer of BIL Securities pursuant to Article 136(i).

137. REINSTATEMENT OF RIGHTS

- (i) To the extent permissible under Law, the rights of BIL, IFC and Abraaj under these Articles shall continue to survive upon the occurrence of any IPO. In the event that applicable Law does not permit the survival of

any of the rights of BIL and/or IFC under the Articles, the Promoters and the Company shall undertake all necessary steps, as may be required by BIL and/or IFC, to ensure that the rights of BIL and/or IFC under these Articles shall survive the occurrence of an IPO.

- (ii) Notwithstanding anything provided elsewhere in these Articles:
 - (a) In the event that a draft red herring prospectus is filed with the SEBI in respect of any proposed IPO which, prior to such filing, has necessitated the alteration of BIL Securities, IFC Shares and Abraaj Securities and/or the rights attached to such Securities (such alterations being, collectively, the “**Conforming of Rights**”); and
 - (b) such IPO is not completed by September 30, 2017, after the filing of the draft red herring prospectus with the SEBI (“**Listing Date**”) where the entire issued, paid up and subscribed Share Capital is not admitted to trading on a Recognised Stock Exchange

then the Company and the Promoters shall undertake all necessary actions as may be required by BIL and/or IFC and/or Abraaj to ensure the reinstatement of rights available to BIL and/or IFC and/or Abraaj immediately prior to the date of Conforming of Rights. The Company and Promoters undertake and covenant to BIL and/or IFC and/or Abraaj that they shall, within 10 (ten) Business Days of the Listing Date (if the IPO has not closed by that date) or, if earlier, the date on which the IPO process is cancelled, discontinued or postponed, take all such actions as may be required by BIL and/or IFC and/or Abraaj to reinstate such rights.
- (iii) The Promoters and the Company undertake to enter into any contractual arrangements and support all such decisions and actions, by exercising their respective voting and other rights, to ensure all the necessary, required or requested resolutions of the Board and shareholders of the Company, to effect the actions contemplated under this Article 137, which steps shall include without limitation:
 - (a) entry into any contractual arrangements necessary for the purposes of ensuring that the rights attaching to BIL Securities, IFC Shares and / or Abraaj Securities then held by BIL, IFC and / or Abraaj (as the case may be) are the same as those that attached to their respective Securities immediately prior to the Conforming of Rights; and
 - (b) the alteration of the articles of association of the Company and the Group Entities (if required) to include all of the rights IFC, BIL and Abraaj had the benefit of immediately prior to the Conforming of Rights.

138. **INFORMATION RIGHTS**

- (i) The Company shall furnish (in relation to the Company and each of the Group Entities) to BIL, IFC and Abraaj and/or their representatives, the following information, in the form and manner as may be specified by BIL and IFC (as the case may be):
 - (a) Audited annual Financial Statements within 120 (one hundred and twenty) calendar days after the end of each Financial Year, on a consolidated and an unconsolidated basis;
 - (b) Unaudited quarterly Financial Statements within 30 (thirty) calendar days from the end of each calendar quarter, on a consolidated and an unconsolidated basis;
 - (c) Unaudited monthly Financial Statements within 15 (fifteen) calendar days from the end of each month;
 - (d) Monthly management information reports, including the monthly operations report (in a format agreeable to BIL and IFC) within 15 (fifteen) calendar days from the end of each month;
 - (e) Copies of any reports, submitted for purposes of regulatory compliance and of notices received or reports or notices submitted to any governmental agency, within 15 (fifteen) calendar days of such submission;
 - (f) Annual budgets at least 30 (thirty) calendar days prior to the commencement of the Financial Year to which the budget is applicable;
 - (g) A segment-wise annual operating and capital expenditure budget (including quarterly budget containing an income statement, a statement of cash flow, a balance sheet and detailed breakdown of capital expenditure) and headcount at least 30 (thirty) calendar days prior to the end of each Financial Year for the following Financial Year;

- (h) Any information relating to the occurrence of any event which would, or is likely to, be a Material Adverse Change, within a maximum period of 7 (seven) calendar days;
 - (i) Any material information, including without limitation, the resignation of any of the Key Employees, within a maximum period of 7 (seven) calendar days; and/or
 - (j) Other information reasonably requested by BIL or BIL Director or Abraaj or Abraaj Director or IFC.
- (ii) **IFC Information Rights**
- (a) Without prejudice to the rights of IFC under Article 138(i) above, the Company shall, and the Promoters shall cause the Company to furnish to IFC and/or their representatives, the following information, in the form and manner as may be specified by IFC:
 - (A) within fifteen (15) calendar days after receipt thereof by the Company, any management letter or similar letter from the Auditors; and
 - (B) at least twenty-one (21) days before the General Meeting, the notice, agenda and relevant meeting materials for the General Meeting;
 - (C) no later than fifteen (15) days after each General Meeting, the minutes thereof reflecting decisions adopted at such meeting;
 - (D) simultaneously with delivery to the Directors, the notice, agenda and relevant materials sent to them for meetings of the Board; and
 - (E) no later than fifteen (15) days after each Board meeting, the minutes thereof reflecting decisions adopted at such meeting.
 - (b) The Company shall make available any of the information set out in Article 138(ii)(a) above to BIL as may be requested by BIL to be provided to it.
 - (c) The Company shall: (i) irrevocably authorize and instruct in the form as agreed with IFC, the Auditors (whose fees and expenses shall be for the account of the Company) to communicate directly with IFC at any time regarding the Company's financial statements, accounts and operations, and provide to IFC a copy of that authorization; and (ii) take such actions, issue such additional instructions and deliver such additional documents as necessary to procure the Auditors' compliance with such instruction. No later than thirty (30) days after any change in Auditors, the Company shall repeat the process in the immediately preceding sentence with the new Auditors and provide a copy of the Company's instructions and any other related documentation to IFC.
 - (d) The Company shall promptly provide to IFC such information as IFC from time to time requests with regard to the Company including, without limitation, copies of correspondence from the Company's regulators. The Company shall provide to the IFC Director all information as and when provided to any other Director in his or her capacity as a Director and, at IFC's request and to the extent consistent with applicable Law, shall also provide such information to IFC. The IFC Director may provide to IFC any information that the IFC Director receives in his or her capacity as a Director, including, without limitation, any information related to Company Operations, and may provide periodic reports to IFC related to the discharge of his or her duties as a Director.
 - (e) Following a Listing, IFC may, by notice to the Company, elect not to receive any of the information described in this Clause 16. In this case, the Company shall provide IFC with copies of all information publicly disclosed and/or filed, in compliance with the rules and regulations of any securities exchange or automated quotation system on which any of its securities are listed and other applicable Law.
- (iii) BIL and Abraaj shall also be entitled to complete inspection and visitation rights in respect of the Company. The Company shall, upon reasonable notice, give full access to BIL, Abraaj, and their authorized representatives (including lawyers, accountants, auditors and other professional advisors) to visit and inspect all properties, Assets, corporate, financial and other records, reports, books, Contracts and commitments of Company and to discuss the Business, action plans, budgets and finances with the Directors and executive Officers of the Company, and the Directors and executive officers of the Company.

- (iv) All the Financial Statements delivered by the Company shall be prepared under the Indian GAAP. All management reports shall include a comparison of financial results with the corresponding quarterly and annual budgets.

139. **MINIMUM INVESTOR THRESHOLD**

- (i) Prior to the completion of an IPO in terms of Article 135(i), the rights of BIL as set out in Article 141(vi) (Auditors), Article 135 (IPO), Article 133(iv) (Promoter Lock In), Articles 85 to 98 (Board of Directors), Articles 99 to 107 (Meetings of the Board), Articles 63 to 84 (Shareholders Meetings), 108(i) (Reserved Matters) and Article 138(i) (Information Rights) shall subsist till the date on which BIL along with its Affiliates and transferees cease to hold at least 3% (Three per cent) of the issued and paid up Share Capital of the Company on a Fully Diluted Basis.
- (ii) The rights of Abraaj under these Articles, shall fall away from the earlier of: (i) Abraaj and its Affiliate holding lesser number of Shares than the number of Shares held by Abraaj as of the Effective Date; or (ii) upon expiry of 3 (three) years from the date of the completion of the IPO of the Company in accordance with Article 135.
- (iii) The rights of IFC under these Articles, other than Article 134(i) (Fresh Offering), Article 133(v) (Tag Along Rights), Article 133(viii) (Transfer by IFC), Article 108(ii) (in relation to items (b), (d), (f) and (g) set out in Article 108(ii) and Article 138(ii) (IFC Information Rights) shall fall away from the date on which IFC along with its Affiliates and transferees cease to hold at least 3% (Three per cent) of the issued and paid up Share Capital of the Company on a Fully Diluted Basis.

140. **EVENTS OF DEFAULT**

- (i) The occurrence of each of the following events, in case of the Company and/or the Promoters, shall be considered an “**Event of Default**”:
 - (a) If the Company and/ or any of the Group Entities and/or the Promoters are/is in breach or fails to observe or comply with any term, representation, warranty, covenant, undertaking or obligation contained under the Shareholders’ Agreement, these Articles or such other term, representation, warranty, covenant, undertaking or obligation that may be mutually agreed to between the Promoters and the Investors;
 - (b) Initiation of any Liquidation Event or similar proceedings in respect of the Company and/or any of the Group Entities and/or the Promoters, whether voluntary or otherwise, and not being dismissed within a period of 60 (sixty) Business Days from the date of first hearing thereof;
 - (c) The appointment of a receiver, liquidator or administrator in respect of the Assets of the Company and/or any of the Group Entities and/or the Promoters by a court of competent jurisdiction in any proceeding for insolvency, winding up or bankruptcy or similar proceeding initiated by a third party;
 - (d) The failure of the Company and/or any of the Group Entities and/or the Promoters to obtain the consent of BIL with regards to the BIL Reserved Matters (in accordance with Article 108(i)); and/or
 - (e) Any Transfer of Shares by the Promoters which is in breach of these Articles.
- (ii) Upon the occurrence of an Event of Default in case of the Company and/ or any of the Group Entities and/or the Promoters, the Promoters/the Company/ the Group Entities shall remedy the Event of Default within 30 (thirty) Business Days of the occurrence of the Event of Default (the “**Cure Period**”).
- (iii) If the Event of Default continues to be unremedied after the expiry of the Cure Period, each of IFC, BIL and Abraaj may, at its sole discretion and option, exercise any or all of, or a combination of, the following remedies, in addition to any of its other rights:
 - (a) terminate their respective obligations to the Company and/or the Group Entities and/or the Promoters under the Definitive Agreements. Provided however that, BIL, IFC and Abraaj (as the case may be) shall continue to be entitled to all their rights under these Articles which shall remain unaffected, and the Company and/or the Group Entities and/or Promoters shall continue to be liable for all their obligations under these Articles; or
 - (b) BIL and Abraaj may freely Transfer up to all of their respective Securities to any Person, subject to IFC’s Tag Along Right under Article 133(v)(d)(B) and may assign all or any of the Securities held

by the them and/or any of its rights under these Articles to any Person, without the prior consent of any Person.

141. **COVENANTS OF THE COMPANY, THE GROUP ENTITIES AND THE PROMOTERS**

- (i) Each of the Promoters hereby agrees and undertakes to each Investor that it/he shall cause its/his nominees on the Board of the Company and the Group Entities to exercise its/his voting rights in any Board meetings and each of the Promoters, shall exercise its/his respective votes or cause the exercise of the votes at any annual or extraordinary meeting of shareholders of the Company and/or Group Entities, to take all actions necessary to give full and complete effect to the provisions of these Articles and the other Definitive Agreements.
- (ii) The Promoters, jointly and severally, agree and undertake that they shall bear all the Loss(es) arising out of or resulting from or connected with any claim over the title of or acquisition/confiscation of, or any obligation or liability, including, but not limited to any Tax liability, of the Company and/or the Group Entities arising due to usage of or on account of any of the lands/properties/Assets already acquired by the Company and/or the Group Entities or acquired by the Company and/or the Group Entities pursuant to the BIL Subscription Agreement or the IFC Subscription Agreement, or any non-compliance with applicable Laws in connection thereto. Notwithstanding anything contained hereinabove, the Company shall not be required to bear any Loss(es) in relation to any of the events as set forth in this Article 141 and the Promoters shall be responsible to pay such Loss(es) directly on behalf of the Company within the time period as required under the applicable Law to ensure that the interest of the Company is not prejudiced.
- (iii) The Promoters, the Company and the Group Entities hereby agree and undertake that:
 - (a) they shall ensure that all agreements and arrangements between Persons forming part of the Promoters and/or their Affiliates on one hand and the Company and/or the Group Entities and/or their Affiliates on the other hand, are entered into on an Arms' Length Basis and subject to the other provisions of these Articles. The Company, the Group Entities and the Promoters agree and undertake to provide all assistance and make available all information, books, registers, Contracts, documents and records and provide access to all premises, sites, offices, laboratories, personnel, Officers, employees, agents, accountants, consultants, etc. of the Company and/or its Group Entities as BIL may require to review any such transaction on an on-going basis.
 - (b) there shall be no obligation whatsoever on any Investor and Abraaj to pledge any Securities held by them or provide any Financial Indebtedness or equity investments or other form of financial assistance to the Company or its Group Entities or to provide any guarantees in relation to any Financial Indebtedness or equity investments or any financial assistance to be obtained by the Company or its Group Entities from any other Person.
 - (c) they shall comply with all the applicable Laws in all respects.
 - (d) the Company, the Promoter and the Group Entities, and, their respective directors and employees shall follow ethical business practices.
 - (e) Compliance with Laws: The Promoters, the Company and the Group Entities hereby agree and undertake that:
 - (A) they and/or their Affiliates shall not engage, by themselves directly or by authorizing any Person to do so, in any offering, giving, receiving, or soliciting, any money, gifts, gratifications or any other thing of value to any Government Official (*as defined herein below*) or any other Person, that will amount to a violation of the U.S. Foreign Corrupt Practices Act; 15 U.S.C. §78dd-1, et seq. as amended (the "**FCPA**"), and the Prevention of Money Laundering Act, 2002 ("**PMLA**") and other equivalent applicable Law to the Company and/or the Group Entities and/or the Promoters and/or their Affiliates and/or any persons authorised by them, notwithstanding the applicability of the FCPA and/or the PMLA to the Company and/or the Group Entities and/or the Promoters and/or their Affiliates and/or any persons authorised by them, in relation to such conduct.
 - (B) they shall not and further undertake to ensure that their respective directors, Officers, representatives, employees, advisors and agents do not, make any offer, payment, promise to pay or authorise the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any government official (including without limitation, any tax or customs official, any employee of a government owned or controlled company, or of a public international organization, or any person acting in an official capacity on behalf of a government, government owned or controlled company, or

public international organization), or to any arbitration tribunal, or to any political party or an employee of any political party, domestic or foreign (or official thereof) ("**Government Official**") or to any other Person who was or is in a position to help or hinder the Business of the Company, its Group Entities, the Promoters and their Affiliates: (i) with the intent or purpose of influencing such Government Official or other Person in his official capacity, inducing such Government Official to do or omit to do any act in violation of the lawful duty of such official, or securing any improper advantage; (ii) inducing such Government Official to use his influence with a government or instrumentality thereof to affect or influence any act or decision of such government or instrumentality; (iii) that would cause the Company, its Group Entities, the Promoters and/or their Affiliates and their respective directors, and employees to violate or be in violation of any applicable Law (including without limitation the FCPA, as amended from time to time, notwithstanding the applicability of the FCPA and/or the PMLA to the Company and/or the Group Entities and/or the Promotes and/or their Affiliates and/or any persons authorised by them, in relation to such conduct,) or subject it or them to damages or penalties in a civil or criminal proceeding; or (iv) that could reasonably be expected to have a Material Adverse Change, if not discontinued.

- (C) the Company and the Group Entities shall comply with the FCPA policy as adopted by the Board, effective from April 2011.
- (D) each of the Company, the Group Entities and the Promoters and their Affiliates are: (a) not currently identified on the Specially Designated Nationals and Blocked Persons List maintained by the U.S. Office of Foreign Assets Control, Department of the Treasury ("**OFAC**") and/or on any other similar list maintained by OFAC or any other U.S. governmental agency pursuant to any authorising statute, Order or regulation, and (b) not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States Law, regulation, or Order of the President of the United States.
- (E) they and their Affiliates and their respective directors, officers, representatives, employees, advisors and agents have not provided or collected funds with the intention that they be used, or in the knowledge that they are to be used, in order to carry out terrorist acts or support any terrorist organization.
- (F) the Company, the Group Entities and the Promoters (as applicable) shall issue to BIL, a certificate on an annual basis, in a form and substance satisfactory to BIL, certifying compliance with the provisions of this Article 141(e).
- (f) the Company and the Group Entities shall adopt at their Board meetings and implement all such compliance related policies and procedures as BIL may deem necessary from time to time.
- (iv) The Company and each of its Group Entities have conducted and will conduct their respective business in accordance with and in compliance with all applicable Laws as well as all rules, regulations, orders, guidance, advise, circulars, and good practice guidelines etc. whether binding or advisory in nature, issued by the various regulatory and executive bodies and other Governmental Authorities, including, but not limited to all applicable Laws, codes of practice, company environmental plans and codes of conduct, circulars, guidance notes and the like relating to the protection and conservation of the environment including those concerning the protection of human health or the environment or the conditions of the workplace or the generation, transportation, storage, treatment or disposal of wastes (whether biomedical, hazardous, radioactive, industrial or otherwise).
- (v) The Promoters and the Company hereby undertake to take all necessary actions to ensure that all the Group Entities comply with the provisions of these Articles.
- (vi) Unless otherwise agreed by the Investors in writing, the Promoters and the Company hereby agree and undertake that a big four audit firm (being PwC, Deloitte, EY and KPMG) shall continue to be appointed as the statutory auditors and/or internal auditor of the Company. The Promoters and the Company hereby further undertake that, upon the request of either IFC or BIL, each of the Group Entities shall appoint one of the big four audit firms as their statutory auditors and/or internal auditors.
- (vii) Subject to the Shareholder's Agreement, the Promoters shall ensure that any entity incorporated or acquired by the Promoters from the date hereof, which is engaged in the Business, shall execute a Deed of Adherence.

- (viii) The Promoters agree to undertake all such steps as may be required by BIL or under Law to: (i) perfect the title of the Company over the property located at NDR Estates Complex, GST Road, Madhavaram, Chennai – 600110, the lease period whereof has been renewed in favour of the Company, in accordance with the BIL Subscription Agreement; and (ii) legally and validly acquire the title over the properties/lands, including the properties/lands set forth in the BIL Subscription Agreement.
- (ix) The Company agree that it shall pay such additional amount as may be required under Law or by each Investor, with respect to the Definitive Agreements (the "**Charges**"), which may include but shall not be limited to, for the purposes of: (i) enforcing the Definitive Agreements as per the terms of the Shareholders' Agreement; (ii) receiving the Definitive Agreements in the State of Maharashtra, etc. For the purposes of this Article 141, the term Charges shall include, but may not be limited to, additional stamp duty, interest, penalty, etc.
- (x) The Promoters shall disclose the details of each and every material transaction between the Company and any Related Party to the Board for its consideration and approval, prior to the Company entering into any such transaction. All transactions between the Company and any Related Party shall be entered into only with the prior written consent (a) of BIL in accordance with Article 108(i); and (b) in accordance with Article 108(iii); and (c) of the Audit Committee in accordance with Article 91, and carried out on fair market terms no less favourable to the Company than would be obtained in an Arm's Length negotiation with a Person unaffiliated with the Company.
- (xi) The Company, the Group Entities hereby undertake to procure, and keep and maintain in full force and effect, at all times, all insurance policies as may be required by the Company and/or its Group Entities, as the case may be, to maintain at all time, sufficient insurance cover as is customary for companies carrying on the Business, in accordance with best industry practices and international norms and customs and applicable Law.
- (xii) The Company and the Group Entities shall maintain, at all times, the directors and officers liability insurance policy for such amount as may be acceptable to BIL and IFC from a 'AAA' rated insurance company, for any liability, cost or expense (including legal expenses) accruing, incurred, suffered, and/or borne by BIL Director, Abraaj Director and IFC Director (if any nominated by IFC).

142. **OPTION TO ACQUIRE SAASTHA AT BOOK VALUE**

- (i) Subject to Article 108, the Company shall have an option to acquire the Assets of Saastha, located at Bhingar, Panvel, Dist. Raigad, Maharashtra (the "**Bhingar Assets**"), as more particularly identified in Schedule VIII of the Shareholders' Agreement. It is clarified that the Bhingar Assets shall include the cold storage facility, the equipments and machinery used in relation to the cold storage facility, and any other capital work-in-progress at Bhingar.
- (ii) The Bhingar Assets shall be acquired at a valuation where:
 - (a) All the Assets identified in Part A of Schedule VIII of the Shareholders' Agreement (except the land parcel mentioned in Clause 5.2(ii) below) shall be valued at the book value arrived at by one of the big four audit firms (being PwC, Deloitte, EY and KPMG). For the sake of clarity, the existing land admeasuring 3.565 acres and 60,686 square feet of building on such land and the items (assets), as set forth in Part A of Schedule VIII of the Shareholders' Agreement, shall form part of the Assets for the purposes of valuation under this Article 142(i); and
 - (b) 22.43 acres of land parcel, the details whereof are set forth in Part B of Schedule VIII of the Shareholders' Agreement, that is not used by Saastha in relation to its business, shall be valued by a third party appraiser that shall be appointed with the written consent of the Investors.

143. **IFC POLICY COVENANT**

The Company shall at all times comply with the policy related covenants provided in the Shareholders' Agreement.

144. **RIGHTS OF BIL, ABRAAJ AND AFFILIATES**

- (i) In the event, an Affiliate(s) of BIL subscribes to: (a) the Subscription Shares (as defined under the BIL Subscription Agreement), in accordance with the provisions of the BIL Subscription Agreement; or (b) any other Security under the Shareholders' Agreement, then the term "**BIL**" under these Articles shall include such Affiliate(s) and such Affiliate(s) shall have all the rights and obligations of BIL under the Definitive Agreements.

- (ii) Without prejudice to Article 144(i), if BIL and one or more of its Affiliates hold not less than 3% (Three per cent) of the Share Capital at any time, then such Affiliate shall have all the rights as are available to BIL under these Articles. BIL and its Affiliates (that holds not less than 3% (three per cent) of the Share Capital) agree that any such Affiliate shall exercise its rights under these Articles through BIL; and
- (iii) If, Abraaj and one or more of its Affiliates hold Securities in the Company at any time, then each such Affiliate shall be deemed to be a part of Abraaj under these Articles.

145. **SUCCESSORS AND ASSIGNS**

Notwithstanding anything to the contrary contained in the Articles or Definitive Agreements:

- (i) No rights, liabilities or obligations under these Articles shall be assigned by the Company or any Group Entity or any Promoter, without the prior written consent of BIL and IFC.
- (ii) Except as set forth in Article 133(ix)(h), Abraaj shall not assign any rights, liabilities or obligations under these Articles to any Abraaj Securities Transferee;
- (iii) IFC and BIL may assign all or any of the Securities held by them and/or their respective rights under the Definitive Agreements (including the right to nominate a Director of the Board) upon the Transfer of the Shares to any Person without the prior written consent of the other Parties to the Shareholders' Agreement; provided that the Persons to whom such rights are assigned shall agree to execute the Deed of Adherence.

146. **DISPUTE RESOLUTION**

- (i) All disputes or claim arising out of or in connection with or relating to these Articles, or the breach, termination or invalidity hereof, shall be resolved by the senior executives of BIL, IFC, Abraaj and the Promoters.
- (ii) If the dispute is not resolved through such discussions, within 30 (thirty) Business Days, any such dispute shall be referred at the request in writing ("**Dispute Notice**") of any Party(ies) ("**Disputing Parties**") to binding arbitration by a panel of 3 (three) arbitrators (the "**Arbitration Board**"). The arbitration shall be conducted at Singapore in accordance with the rules of the Singapore International Arbitration Centre as may be applicable from time of time ("**SIAC Rules**"). Within 21 (twenty one) days of the service of the Dispute Notice by the Disputing Parties, such Party(ies) shall appoint 1 (one) arbitrator and the other Party(ies) shall appoint 1 (one) arbitrator. The 2 (two) arbitrators so appointed shall appoint a third arbitrator within 7 (seven) days of the appointment of the later of the two arbitrators. All arbitration proceedings shall be conducted in the English language.
- (iii) All arbitration proceedings shall be conducted in the English language and the place of arbitration shall be Mumbai.
- (iv) Each Party shall co-operate in good faith to expedite (to the maximum extent practicable) the conduct of any arbitral proceedings commenced under these Articles.
- (v) The costs and expenses of the arbitration, including the fees of the third arbitrator on the Arbitration Board, shall be borne equally by each Party to the dispute or claim and each Party shall pay its own fees, disbursements and other charges of its counsel and the arbitrators nominated by it, except as may be otherwise determined by the Arbitration Board.
- (vi) Any award made by the Arbitration Board shall be final and binding on each of the Parties that are parties to the dispute.
- (vii) It is clarified that any Party may seek interim or injunctive relief from any court having jurisdiction to grant the same, pending determination of the dispute by arbitration. The pursuit of interim or injunctive relief shall not be a waiver of the right of the Parties to pursue any other remedy or relief through the arbitration described in this Article 146
- (viii) Notwithstanding the provisions of this Article 146 (including Article 146(vii) or the SIAC Rules, the Arbitration Board shall not be authorized to take or provide, and the Relevant Parties shall not be authorized to seek from any judicial authority, any interim measures of protection or pre-award relief against IFC. For the avoidance of doubt, Sections 9, 27 and 37 of the Arbitration and Conciliation Act, 1996 are hereby specifically excluded.
- (ix) The Relevant Parties acknowledge and agree that no provision of these Articles or of the SIAC Rules, nor the submission to arbitration by IFC, in any way constitutes or implies a waiver, termination or

modification by IFC of any privilege, immunity or exemption of IFC granted in the Articles of Agreement establishing IFC, international conventions, or applicable Law.

147. **LOAN AGREEMENT WITH LENDERS**

Nothing contained in these Articles shall prejudice the rights of any of the lenders of the Company under or pursuant to any Loan Agreement (s) entered into between the Company and any of its Lenders and any related financing documents (“**Financing Documents**”), as may be modified, amended or supplemented by the Lenders from time to time, which are incorporated into these Articles by reference and in the event of any inconsistency between the Articles and the Financing Documents, the provisions of the Financing Documents shall prevail.

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 will be attached to the copy of the Red Herring Prospectus which will be 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 a.m. and 5 p.m. on all Working Days from the date of the Red Herring Prospectus until the Bid/Offer Closing Date.

A. Material Contracts for the Offer

1. Offer Agreement dated September 30, 2016 between our Company, the Selling Shareholders and the BRLMs.
2. Agreement dated September 30, 2016 between our Company, the Selling Shareholders and the Registrar to the Offer.
3. Cash Escrow Agreement dated [●] between our Company, the Selling Shareholders, the Registrar to the Offer, the BRLMs, the Syndicate Members and the Escrow Collection Bank(s).
4. Share Escrow Agreement dated [●] between the Selling Shareholders, the BRLMs, our Company and the Escrow Agent.
5. Syndicate Agreement dated [●] between our Company, the Selling Shareholders, the BRLMs and the Syndicate Members.
6. Underwriting Agreement dated [●] between our Company, the Selling Shareholders and the Underwriters.

B. Material Documents

1. Certified copies of the updated Memorandum and Articles of Association of our Company as amended from time to time.
2. Certificate of incorporation dated May 23, 1997.
3. Certificate of commencement of business dated August 5, 1997.
4. Resolution passed by our Board on September 27, 2016 in relation to the Offer and other related matters.
5. Resolution passed by our Shareholders on September 29, 2016 in relation to the Offer and other related matters.
6. Resolutions passed by the board of directors of AOIOF dated September 29, 2016 in relation to the Offer for Sale and other related matters
7. Resolution passed by the board of directors of ASAF dated September 29, 2016 in relation to the Offer for Sale and other related matters.
8. Resolution passed by the board of directors of Bridgeview dated September 28, 2016 in relation to the Offer for Sale and other related matters.
9. Resolution passed by the board of directors IOF dated September 29, 2016 in relation to the Offer for Sale and other related matters.
10. Copies of the annual reports of our Company for the Financial Years 2016, 2015, 2014, 2013, and 2012.
11. The audit reports of the Statutory Auditors dated September 29, 2016, in relation to our Company's Restated Standalone Financial Information and Restated Consolidated Financial Information, included in this Draft Red Herring Prospectus.
12. The Statement of Tax Benefits dated September 29, 2016 from H A Y and Associates, independent chartered accountants.
13. Consent of the Directors, the BRLMs, Legal Counsel to the Company as to Indian Law, Legal Counsel to the BRLMs as to Indian Law, International Legal Counsel to the BRLMs, Legal Counsel to Abraaj as to

Indian Law, Legal Counsel to Bridgeview as to Indian Law, Syndicate Members, Escrow Collection Banks, Bankers to the Offer, Statutory Auditors, Registrar to the Offer, Bankers to our Company, Lenders to our Company, Chief Financial Officer and Compliance Officer as referred to in their specific capacities.

14. Due Diligence Certificate dated September 30, 2016 addressed to SEBI from the BRLMs.
15. Share Subscription Agreement dated February 25, 2011 entered into amongst N. Adikesavulu Reddy, N. Amrutesh Reddy, N. Kamakshamma, N.D.R., Saastha, Kaveri, Delex, CMTL, CWCL, Bridgeview and our Company.
16. Share Subscription Agreement dated March 31, 2016 entered into amongst the Promoters, IFC and our Company.
17. Share Purchase Agreement dated March 28, 2014 entered into amongst N. Adikesavulu Reddy, N. Kamakshamma, CWCL, CMTL, our Company and Bridgeview.
18. Agreement for Transfer of Shares dated April 15, 2013 entered into between India Infrastructure and Logistics Private Limited and our Company.
19. Restated and Amended Shareholders' Agreement dated March 31, 2016 as amended by way of Amendment and Consent Agreement dated September 29, 2016 into amongst the SHA Investors, Abraaj, the Promoters, the SHA Group Entities, Saastha and our Company.
20. Put Option Agreement dated March 31, 2016 as amended by way of Termination Agreement dated September 29, 2016 into amongst our Company, our Promoters and IFC.
21. Policy on Certain Operational Covenants and Certain Reporting Requirements upon Listing.
22. Employment Agreement dated June 26, 2009 between N. Adikesavulu Reddy and our Company.
23. Employment Agreement dated July 30, 2009 between N. Amrutesh Reddy and our Company.
24. In principle listing approvals dated [●] and [●] issued by BSE and NSE respectively.
25. SEBI interim observation letter number [●] dated [●] and SEBI final observation letter number [●] dated [●].
26. Tripartite agreement dated December 29, 2006 between our Company, NSDL and the Registrar to the Offer.
27. Tripartite agreement dated September 19, 2016 between our Company, CDSL and the Registrar to the Offer.

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, without reference to the Shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We hereby declare that all relevant provisions of the Companies Act and the guidelines issued by the Government or the regulations or guidelines issued by 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 SEBI Act or rules or regulations made thereunder or guidelines issued, as the case may be. We further certify that all the disclosures and statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY ALL THE DIRECTORS OF OUR COMPANY

_____	N. Adikesavulu Reddy (Chairman and Managing Director)
_____	N. Amrutesh Reddy (Whole-time Director)
_____	Darayush K. Jalnawalla (Whole-time Director)
_____	Viraj Sawhney (Nominee Director)
_____	M.S. Sundara Rajan (Independent Director)
_____	B. Ravindranath (Independent Director)
_____	Brinda Jagirdar (Independent Director)
_____	G.K. Ravishankar (Independent Director)

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

_____	R. Ramdas (Chief Financial Officer)
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Place: Mumbai
Date: September 30, 2016

DECLARATION

Aureos Offshore India Opportunities Fund LLC hereby certifies that all statements and undertakings, made 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 are true and correct. Aureos Offshore India Opportunities Fund LLC assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

For **Aureos Offshore India Opportunities Fund LLC**

Place: Mauritius

Date: September 30, 2016

DECLARATION

Aureos South Asia Fund LLC hereby certifies that all statements and undertakings, made 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 are true and correct. Aureos South Asia Fund LLC assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

For **Aureos South Asia Fund LLC**

Place: Mauritius

Date: September 30, 2016

DECLARATION

Bridgeview Investment Ltd hereby certifies that all statements and undertakings, made 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 are true and correct. Bridgeview Investment Ltd assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

For **Bridgeview Investment Ltd**

Place: Port Louis, Mauritius

Date: September 30, 2016

DECLARATION

India Opportunities Fund hereby certifies that all statements and undertakings, made 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 are true and correct. India Opportunities Fund assumes no responsibility for any other statements in this Draft Red Herring Prospectus.

Signed by the Selling Shareholder

For **India Opportunities Fund**

Place: Mumbai

Date: September 30, 2016