



SSIPL RETAIL LIMITED

Our Company was originally incorporated as a private limited company on October 05, 1994 in the name of “Moja Shoes Private Limited” under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, the name of our Company was changed to “SSIPL Retail Private Limited” pursuant to a fresh certificate of incorporation dated August 25, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a change in status of our Company to a public limited company by a special resolution of the shareholders passed at the EGM held on May 26, 2008, the name of our Company was changed to “SSIPL Retail Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on June 19, 2008. For details of changes in the registered office of our Company, see the section titled “*History and Certain Corporate Matters*” on page 144.

Registered and Corporate Office: B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044, India.

Tel: (91 11) 6699 9999; **Fax:** (91 11) 4100 0253

Contact Person: Kanika Verma, Company Secretary and Compliance Officer

Website: www.ssiplgroup.com; **Email:** ssiplipo@ssipl.in; **Corporate Identity Number:** U74899DL1994PLC061971

PROMOTERS OF OUR COMPANY: RISHAB SONI, SUNIL TANEJA, AMIT MATHUR, KABIR TANEJA

PUBLIC OFFER OF UP TO 2,988,368 EQUITY SHARES OF FACE VALUE OF ₹ 10 EACH (“EQUITY SHARES”) OF SSIPL RETAIL LIMITED (THE “COMPANY”) FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE) AGGREGATING TO ₹ [●] MILLION (THE “OFFER”). THE OFFER COMPRISES A FRESH ISSUE OF UP TO 1,000,000 EQUITY SHARES BY OUR COMPANY (“FRESH ISSUE”) AND AN OFFER FOR SALE OF UP TO 1,588,368 EQUITY SHARES BY TANO MAURITIUS INDIA FVCI AND UP TO 400,000 EQUITY SHARES BY RAJESH SAHGAL (COLLECTIVELY THE “SELLING SHAREHOLDERS”) (“OFFER FOR SALE”). THE OFFER WILL CONSTITUTE 27.12% OF THE POST-OFFER PAID-UP CAPITAL OF OUR COMPANY. THE PRICE BAND, ANY RETAIL DISCOUNT AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS, IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGERS, INCLUDING THE RELEVANT FINANCIAL RATIOS COMPUTED FOR BOTH THE CAP PRICE AND THE FLOOR PRICE, WHICH SHALL BE PUBLISHED IN AN ENGLISH NATIONAL DAILY NEWSPAPER AND A HINDI NATIONAL DAILY NEWSPAPER (HINDI BEING THE REGIONAL LANGUAGE OF NEW DELHI WHERE OUR REGISTERED OFFICE IS LOCATED), EACH WITH WIDE CIRCULATION, BEING THE NEWSPAPERS IN WHICH THE PRE-OFFER ADVERTISEMENTS WERE PUBLISHED, AT LEAST FIVE WORKING DAYS PRIOR TO THE BID OPENING DATE.

**Discount of [●]% of the Offer Price, amounting to ₹ [●] may be offered to Retail Individual Bidders (“Retail Discount”)*

In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional Working Days after such revision, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers and the terminals of the other members of the Syndicate.

In terms of Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, as amended, (the “SCRR”) the Offer is being made for at least 25% of the post-Offer paid-up Equity Share capital of our Company. The Offer is being made through the Book Building Process in compliance with Regulation 26(1) of SEBI Regulations where 50% of the Offer will be allocated to Qualified Institutional Buyers (“QIBs”) (the “QIB Portion”) on proportionate basis. Our Company and the Selling Shareholders may allocate up to 60% of the QIB Portion, to Anchor Investors, on a discretionary basis (the “Anchor Investor Portion”) out of which one-third shall be reserved for domestic Mutual Funds in consultation with the BRLMs. 5% of the QIB Portion (excluding the Anchor Investor Portion) shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the QIB Portion shall be available for allocation on a proportionate basis to QIBs including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. Further, not less than 15% of the Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price. Potential investors may participate in this Offer through an Application Supported by Blocked Amount (“ASBA”) process by providing the details of the bank account in which the Bid amount will be blocked by the Self Certified Syndicate Banks (“SCSBs”). QIBs (other than Anchor Investors) and Non Institutional Bidders are mandatorily required to utilise the ASBA process to participate in this Offer. For details see the section titled “*Offer Procedure*” on page 407.

RISKS IN RELATION TO FIRST OFFER

This being the first public offer of our Company, there has been no formal market for our Equity Shares. The face value of the Equity Shares is ₹ 10 and the Floor Price is [●] times of the face value and the Cap Price is [●] times of the face value. The Offer Price (as determined and justified by our Company, the Selling Shareholders and the Book Running Lead Managers, on the basis of the assessment of market demand for the Equity Shares by way of the Book Building Process and as stated in the section titled “*Basis for the Offer Price*” on page 91 should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this 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 this Offer. For taking an investment decision, investors must rely on their own examination of our Company and this Offer, including the risks involved. The Equity Shares 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 the section titled “*Risk Factors*” on page 11.

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 this Offer, which is material in the context of this 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. Each of the Selling Shareholders, having made all reasonable inquiries, accepts responsibility that all statements made by it in this Draft Red Herring Prospectus about itself and its Equity Shares which are being offered through the Offer for Sale, are true and correct in all material respects and is 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 in-principle approvals from the BSE and the NSE for listing of the Equity Shares pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, [●] shall be the Designated Stock Exchange.

BOOK RUNNING LEAD MANAGERS

REGISTRAR TO THE OFFER



AXIS CAPITAL LIMITED

1st Floor, Axis House
C – 2 Wadia International Centre
P.B. Marg
Worli, Mumbai 400 025
Tel: (91 22) 4325 2183
Fax: (91 22) 4325 3000
Email: ssiplipo@axiscap.in
Website: www.axiscapital.co.in
Investor grievance email: complaints@axiscap.in
Contact person: Kanika Goyal
SEBI Registration Number: INM000012029



IDFC SECURITIES LIMITED

Naman Chamber
C – 32, G Block
Bandra Kurla Complex
Bandra (E), Mumbai 400 051
Tel: (91 22) 6622 2600
Fax: (91 22) 6622 2501
Email: srlipo@idfc.com
Website: www.idfccapital.com
Investor grievance email: investor grievance@idfc.com
Contact person: Akshay Bhandari
SEBI Registration Number: MB/INM000011336



AMBIT CORPORATE FINANCE PRIVATE LIMITED

Ambit House, 449 Senapati Bapat Marg
Lower Parel, Mumbai 400 013
Tel: (91 22) 3982 1819
Fax: (91 22) 3982 3020
Email: srlipo@ambitpte.com
Website: www.ambitholdings.com
Investor grievance email: customerservicemb@ambitpte.com
Website: www.ambitholdings.com
Contact person: Sundee Parate
SEBI Registration No.: INM000010585



KARVY COMPUTERSHARE PRIVATE LIMITED

Plot no.17 to 24
Vithalrao Nagar
Madhapur, Hyderabad 500 081
Telephone: (91 40) 2342 0815 to 20
Toll Free: 1800 345 4001
Facsimile: (91 40) 2342 0814
E-mail ID: einward.ris@karvy.com
Website: www.karvy.com
Contact Person: M Murali Krishna
SEBI Registration Number: INR0000000221

BID/OFFER PROGRAMME*

BID/OFFER OPENS ON

[●][†] **BIDDING CLOSES ON (FOR QIBs)***
BIDDING CLOSES ON (FOR NON-QIBs)**

[●]
[●]

Anchor Investor Bidding Date shall be one Working Day prior to the Bid/Offer Opening Date

** Our Company and the Selling Shareholders may, in consultation with the Book Running Lead Managers consider closing the Bidding Period for QIBs one Working Day prior to the Bid Closing Date in accordance with the SEBI ICDR Regulations.*



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SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

Unless the context otherwise indicates requires or implies, the following terms shall have the following meanings in this Draft Red Herring Prospectus and any references to any statutes, regulations or policies shall include references to any amendments or re-enactments made from time to time.

Company related terms

Term	Description
“Company” or “our Company”	SSIPL Retail Limited, a public limited company incorporated under the Companies Act, having its registered and corporate office situated at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044.
“we” or “us” or “our”	Unless the context otherwise indicates or implies, refers to our Company together with its Subsidiaries.
“Articles” or “Articles of Association” or “our Articles”	The articles of association of our Company, as amended.
Auditor	The statutory auditor of our Company, being T. R. Chadha & Co., Chartered Accountants.
“Board” or “Board of Directors” or “our Board”	The board of directors of our Company or committees constituted by it from time to time.
CCPS	Compulsorily convertible non-redeemable cumulative preference shares of our Company of ₹ 10 each.
Director(s)	The director(s) on our Board, as appointed from time to time.
ESOS 2008	The employee stock option scheme of our Company approved by the shareholders pursuant to a shareholders meeting dated September 13, 2008 and adopted for the benefit of employees eligible under the scheme.
ESOS 2014	The employee stock option scheme of our Company approved by the shareholders pursuant to a shareholders meeting dated July 31, 2014 and adopted for the benefit of employees eligible under the scheme.
Group Entities	Group Entities, wherever they occur, shall mean companies, firms, ventures, etc. promoted by the Promoters of our Company, irrespective of whether such entities are covered under section 370(1)(B) of the Companies Act, 1956 and enumerated in the section titled “ <i>Our Promoter, Our Promoter Group and Group Entities</i> ” on page 176.
HBP	HBP Holdings Limited.
Key Management Personnel/KMP	The personnel listed as key management personnel in the section titled “ <i>Our Management – Key Management Personnel</i> ” on page 173.
KNS Trading	KNS Trading Private Limited, a company incorporated under the Companies Act 1956
“Memorandum of Association” or “our Memorandum” or “MoA”	The memorandum of association of our Company, as amended.
Moja Shoes	Moja Shoes Private Limited, a company incorporated under the Companies Act, 1956,
OIJIF	Oman India Joint Investment Fund
Promoters	The Promoters of our Company being Rishab Soni, Sunil Taneja, Amit Mathur, and Kabir Taneja.
Promoter Group	Such persons and entities which constitute the promoter group of our Company pursuant to Regulation 2(1)(zb) of the ICDR Regulations and as detailed in the section titled “ <i>Our Promoters, Promoter Group and Group Companies</i> ” on page 176 of the DRHP.
Registered Office	The registered office of our Company, presently situated at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044.
Restated Consolidated Financial Information	The consolidated financial information examined in accordance with the generally accepted auditing standards in India of our Company, and its Subsidiaries as of and for each of the years ended March 31, 2011, 2012, 2013 and 2014, and six month period ended September 30, 2014, restated in accordance with the requirements of the Companies Act 2013, as amended, and the ICDR Regulations together with the schedules and notes thereto.
Restated Unconsolidated Financial Information	The unconsolidated financial information examined in accordance with the generally accepted auditing standards in India of our Company as of and for each of the years ended March 31, 2010, 2011, 2012, 2013 and 2014 and six month period ended September 31, 2014, restated in accordance with the requirements of the Companies Act, 2013, as amended and the ICDR Regulations, together with the schedules and notes thereto.
Restated Financial Information	The Restated Consolidated Financial Information and the Restated Unconsolidated Financial Information collectively.
Revere	Revere Pentland Private Limited.
RPS	Redeemable preference shares of ₹ 10 each
Senior Management Personnel/SMP	The personnel listed as senior management personnel in the section titled “ <i>Our Management – Senior Management Personnel</i> ” on page 173.
Selling Shareholders	Tano and Rajesh Sahgal.
Settlement Agreement	Settlement agreement dated July 21, 2011 entered into between our Company, HBP, Rishab Soni, Sunil Taneja, Ashok Mathur, Sports Station and KNS Trading.
Shareholders’ Agreement	The shareholders’ agreement dated April 25, 2006, as amended by way of agreements dated March 27, 2007, July 09, 2007, third shareholders’ amendment agreement dated October 20, 2014, and fourth shareholders’ amendment agreement dated March 12, 2015.



Term	Description
Sierra	Sierra Industrial Enterprises Private Limited.
SSIPL Lifestyle	SSIPL Lifestyle Private Limited, wholly owned subsidiary of our Company.
Sports Station	Sports Station (India) Private Limited, a company incorporated under the Companies Act, 1956, now merged with SSIPL Lifestyle.
Subsidiaries	SSIPL Lifestyle Private Limited.; Shubh Footwear Products Private Limited and the partnership firm Shree Shoes
Tano	Tano Mauritius India FVCI.

Term	Description
Classification of Cities by our Company	Except as disclosed in the 'Industry' chapter, our Company has classified the cities for internal use, based on the population of the cities/districts as per Census of India 2011 into the following categories: Metros, Tier-I, Tier-II and Tier-III
Metros and Tier-I Cities	Internal classification of our Company for cities in this case being Delhi, Mumbai, Chennai and Kolkata and cities which are either the capital of the states and Union Territories or having a population of more than 3 million
Tier-II Cities	Internal classification of our Company for cities having a population between 0.5 million to 3 million, excluding capital of the states
Tier-III Cities	Internal classification of our Company for cities having a population of less than 0.5 million, excluding capital of the states

Offer Related Terms

Term	Description
Allotted/Allotment/Allot	Issue, allotment and transfer of the Equity Shares to successful Bidders pursuant to this Offer.
Allottee	Any Bidder/Applicant to whom the Equity Shares are Allotted.
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after discovery of the Offer Price in accordance with the Book Building Process, including any revisions thereof, and approval of the Basis of Allotment by the Designated Stock Exchange.
Ambit	Ambit Corporate Finance Private Limited.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in the ICDR Regulations.
Anchor Investor Allocation Price	The price at which Allotment is being done to the Anchor Investors.
Anchor Investor Bid	Bid made by the Anchor Investor.
Anchor Investor Bidding Date	The date one day prior to the Bid Opening Date.
Anchor Investor Offer Price	The final price at which Equity Shares will be issued and Allotted to Anchor Investors in terms of the Red Herring Prospectus and the Prospectus, which will be a price equal to or higher than the Offer Price but not higher than the Cap Price. The Anchor Investor Offer Price will be decided by the Company and Selling Shareholders in consultation with the Book Running Lead Managers.
Anchor Investor Portion	Up to 60% of the QIB Portion, which may be allocated to Anchor Investors by the Company and Selling Shareholders in consultation with the Book Running Lead Managers, on a discretionary basis, out of which one third of the Anchor Investor Portion shall be reserved for domestic Mutual Funds, subject to valid Bids being received at or above the price at which allocation is being made to Anchor Investors.
Application Form	The form in terms of which the Applicant should make an application for Allotment in case of issues other than Book Built Offers.
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Offer who Bid/apply through ASBA
Axis	Axis Capital Limited.
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Offer
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto.
Bid /Offer Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Offer, 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 our Company is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date.
Bid/Offer Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Offer, which may



Term	Description
	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 our Company is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date.
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less Retail Discount (if any).
Bidding Centre	A centre for acceptance of the Bid cum Application Form.
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise.
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form.
Bidding Period	The period between the Bid Opening Date and the Bid Closing Date, inclusive of both days, during which prospective Bidders can submit their Bids, including any revisions thereof.
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under the ICDR Regulations in terms of which the Offer is being made.
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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.
Book Running Lead Managers/BRLMs	The book running lead managers to the Offer, in this case being Axis Capital Limited, IDFC Securities Limited, and Ambit Corporate Finance Private Limited.
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer Price may not be finalised and above which no Bids may be accepted.
Category III FPI	FPIs who are registered as “Category III foreign portfolio investors” under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Cut-off Price	Offer Price, finalised by our Company and Selling Shareholders in consultation with the Book Running Lead Managers, which can be any price within the Price Band and Selling Shareholders. 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.
Demographic Details	Details of the Bidders/Applicants including the Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details.
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html .
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or 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, after the Prospectus is filed with the RoC, following which the board of directors may Allot Equity Shares to successful Bidders/Applicants in the Fresh Issue may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale.
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of our Company.
“Draft Red Herring Prospectus” or “DRHP”	This draft red herring prospectus dated March 16, 2015 filed with SEBI.
Equity Listing Agreements	Equity listing agreements entered into by our Company with the Stock Exchanges.
Equity Shares	Equity shares of our Company of face value ₹ 10 each.
Escrow Accounts	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among our Company, the Selling Shareholders, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof.
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
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 SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
Fresh Issue	Fresh issue of up to 1,000,000 Equity Shares by our Company, as part of the Offer in terms of the Red Herring Prospectus.
Foreign Portfolio Investor or FPI	Foreign portfolio investor under the SEBI (Foreign Portfolio Investors) Regulations, 2014.
IDFC Securities	IDFC Securities Limited, is presently registered with SEBI as a Stock Broker and a Category I - Merchant Banker. IDFC Capital Limited (erstwhile IDFC SSKI Private Limited) was a SEBI registered Category I Merchant Banker. During FY 2014, IDFC Capital Limited was merged with



Term	Description
	IDFC Securities Limited as per the Order of the Hon'ble High Court of judicature at Bombay dated March 28, 2014.
Mutual Funds	Mutual funds registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996.
Mutual Funds Portion	5% of the Net QIB Portion equal to a minimum of 29,844 Equity Shares available for allocation to Mutual Funds only, out of the QIB Portion on a proportionate basis.
Net Proceeds	Proceeds of the Offer that are available to our Company, excluding Offer expenses to be borne by our Company and the proceeds of the Offer for Sale.
Net QIB Portion	The portion of QIB portion less the number of Equity Shares allocated to the Anchor Investors, being a minimum of 597,674 Equity Shares to be allocated to the QIBs on a proportionate basis.
Non-Institutional Bidders	All Bidders, including sub-accounts of FIIs registered with SEBI, which are foreign corporate or foreign individuals, that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than ₹ 200,000.
Non-Institutional Portion	The portion of the Offer, being not more than 15% of the Offer or 567,790 Equity Shares, available for allocation to Non-Institutional Bidders.
Non Syndicate Broker Centre	A broker centre of the Stock Exchanges with broker terminals, wherein a Non Syndicate Registered Broker may accept Bid cum Application Forms, details of which are available on the website of the Stock Exchanges, and at such other websites as may be prescribed by SEBI from time to time.
Non-Resident Indian or NRI	A person resident outside India, who is a citizen of India or a person of Indian origin and will have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000.
Non Syndicate Registered Broker	A broker registered with SEBI under the Securities and Exchange Board of India (Stock Brokers and Sub Brokers Regulations), 1992, having terminals in any of the Non Syndicate Broker Centres, and eligible to procure Bids in terms of the circular No. CIR/CFD/14/2012 dated October 4, 2012 issued by SEBI.
Offer	Public offer of up to 2,988,368 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating ₹ [●] million, consisting of a Fresh Issue of up to 1,000,000 Equity Shares by our Company and an Offer for Sale of up to 1,988,368 Equity Shares by the Selling Shareholders. The Offer will constitute 27.12% of the post-Offer paid-up capital of our Company.
Offer Agreement	The agreement dated March 10, 2015 entered into amongst our Company, the Selling Shareholders, the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Offer.
Offer Price	The final price (less Retail Discount, if any) at which Equity Shares will be issued and Allotted to the successful Bidders in terms of the Red Herring Prospectus and the Prospectus. The Offer Price will be decided by our Company and the Selling Shareholders, in consultation with the BRLMs. The rupee amount of the Retail Discount, if any, would be decided by our Company and the Selling Shareholders in consultation with the BRLMs and advertised in all editions of an English national daily newspaper and a Hindi national daily newspaper (hindi being the regional language of new delhi where our registered office is located), at least 5 Working Days prior to the Bid/Offer Opening Date, and shall be made available to the Stock Exchanges for the purpose of uploading on their website.
Offer for Sale	Offer of up to 1,988,368 Equity Shares by the Selling Shareholders for sale.
Overseas Corporate Body or OCB	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 was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA.
Pay-in Date	In case of Bidders, other than ASBA Bidders the Bid Closing Date and which shall with respect to the Anchor Investors, be a date not later than two days after the Bid Closing Date.
Pay-in Period	Except with respect to Anchor Investors, the period commencing on the Bid Opening Date and extending until the Bid Closing Date. With respect to Anchor Investors, the Anchor Investor Bidding Date and the last specified in the CAN which shall not be later than two days after the Bid Closing Date.
Preference Shares	Preference Shares of our Company of face value ₹ 10 each.
Price Band	Price band of a minimum price (Floor Price) of ₹ [●] and a maximum price (Cap Price) of ₹ [●], including revisions thereof.
Pricing Date	The date on which our Company and the Selling Shareholders, in consultation with the BRLMs will finalise the Offer Price.
Prospectus	The prospectus to be filed with the RoC for this Offer on or after the Pricing Date, in accordance with section 56 of the Companies Act, section 32 of the Companies Act, 2013 and the SEBI Regulations.
Public Offer Accounts	The bank accounts to be opened with the Bankers to the Offer to receive monies from the Escrow Account(s) and the ASBA Accounts, on the Designated Date.
“QFIs” or “Qualified Foreign Investor”	Person who has opened a dematerialised account with a qualified depository participants as a qualified foreign investor, holding a valid certificate of registration and who are deemed to be Foreign Portfolio Investor under the SEBI (Foreign Portfolio Investors) Regulations.
Qualified Foreign Investors Depository Participant or QFIs DP	Depository Participant for Qualified Foreign Investors.
Qualified Institutional Buyers or QIBs	A qualified institutional buyer, as defined under Regulation 2(1)(zd) of the ICDR Regulations.
QIB Portion	The portion of the Offer being not more than 50% of the Offer or 1,494,183 Equity Shares to be allotted to QIBs including Anchor Investor Portion.
Red Herring Prospectus or RHP	The red herring prospectus to be issued in accordance with section 56 of the Companies Act and



Term	Description
	section 32 of the Companies Act, 2013 and the SEBI Regulations.
Refund Accounts	Account(s) opened with Refund Bank(s) from which refunds of the whole or part of the Bid Amount (excluding the ASBA Bidders), if any, will be made.
Refund Bank	Escrow Collection Bank with which the Refund Account is opened, in this case being, [●].
Registrar to the Offer /Registrar	Karvy Computershare Private Limited.
Registrar's Agreement	The agreement dated February 26, 2015 entered into amongst our Company, the Selling Shareholders and the Registrar to the Offer pursuant to which certain arrangements are agreed to in relation to the Offer.
Regulation S	Regulation S of the U.S. Securities Act.
Retail Discount	A discount of [●]% of the Offer Price amounting to ₹[●] that may be offered to Retail Individual Bidders by our Company and the Selling Shareholders in consultation with the BRLMs at the time of making a Bid.
Retail Individual Bidders	Bidders (including HUFs and NRIs), who have Bid for Equity Shares for an amount less than or equal to ₹ 200,000 in any of the bidding options in the Offer.
Retail Portion	The portion of the Offer, being not less than 35% of the Offer, or 1,045,929 Equity Shares at the Offer Price, available for allocation to Retail Individual Bidders.
Revision Form	The form used by the Bidders, including ASBA Bidders, to modify the quantity of Equity Shares or the Bid Amount in any of their Bid cum Application Forms or any previous Revision Form(s), as applicable.
Self Certified Syndicate Bank or SCSB	The banks which are registered with SEBI under the Securities and Exchange Board of India (Bankers to an Issue) Regulations, 1994 and offer services in relation to ASBA, including blocking of an ASBA Account in accordance with the SEBI ICDR Regulations and a list of which is available on 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.
Stock Exchanges	The BSE and the NSE.
Syndicate Members	[●].
Syndicate /members of the Syndicate	The BRLMs, the Syndicate Members and sub syndicate members.
Syndicate Agreement	The agreement dated [●] entered into amongst the Syndicate, the Selling Shareholders and our Company in relation to the collection of Bids (excluding Bids from the ASBA Bidders) in this Offer.
Transaction Registration Slip or TRS	The slip or document issued by the Syndicate or to a Bidder as proof of registration of the Bid.
Underwriters	[●]
Underwriting Agreement	The Agreement between the Underwriters, our Company and the Selling Shareholders to be entered into, on or after the Pricing Date.
U.S. Investment Company Act	U.S. Investment Company Act of 1940.
U.S. person	As defined in Regulation S under the U.S. Securities Act of 1933.
U.S. Securities Act/Securities Act	U.S. Securities Act of 1933.
Working Day(s)	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Offer Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

Conventional/General Terms, Abbreviations and References to Other Business Entities

Abbreviation	Full Form
A/c	Account.
AGM	Annual general meeting.
Air Act	Air (Prevention and Control of Pollution) Act, 1981.
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India.
AY	Assessment Year
BSE	BSE Limited.
CDSL	Central Depository Services (India) Limited.
CIN	Corporate Identification Number.
Companies Act/Act	The Companies Act, 1956, as superceded and substituted by notified provisions of the Companies Act, 2013.
Depositories	NSDL and CDSL.
Depositories Act	The Depositories Act, 1996, as amended.
DIN	Director's Identification Number.
DIPP	Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI.
DP ID	Depository Participant's Identity.
ECB	External commercial borrowings.
EGM	Extraordinary general meeting.
EPF Act	The Employees Provident Fund and Miscellaneous Provisions Act, 1952.
EPS	Earnings per share.
ESI Act	Employees State Insurance Act, 1948.
ESOP	Employee stock option plan.
ESOP Guidelines	SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999, as amended.



Abbreviation	Full Form
FCNR Account	Foreign currency non-resident account.
FDI	Foreign direct investment, as understood under applicable Indian regulations.
FEMA	The Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended.
FII	Foreign Institutional Investors holding a valid certificate of registration under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as repealed, and who are deemed to be Foreign Portfolio Investors.
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as repealed.
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, GoI.
Fiscal or Financial Year or FY	A period of 12 months ended March 31 of that particular year, unless otherwise stated.
GoI or Government of India	Government of India.
GDP	Gross Domestic Product
IIP	Index of Industrial Production
HUF	Hindu undivided family.
Indian GAAP	Generally accepted accounting principles in India.
IFRS	International financial reporting standards.
Indian Penal Code	Indian Penal Code, 1860.
IPO	Initial public offering.
IT	Information technology.
IT Act /Income Tax Act	The Income Tax Act, 1961, as amended.
KVA	Kilo volt ampere.
Merchant Banker	Merchant banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992.
Merchant Banker Regulations	Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended.
MICR	Magnetic ink character recognition.
Mutual Funds	Mutual funds registered with SEBI under the Securities and Exchange Board of India (Mutual Funds) Regulations, 1996, as amended.
N.A.	Not applicable.
NAV	Net Asset Value.
Negotiable Instruments Act	The Negotiable Instruments Act, 1881, as amended.
NECS	National electronic clearing system.
NEFT	National electronic fund transfer service.
“Non Residents” or “NRs”	Persons resident outside India, as defined under FEMA, including Eligible NRIs and FIIs.
NRE Account	Non-resident external account.
NRO Account	Non-resident ordinary account.
NSDL	National Securities Depository Limited.
NSE	The National Stock Exchange of India Limited.
p.a.	Per annum.
PAN	Permanent Account Number allotted under the IT Act.
P/E Ratio	Price/earnings ratio.
RBI	Reserve Bank of India.
RoC	Registrar of Companies, National Capital Territory of Delhi and Haryana
RoNW	Return on Net Worth.
INR, Rs., ₹ or Rupees	Indian Rupees.
RTGS	Real time gross settlement.
SCRA	The Securities Contracts (Regulation) Act, 1956, as amended.
SCRR	The Securities Contracts (Regulation) Rules, 1957, as amended.
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act.
SEBI Act	The Securities and Exchange Board of India Act, 1992, as amended.
SEBI Regulations /ICDR Regulations/SEBI ICDR Regulations	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended.
SEBI (Foreign Portfolio Investor) Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
SICA	The Sick Industrial Companies (Special Provisions) Act, 1985, as amended.
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as repealed, and who can continue to buy, sell or otherwise deal in securities under the SEBI (Foreign Portfolio Investor) Regulations, 2014.
TAN	Tax Account Number
U.S. or US or U.S.A	The United States of America, including its territories and possessions, any state of the United States of America and the District of Columbia.
USD	U.S. Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America.
Water Act	The Water (Prevention and Control of Pollution) Act, 1974



Industry/Business Related Terms, Definitions and Abbreviations:

Abbreviation	Full Form
BU	Business unit
CAGR	Compounded Annual Growth Rate
Carlton London	A brand from United Kingdom.
CDIT	Consumer Durables and Information Technology
CDW	Continuous Development Wing.
Clarks	A brand of footwear of Clarks Future Footwear Limited
Cobblerz	A brand of the Company.
CRM	Customer Relationship Management.
Crocs	A footwear brand from USA.
CSO	Central Statistics Office
CSR	Corporate Social Responsibility
DG Sets	Diesel Generator Sets
DMS	Document Management System.
EBO	Exclusive Brand Outlet
EDMS	Employee Discount Management System.
EOSS	End of Season Sale
ERP	Enterprise Resource Planning
EVA	Ethyle Venyle Acetate
FDI	Foreign Domestic Investment
FMCG	Fast Moving Consumer Goods
GDP	Gross Domestic Product
GPRS	General Packet Radio Service.
GRDI	Global Retail Development Index
HR	Human Resource(s).
HRMS	Human Resource Management System.
IIP	Index of Industrial Production
IM-EVA	Injection Moulding – Ethyl Vinyl Acetate
IPCC	India Product Creation Centre
Johnston & Murphy	A footwear brand from USA.
Levi's	Brand of Levi Strauss & Co.
Lotto	Brand of Lotto Sport Italia S.p.A.
LSIPL	Levi's Strauss (India) Private Limited
MBO	Multi Brand Outlet
Mmojah	A brand of the Company.
MPLS Network	Multiprotocol Label Switching network.
Nike	Brand of Nike India Private Limited
OTB	Open to Buy
PMS	Performance Management System.
PU	Polyurethane
PUMA	Brand of PUMA AG Rudolf Dassler Sport
Reebok	Brand of Reebok International Limited
Revere	Brand of our Company
RIS	Retail Induction School.
ShoeTree	Brand of our Company
ShoeTree Sports	Brand of our Company
ShoeTree Sports	A brand of the Company.
Sierra	Brand of our Company
Smiley	A brand of SmileyWorld Limited.
Sq. Ft.	square feet
Sqm	Square meter
UCB	United Colors of Benetton, a brand of the Benetton Group
Value Station	Brand owned by our Company
WAN	Wide Network System

The words and expressions used but not defined in this Draft Red Herring Prospectus will have the same meaning as assigned to such terms under the Companies Act, the SEBI Act, the SCRA, the Depositories Act and the rules and regulations made thereunder.



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

Certain Conventions

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

Financial Data

Unless stated otherwise, the financial information in the Draft Red Herring Prospectus is derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act and restated in accordance with the SEBI Regulations.

Our Company’s fiscal year commences on April 01 and ends on March 31, and unless otherwise specified or the context otherwise requires, all references to a particular fiscal year are to the twelve-month period ended March 31 of that year. In this Draft Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed therein are due to rounding-off.

Our financial statements and reported earnings could be different in a material manner from those, which would be reported under IFRS or U.S. GAAP. There are significant differences between Indian GAAP, IFRS and U.S. GAAP. This Draft Red Herring Prospectus does not contain a reconciliation of our financial statements to IFRS or U.S. GAAP nor does it include any information in relation to the differences between Indian GAAP, IFRS and U.S. GAAP. Had the financial statements and other financial information been prepared in accordance with IFRS or U.S. GAAP, the results of operations and financial position may have been materially different.

Unless otherwise specified or the context otherwise requires, all references to “**India**” in this DRHP are to the Republic of India, together with its territories and possessions and all references to the “**US**”, the “**USA**”, the “**United States**” or the “**U.S.**” are to the United States of America, together with its territories and possessions.

Currency and Units of Presentation

All references to “**Rupees**”, “**₹**” or “**Rs.**” are to Indian Rupees, the official currency of the Republic of India. All references to “**US\$**” or “**USD**” or “**U.S. Dollar**” are to United States Dollars, the official currency of the United States of America.

Currency	As on March 31, 2010 (₹)	As on March 31, 2011 (₹)	As on March 31, 2012 (₹)	As on March 31, 2013 (₹)	As on March 31, 2014 (₹)	As on September 30, 2014 (₹)
1 US\$	45.14	44.65	51.16 ⁽¹⁾	54.39 ⁽²⁾	60.10 ⁽³⁾	61.61

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, 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, the industry and market data used throughout this Draft Red Herring Prospectus has been obtained or derived from publicly available information as well as industry publications and sources including Images Multimedia Private Limited’s report titled “**India Retail Report 2013**” and “**India Retail Report 2015**”. 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. 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 affiliates or advisors. The data used in these sources may have been reclassified by us for the purposes of presentation. Data from these sources may not be comparable. The extent to which the industry and market data presented in this Draft Red Herring Prospectus is meaningful depends upon the reader’s familiarity with and understanding of the methodologies used in compiling such data.



There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

Such data involves risks, uncertainties and numerous assumptions and is subject to change based on various factors, including those discussed in the section titled “**Risk Factors**” on page 11. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI Regulations, we have included in the section titled “**Basis for the Offer Price**” on page 85, information relating to our peer group companies. Such information has been derived from publicly available sources and our Company has not independently verified such information.



FORWARD-LOOKING STATEMENTS

All statements contained in this Draft Red Herring Prospectus that are not statements of historical fact constitute “forward-looking statements.” Investors can generally identify forward-looking statements by terminology such as “aim”, “anticipate”, “believe”, “continue”, “estimate”, “expect”, “intend”, “may”, “objective”, “plan”, “potential”, “project”, “pursue”, “should”, “will”, “would”, or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements.

All statements regarding our expected financial condition and results of operations, business, plans and prospects are forward-looking statements. These forward-looking statements include statements as to our business strategy, our revenue and profitability and other matters discussed in this Draft Red Herring Prospectus regarding matters that are not historical facts. These forward-looking statements and any other projections contained in this Draft Red Herring Prospectus (whether made by us or any third party) are predictions and involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements or other projections. Important factors that could cause actual results, performance or achievements to differ materially include, but are not limited to, those discussed under “*Risk Factors*”, “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”, “*Industry Overview*” and “*Our Business*”.

The forward-looking statements contained in this Draft Red Herring Prospectus are based on the beliefs of management, as well as the assumptions made by and information currently available to management. Although we believe that the expectations reflected in such forward-looking statements are reasonable at this time, we cannot assure investors that such expectations will prove to be correct. Given these uncertainties, investors are cautioned not to place undue reliance on such forward-looking statements. If any of these risks and uncertainties materialise, or if any of our underlying assumptions prove to be incorrect, our actual results of operations or financial condition could differ materially from that described herein as anticipated, believed, estimated or expected. All subsequent written and oral forward-looking statements attributable to us are expressly qualified in their entirety by reference to these cautionary statements.

Only statements which are specifically “confirmed” or “undertaken” by each of the Selling Shareholders in this Draft Red Herring Prospectus shall be deemed to be statements made by such Selling Shareholder, severally, and not jointly. All other statements in this Draft Red Herring Prospectus shall be statements made by our Company even if the same relates to the Selling Shareholders.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Our Company, the Selling Shareholders, the BRLMs, the Syndicate Members or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges. Each of the Selling Shareholders will ensure that investors are informed of material developments in relation to statements about the respective Selling Shareholders in this Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus until the time of the grant of listing and trading permission by the Stock Exchanges.



SECTION II – RISK FACTORS

Investment in our Equity Shares involves a high degree of risk and you should not invest any funds in the Offer unless you can afford to take the risk of losing all or a part of your investment. The risks and uncertainties described below together with the other information contained in this Draft Red Herring Prospectus should be carefully considered before making an investment decision in our Equity Shares. The risks described below are not the only ones relevant to the country, the industry in which we operate our Company or the Equity Shares. Additional risks, not presently known to us or that we currently deem immaterial may also impair our business operations and financial condition. Further, some events may have a material impact from a qualitative perspective rather than a quantitative perspective and may be material collectively rather than individually. To obtain a complete understanding of our Company, you should read this section in conjunction with the sections titled “Our Business” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” on pages 121 and 319, respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus. If any of the risks described below, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, prospects, financial condition and results of operations could suffer materially, the trading price of our Equity Shares could decline, and you may lose all or part of your investment.

Prior to making an investment decision, prospective investors and purchasers should carefully consider all of the information contained in this Draft Red Herring Prospectus (including the Financial Information on page 189) and must rely on their own examination of our Company and the terms of the Offer including the merits and the risks involved. Unless specified or quantified in the relevant risk factors below, we are not in a position to quantify the financial or other implication of any of the risks mentioned herein.

We have described the risks and uncertainties that our management believe are material but the risks set out in this Draft Red Herring Prospectus may not be exhaustive and additional risks and uncertainties not presently known to us, or which we currently deem to be immaterial, may arise or may become material in the future. In making an investment decision, prospective investors must rely on their own examination of us and the terms of the Offer including the merits and the risks involved.

This Draft Red Herring Prospectus also contains forward-looking statements that involve risk and uncertainties. Our actual results could differ materially from those anticipated in these forward looking statements as a result of certain factors, including the considerations described below in the section titled “Forward-Looking Statements” on page 10.

In this section “our Company” and “it” refers to SSIPL Retail Limited and “we”, “us” and “our” refers to our Company along with its subsidiaries.

Unless otherwise stated, the financial information used in this section is derived from our restated consolidated or restated unconsolidated financial statements under Indian GAAP.

A. INTERNAL RISK FACTORS

- There are certain legal proceedings that have been initiated against our Company, its Directors, Promoters, Subsidiaries and Group Entities, which, if determined against us could have a material adverse effect on our financial condition, results of operations and our reputation.***

Our Company, its Directors, Promoters, Subsidiaries and Group Entities are party to various legal proceedings in the ordinary course of their respective businesses. These proceedings are pending at different levels of adjudication before various courts and tribunals. Although they intend to defend or appeal these proceedings, they may be required to devote management and financial resources to such actions. Any adverse decision may have a significant effect on their business and results of operations.

The table below summarises outstanding litigation and the aggregate amount involved, to the extent ascertainable, as on the date of this Draft Red Herring Prospectus against our Company, our Subsidiaries, Directors, Promoters and Group Entities:

					(In ₹ million)
Name of entity	Civil Proceedings	Tax proceedings	Consumer complaints	Other Matters	Total amount involved*
Company	92.68	16.49	0.18	0.14	109.13



Name of entity	Civil Proceedings	Tax proceedings	Consumer complaints	Other Matters	Total amount involved [†]
Subsidiaries	-	19.86	0.05	-	19.91
Directors	-	-	-	-	-
Promoters	-	0.01	-	-	0.01
Group Entities	-	66.84	-	-	66.84

* To the extent quantifiable.

No assurance can be given as to whether these legal proceedings will be decided in our favour or have no adverse outcome, nor can any assurance be given that no further liability will arise out of these claims. For further details on legal and regulatory proceedings, see the section titled “**Outstanding Litigation and Material Developments**” on page 349.

2. *As regards our business, a few major partner brands account for a significant portion of our income. The loss of any of our major partner brand or a decrease in the volume of business derived from these partner brands may adversely affect our Company’s results of operations.*

Our manufacturing business constituted 28.15% and 22.95% and retail business constituted 71.85% and 77.05% of our total revenues for the six months period ended September 30, 2014, and Fiscal 2014 respectively. As regards our business, our Company has derived and may continue to derive a significant portion of its income from few major partner brands.

The table below sets forth a breakdown of revenue generated from Nike, Puma and Lotto, our three largest partner brands for our manufacturing business, for the six months period ended September 30, 2014, and for Fiscal 2014.

Brand name	For the period ended September 30, 2014	% of manufacturing income	(In ₹ million)	
			Fiscal 2014	% of manufacturing income
Nike	555.70	46.70	945.78	54.04
Puma	457.03	38.41	463.17	26.46
Lotto	141.42	11.88	268.19	15.32

The table below sets forth a breakdown of revenue generated from Nike, Levi’s and Lotto, our three largest partner brands for our retail business, for the six months period ended September 30, 2014, and for Fiscal 2014.

Brand name	For the period ended September 30, 2014	% of retail income	(In ₹ million)	
			Fiscal 2014	% of retail income
Nike	2,049.49	67.48	3,916.07	66.64
Levi’s	567.40	18.68	1,163.06	19.79
Lotto	201.86	6.65	424.19	7.22

We expect that a significant portion of our income will continue to be attributable to a limited number of partner brands in the near future. If we were to lose one or more of our major partner brands or if any one of our major partner brands significantly reduces its business with us or becomes financially troubled, our business, prospects, financial condition and results of operations would be adversely affected.

As a result of our significant reliance on a few partner brands, we may face certain issues including pressure to lower our rates or margins. The loss or significant decrease in the volume of business from one or more of our major partner brands for any reason may have an adverse effect on our business, financial condition and results of operations.

Further, we have entered into non-exclusive agreements with our major partner brands with respect to its business, for specific terms. In the event that any of our major partner brands decide to terminate such agreements, or enter into agreements with our competitors, for any reason, it may have an adverse effect on our business, financial condition and results of operations. The details on tenure or other terms of our major agreements, please refer to the section on “**Our Business**” on page 121.



Any of these events or any delay or default in payment by our partner brands for services rendered may adversely affect our business, financial condition and results of operations. Further, the income from these partner brands may vary from year to year, making it hard to forecast future business needs, particularly since we do not have exclusive arrangements with our major partner brands.

3. ***We may not be able to successfully execute our expansion strategy of strengthening our sales network by opening new exclusive brand outlets and multi-brand outlets, in a timely manner, if at all, which could adversely impact our growth strategy and consequently our results of operations.***

We distribute our portfolio of products through various retail stores across India. We intend to continue our expansion and open additional retail stores. As on December 31, 2014, we have an extensive network of 440 stores, spread across 92 cities in India. We intend to increase the number of retail stores through which we carry various products. However, while we have identified certain locations for opening new stores by our own or through franchisees, we have not entered into any specific agreements to lease or leave and licence to open such stores at such locations. Our ability to effectively execute our expansion strategy depends on our ability and that of our franchisees to open new retail stores successfully, which depends on many factors, including, among other things, our ability to:

- identify suitable store locations, the availability of which is not in our control;
- negotiate acceptable lease terms;
- successfully integrate new outlets into our existing operations;
- identify and satisfy the merchandise preferences of new geographic areas; and
- adequately train store personnel.

If we are unable to successfully execute our expansion strategy by way of opening and operating additional retail outlets, our business, results of operations and financial condition may be materially and adversely affected. Our growth strategy creates the risk of sales cannibalisation, as the new points of sale could be in the vicinity of existing ones. There can be no assurance that such sales cannibalisation will not inadvertently occur or become more significant in the future as we gradually increase our presence in existing markets over time to maximise our competitive position and financial performance in each market. Further, if we are unable to manage our growth, our business and results of operations could be adversely affected.

4. ***We are dependent on maintaining and enhancing awareness of our brands and we may not succeed in that to the extent desired.***

We believe that maintaining and enhancing our own brands, namely ‘cobblerz’, ‘mmojah’ and our concept stores namely ‘Value Station’, ShoeTree and ‘ShoeTree Sports’ are key to expanding our consumer base. Maintaining and enhancing our brand and concept stores may require us to make substantial investments in areas such as outlet operations, marketing and employee training, and these investments may not be successful. In particular, as we expand into new geographic markets, consumers in these markets may not accept our brand. We anticipate that, as our business expands into new markets and as the market becomes increasingly competitive, maintaining and enhancing our brand may become increasingly difficult and expensive. Since we have various brands and concept stores which span over different price points we may not be able to focus or have the resources to market all our brands. Additionally, our presence across various price points would require us to expend efforts and make investments on marketing multiple brands thereby increasing our costs. If we are unable to enhance the visibility of our brands and our concept stores, it would have an adverse affect on our business, and our financial condition.

5. ***Our business operates under a regulatory regime and we are required to obtain approvals/registrations/consents of certain statutory authorities in the ordinary course of business, and if we are unable to obtain these approvals, our business could be adversely affected.***

We require certain approvals, licenses, registrations and permissions in order to operating our current and future businesses for which we may have either made or are in the process of making an application for obtaining the approval. We consider factory approvals, excise licenses, sales tax registrations and shops and establishment certificates as the licenses/approvals that are essential for conducting our business operations. For details of such approvals, including the approvals/registrations that we have applied for, see section titled “***Government and other Approvals***” on page 366. In the



event that we fail to obtain any such approvals or licenses, or renewals thereof, in a timely manner, or at all, our business could be adversely affected.

6. ***Our Company's Promoters and Directors may have business interests similar to our business, which may result in a conflict of interest that may adversely affect our business opportunities in the future.***

The memorandum of association of certain of our Group Entities such as Sports Station Boutique Private Limited, Sports Station Retail Private Limited, and A & M Wearing and Apparels Private Limited, permit such Group Entities to engage in the business similar to us. We have not entered into non-compete agreements with the aforementioned Group Entities. Accordingly, potential conflicts of interest may arise out of common business objectives shared by us and the aforesaid entities. There can be no assurance that these or other conflicts of interest will be resolved in an impartial manner. For further information with respect to such conflict of interest, see sections titled “***Our Promoter, Promoter Group and Group Entities***” and “***Our Management***” on pages 176 and 156 respectively.

7. ***Increase in our sales and expansion into new markets depends on the popularity of the brands we carry, as well as consumer preferences, which are outside our control. Any non acceptance of new products or failure on the part of brand companies marketing strategies may impact our sales which in turn may have a negative impact on our financial performance.***

Our sales and expansion into new markets are dependent, in part, on the strength and reputation of our partner brands, and are subject to consumers' perception of the merchandise that we sell. The success of our operations depends in part on the brand companies' marketing abilities, our own ability to select new models from our suppliers that gain consumer acceptance, and our ability to make available sufficient quantities of attractive and popular merchandise to satisfy consumer demand. People in different geographical locations of India have different shopping patterns and tastes. In particular, the performance of our retail stores is sensitive to local consumer spending patterns. There is no assurance that the brand companies will be able to maximise their marketing abilities and that the new models identified by us will be accepted among consumers in various regions. Any non acceptance of new products identified by us or failure on the part of brand companies in their marketing abilities may have an adverse impact on our sales which, in turn, may have negative impact on our financial performance.

8. ***Our business could be adversely affected if we fail to keep pace with developments in the businesses that we are involved in.***

Our markets for products are characterised by rapidly changing consumer preferences, new product introductions. Our results of operations are dependent on our ability to discern such changes in consumer preferences and providing new products in line with changes in fashion and products. The process of carrying products that are well received by our consumers and ability to discern fashion trends are important in our business. In the event that we are unable to identify fashion trends and carry products that are well received by our consumers, could have a material adverse effect on our business.

9. ***We, through our subsidiary SSIPL Lifestyle, have recently ventured into e-tailing and fitness equipment business. In the event that we are unsuccessful in such ventures, it may have a material adverse effect on may have a negative impact on our financial performance.***

The online retailing business (*e-tailing*) business and fitness equipment business is highly competitive with companies having a wide variety of products at different price points. Further, many of our competitors have longer operating histories and greater financial resources than us and have more experience in managing internet based businesses. We may be unsuccessful in competing against present and future competitors. Our services pertaining to the e-tailing division are technology driven and any breakdown in our technical systems could adversely affect our business.

Our markets for products are characterised by rapidly changing consumer preferences, new product introductions. Our results of operations are dependent on our ability to discern such changes in consumer preferences and providing new products in line with changes in fashion and products. The process of carrying products that are well received by our consumers and ability to discern fashion trends are important in our business. In the event that we are unable to identify fashion trends and carry products that are well received by our consumers, could have a material adverse effect on our business.



10. ***Our product offering includes a range of sports and lifestyle merchandise and hence any repeated failure by us to identify and respond to emerging trends in lifestyle and consumer preferences could have a material adverse effect on our business.***

We deal with sports and lifestyle products. The success of our retail business is largely dependent upon our ability to assess the fashion tastes of our consumers and to provide merchandise that satisfies consumer demand in a timely manner. Consumer preferences can change with change in fashion and trends, and their service level expectations too can change from time to time. Further, the merchandise has to be conceived well in advance of the season and frequently before fashion trends are evidenced by consumer purchases. We are vulnerable to demand and pricing shifts and to sub-optimal selection and timing of merchandise purchases. In some cases, longer lead time in procurement of merchandise may make it more difficult for us to respond rapidly to new or changing fashion trends or consumer acceptance for our merchandise. Any repeated failure by us to identify and respond to such emerging trends in lifestyle and consumer preferences could have a material adverse effect on our business.

11. ***Our failure to diversify and expand our brand portfolio in our business by partnering with new brand companies, will impact our business and our financial condition which may adversely affect our growth.***

We constantly seek to diversify and expand our association with partner brands and product portfolio in our business by partnering with other brand companies. However, our ability to establish new partnerships with other brand companies is dependent upon a number of factors, including whether there will be suitable brand companies seeking licensees in our existing markets, whether our distribution and manufacturing infrastructure and our corporate culture would be a good match with these brand companies, whether our competitors would be able to offer terms more favourable than ours to these brand companies and whether these brand companies perceive that we have a conflict of interest with our existing brand companies. We can provide no assurance that we will be able to enter into agreements with new brand companies. Our inability to partner with new brand companies would have adverse effect on our growth.

12. ***Our Company's Promoters, Directors, Key Management Personnel and their relatives and Senior Management Personnel may be interested in our Company to the extent of Equity Shares, employee stock option held by them or any remuneration/commission paid to them.***

The Promoters and their relatives are interested in our Company to the extent of the Equity Shares held by them. Additionally, our Director, Abhay Soi also holds Equity Shares in our Company. The Directors, Promoters and the relatives of Directors and Promoters may also be regarded as interested in the Equity Shares, if any, held by them or that may be subscribed by or allotted to the companies, firms or trusts in which they are interested as directors, members, partners, trustees and promoters, pursuant to this Offer. All of the Directors may also be deemed to be interested to the extent of any dividend payable to them in respect of Equity Shares held by them.

Similarly the Key Management Personnel and the Senior Management Personnel are interested to the extent of remuneration paid to them by our Company and may also be regarded as interested in the Equity Shares allotted to them under ESOS 2008 and ESOS 2014, or that may be subscribed by or allotted to them pursuant to any further ESOS and this Offer. Relatives of some of the Key Management Personnel also received rental income for the stores leased by our Company. Some of the relatives of Key Management Personnel also employed with us and receive commission and remuneration by virtue of their employment. For more details in this respect, please refer to the section ***"Related Party Transactions"*** on page 246.

For further information on the shareholdings of our Promoters, Directors, Key Management Personnel their relatives and Senior Management Personnel, see the sections titled ***"Capital Structure"*** and ***"Our Management"*** on pages 64 and 156 respectively.

13. ***We have not entered into any definitive agreements to use a substantial portion of the Net Proceeds.***

We intend to use the Net Proceeds of the Offer as set forth in the section titled ***"Objects of the Offer"*** on page 85. Pending utilisation of the Net Proceeds, we intend to temporarily invest them in the manner described in the section titled ***"Objects of the Offer – Interim Use of Net Proceeds"***. Subject to



complying with policies established by our Board, we will have significant flexibility in the manner in which we invest these proceeds for the short term.

We have not entered into any definitive agreements to utilise the Net Proceeds of the Offer. In particular, we have not placed orders for purchase of machines and equipments and for the stores we plan to set up. We have relied on third party quotations to calculate the expected amount of the Net Proceeds to be spent on machines and past estimates to determine cost of setting up stores. We cannot confirm when we will place our orders and whether we will be able to purchase the machinery and hoardings at the same price at which we obtained the quotations or set up stores at the estimated cost. Consequently, these estimates may be inaccurate and we may require additional funds to implement the objects of the Offer.

14. ***Our inability to maintain an optimal level of inventory for our retail business may impact our retail operations adversely.***

We plan our sales based on the fashion forecast and trends for the forthcoming season. In general, the orders are placed a few months before the actual delivery of merchandise in the stores. An optimal level of inventory is important to our business as it allows us to respond to consumer demand effectively and to maintain a range of merchandise at our stores. At the same time, we aim to minimise excessive inventories which would result in higher levels of discounting.

If we over-stock inventory, our required working capital will increase and we will incur additional financing costs. If we under-stock inventory, our ability to meet consumer demand and our operating results may be adversely affected. Any mismatch between our planning and the actual consumption by consumers can impact us adversely, leading to potential excess inventory and requiring us to resort to higher markdown and thus lower margins, in order to clear such inventory.

15. ***A majority of retail outlets managed and operated by us are located in leased premises. In case of any defect in the title of property or any dispute, we may be forced to relocate our retail stores which may affect our business operations.***

A majority of our retail outlets managed and operated by us are taken by us on lease or sub-lease or leave and licence from third parties. Though we maintain a reasonable level of diligence while finalising a retail space, any adverse impact on the title, ownership rights, development rights of our lessor or licensor from whose real estate premises we operate or any dispute with the lessor, may impede our business operations.

Our ability to renew existing agreements in respect of our leased premises, upon their expiry is crucial to our operations and profitability. If we fail to renew arrangements on terms commercially acceptable to us, we may have to incur additional costs in relocating our retail stores or move to less attractive locations. In addition, competitors may move into the retail spaces previously occupied by us. We may therefore lose consumers from such locations which may adversely impact our business/profitability.

16. ***Our existing agreements with partner brands may impose restrictions against participation in the distribution, sale, representation or promotion of products with competing brands and may have an adverse effect on our growth.***

Some of our agreements with our partner brands impose restrictions on us from participating directly or indirectly, in the distribution, sale, marketing, representation or promotion of products of other competing brands subject to limited exclusions. In the event that we are unable to negotiate such exclusions at the time of entering into new agreements or at the time of renewal, the agreements may restrict us from entering into arrangements with other brands which may restrict our growth and have an adverse effect on our growth.

17. ***We have not yet executed the required definitive agreements or arrangements as regards our proposed new stores to be opened by utilising the Net Proceeds of the Fresh Issue.***

We intend to open additional retail stores over the next three fiscal years by utilising the Net Proceeds. We have not identified the locations of the stores that we intend to open. The success of our retail operations is dependent on a number of factors, including our ability to open new retail stores at



desirable locations and on commercially acceptable terms, and the pedestrian flow of the areas where our retail stores are located. We are constantly reviewing our sales performance data, both by retail stores and by region. When we expand our retail network by adding new retail stores, availability of retail space at desirable locations and on acceptable terms is one of the key factors that we consider. We may not be able to obtain suitable sites for new retail stores on terms that are acceptable to us or at all, and our expansion plans and our growth may be adversely affected. For details of our proposed utilisation of the Net Proceeds, see section titled “*Objects of the Offer*” on page 85.

Further, it takes time for new retail stores to break even which may vary from 12 to 15 months and, as we expand our retail network by adding new retail stores, we may experience a decrease in average sales per retail store, at least initially. The time taken to break even depends on the location and format of the retail store. If we are unable to increase retail store sales in line with increasing costs, our overall performance and profitability may be adversely affected.

The proposed deployment of the net proceeds of the Offer to open new retail stores are based on management estimates and our current business plan and have not been appraised by an independent agency. Furthermore, in the absence of such an independent appraisal, or the requirement for our Company to appoint a monitoring agency pursuant to the SEBI Regulations, the deployment of the net proceeds is at our Company’s discretion.

18. ***Our funding requirements have not been appraised by any independent agency. The funding requirements and proposed deployment of the Net Proceeds may be subject to change based on various factors, some of which are beyond our control.***

Our funding requirements and the proposed deployment of the Net Proceeds are based on management estimates and our current business plan and have not been appraised by an independent agency. Furthermore, in the absence of such an independent appraisal, or the requirement for appoint a monitoring agency pursuant to the SEBI Regulations, the deployment of the net proceeds is at our discretion. We may also not be able to setup stores at places identified by our team at terms that are favourable to us or at all. In the event that we are not able to set up stores at such places, we may have to set up places that are not as favourable for the setting up of such stores.

We may have to revise its expenditure and funding requirements as a result of variations in costs, estimates, quotations, exchange rates or other external factors, which may not be within the control of our management. This may entail rescheduling or revising planned expenditure and funding requirements at the discretion of our Board.

19. ***We operate in a competitive market and our failure to match such competition may adversely affect our business.***

The retail and manufacturing industry in which we operate is highly competitive and there exists competition from other domestic as well as international brands. We experience competition from other retailers, distributors for brands, and manufacturers of footwear in the markets in which we currently operate and expect to face similar competition in the markets which we plan to enter.

A number of different competitive factors could have a material adverse effect on our operational results and financial condition including:

- anticipating and quickly responding to changing consumer demands;
- sourcing merchandise efficiently;
- pricing our products effectively and achieving consumer perception of value;
- providing strong and effective marketing support; and
- maintaining high levels of consumer traffic.

Some of our competitors may have more financial and human resources, better access to attractive retail store locations, more competitive pricing strategies or closer relationships with brand companies. Competition may lead to, among other things, stricter terms in agreements with brand companies, higher costs for retail space and lower sales per retail store, all of which could have a material adverse impact on our results of operations and financial condition and lower our profit margins.



Further, as our contracts with our partner brands are primarily on a non-exclusive basis, our partner brands may associate with our competitors for future business as a result of which we may lose some of our existing partner brands who may prefer our competitors. Increased competition in the footwear retail and manufacturing industry can lead to downward pricing pressures and reduced profit margins. If we are unable to effectively compete with other participants operating in the same line of business as ours, whether on the basis of pricing, products or otherwise, we may be unable to partner brands existing partner brands or attract partner brands, which could have a material adverse effect on our business, financial condition and results of operations.

Online retailing has increased substantially in the past few years. Various companies offer a wide variety of products, including the products that we retail through our retail stores, on the internet at different price points. Our consumers may prefer purchasing such products from these online stores because of factors like heavy discounts and variety of products. This could adversely affect the sales at our retail stores and could have a material adverse effect on our business, financial condition and results of operations.

20. ***Our Company may not be able to obtain sufficient quantities of required quality raw materials in a timely manner or at acceptable prices for our manufacturing operations which could have an impact on the timelines for supplying products to partner brands.***

In our Company's manufacturing business, we rely on a pool of suppliers to supply us with major raw materials such as EVA, rubber, polyurethanes (PU) and fabric. The total cost of raw materials accounted for approximately 16.35% and 14.00% of the total revenue in our Company's manufacturing business for the six month period ended September 30, 2014 and Fiscal 2014 respectively.

To maintain our Company's operations, sufficient quantities of the required quality raw materials at acceptable prices and in a timely manner are required to be procured. As a common practice in the industry, to maintain flexibility, our Company does not have any long term supply contracts with its suppliers, but instead, it works on an order-by-order basis. However, to ensure adequate supply of raw materials at competitive rates, our Company has a network of domestic and international suppliers. Our Company has been involved in material procurement for over 19 years and has been able to negotiate competitive rates for supply of raw materials from such domestic and international suppliers. If our Company fails to obtain adequate raw materials when required, or identify alternative sources of raw materials when needed, the resulting loss of production volume could adversely impact its ability to deliver products to its partner brands in a timely manner, which in turn could harm our Company's reputation, relationships with our partner brands and our financial performance. Further, our Company has not taken any steps to hedge against the risk of non-availability of adequate supply of raw materials at competitive rates.

21. ***Our Company's results of operations could be adversely affected by strikes, industrial unrest, work stoppages or increased wage demands by its employees or any other kind of disputes with its employees.***

India has stringent labour legislations that protect the interest of workers, including legislations that set forth detailed procedures for the establishment of unions, dispute resolution, employee removal and legislations that impose certain financial obligations on the employer upon retrenchment of employees. As on December 31, 2014, our Company employed 3,903 employees at its manufacturing facilities situated at Kundli, Haryana, Paonta Sahib, Himachal Pradesh and Selaqui, Uttarakhand.

We currently have harmonious relations with our employees. However, there can be no assurance that our Company will not, in future experience disruptions to its operations due to disputes or other problems with its work force, which may adversely affect its business and results of operations. Furthermore, efforts by labour unions may divert management's attention and result in increased costs. Our Company may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to union initiated work stoppages, including strikes, which could adversely affect our Company's business and results of operations. If our Company's relations with the employees are strained, it may become difficult for it to maintain its existing labour policies, and its business may be adversely affected.

In the past, the workers union namely Revere Pentland Workers Union at our Company's



manufacturing facility situated at Bangaran, Paonta Saheb, Himachal Pradesh, raised a dispute against Revere Pentland Private Limited (now merged with our Company) under the Industrial Disputes Act, 1947. While the matter has been decided in favour of our Company, similar disputes in the future could adversely affect the operations of our manufacturing facilities.

22. ***Our Company's manufacturing facilities may fail to comply with prescribed standards by our partner brands and requirements which may result in a breach of the terms of the manufacturing agreements which could affect its business, operations and growth prospects adversely.***

Our Company conducts its manufacturing activities under the compliance of the local laws and the requirements of our partner brands. The manufacturing agreements require our Company to follow certain additional procedures and policies like usage of specific tools and equipments, following the minimum standards and working conditions, compliance with code of conduct of the partner brands and compliance with legal requirements of our partner brands. The partner brands also conduct audits at our Company's manufacturing facilities and highlight any gaps in meeting the standards set. Any failure to meet the requirements of our partner brands may result in us paying damages or penalties or may lead to rejection of products or even termination of manufacturing orders, depending on the nature of default, which could affect our Company's operations adversely. In past, there have been allegations in respect the quality of the products manufactured by our company by Reebok. For further details in respect of the same, please refer to the section titles "***Outstanding Litigation and Material Developments***" on page 349.

23. ***The agreements entered into by us with our partner brands are capable of being terminated by our partner brands which may have a material adverse effect on our business and the result of our operations.***

Certain agreements entered into between us and our partner brands allow our partner brands to terminate such agreement at any time without cause, with written notice for a specified period or upon the occurrence of certain events such as (i) our Company/Subsidiaries becoming insolvent, bankrupt or being subject to judicial proceedings under any law relating to insolvency or bankruptcy, or (ii) a change of ownership, or control of our Company/Subsidiaries. In the event that our partner brands exercise their right to terminate such agreements, it may have a material adverse effect on our business and result of operations.

24. ***Our success largely depends upon our management team and our ability to attract and retain such personnel could negatively impact our business and operations.***

Our future performance will be affected by the continued service of our management team comprising of senior executives including, Rishab Soni, our Promoter and Managing Director, and other key employees, and our ability to attract and retain skilled personnel. We rely on their expertise in developing business strategies, managing business operations, developing sales and marketing strategies and strengthening our relationships with principal vendor brands. There is significant competition in India for such personnel, and it may be difficult to attract, adequately compensate and retain the personnel we need in the future. Due to the current limited pool of skilled personnel, and intense competition for senior management, engineers, commercial and finance professionals in our industry, or if one or more of our senior executives or key employees are unable or unwilling to continue in their present positions our business may be severely disrupted, financial condition and results of operations may be adversely affected, and we may incur additional expenses to recruit, train and retain personnel.

We have a training team that ensures different training activities for our employees covering (i) product training, (ii) technical training, and (iii) soft skill development. Our business may be severely disrupted, and our financial condition and result of our operations may be adversely affected, if we are unable to retain our trained personnel.

25. ***Our business is manpower intensive and may be adversely affected if we are unable to recruit and retain suitable staff for our operations.***

Our business is manpower intensive and our continued growth depends in part on our ability to recruit and retain suitable staff. As we expand our network, we will need experienced manpower that has



knowledge of the local market and the retail industry to operate the retail stores that we open. Further, our manufacturing and retailing operations require experienced staff to continue and expand the operations. We have faced increasing competition for management and skilled personnel with significant knowledge and experience in the retail, distribution and manufacturing sector in India. Further, we cannot assure you that we will be able to find or hire personnel with the necessary experience or expertise to operate our retail stores in our existing markets or new markets that we are entering into or in the manufacturing business. In the event that we are unable to hire people with the necessary knowledge or the necessary expertise, our business may be severely disrupted, financial condition and results of operations may be adversely affected.

In addition, we have seen an increasing trend in manpower costs in India, which has had a direct impact on our employee costs. We may need to offer better compensation and other benefits in order to attract and retain key personnel in the future and that may materially affect our costs and profitability. We cannot assure you that as we continue to grow our business in the future, our operating expenses will not significantly increase.

26. ***Our growth requires additional capital, which may not be available on terms acceptable to us and may delay our growth strategies or may have an adverse impact on our operations.***

Our business is capital intensive and requires significant expenditures for store establishment, sourcing of materials and products and hiring of skilled manpower. We intend to pursue a strategy of continued investment in additional retail stores. We anticipate that we will need to obtain additional financing as we expand our operations. We may not be successful in obtaining additional funds in a timely manner and/or on favourable terms or at all.

Moreover, certain of our loan documentations contain provisions that limit our ability to incur future debt. If we do not have access to additional capital, we may be required to delay, scale back or abandon some or all of our plans or growth strategies or reduce capital expenditures and the size of our operations.

27. ***Our business relies on the performance of our information technology systems and any failure to install, run or migrate to new software or systems, may have an adverse effect on our information security and our operations and profitability.***

We use information technology systems to monitor all aspects of our business and rely significantly on such systems for the efficient operations and the security of our information. Our business uses the information technology systems for, among other things, the monitoring of inventory levels, the allocation of merchandise to our retail stores, employee productivity measuring and budget planning and information security. Our information technology systems may not always operate without interruption and may encounter temporary abnormality or become obsolete. Further, we cannot assure you that the level of security we presently maintain is adequate or that our systems can withstand intrusions from or prevent improper usage by third parties. We may not always be successful in installing, running and migrating to new software or systems as required for the development of our business. Even if we are successful in this regard, significant capital expenditure may be required, and we may not be able to benefit from the investment immediately. All of these may have a material adverse impact on our operations and profitability.

28. ***Our operations and profitability are dependent upon the availability of transportation and other logistic facilities in a time and cost efficient manner. The prolonged disruption or unavailability of such facilities in a timely manner could result in delays or non-supply or may require us to look for alternative sources which may be cost inefficient, thereby adversely affecting our operations, profitability, reputation and market position.***

We do not have an in-house transportation facility and we rely on third party transportation and other logistic facilities at every stage of our business activity including procurement of raw materials and finished products procured from suppliers. For this purpose, we hire services of transportation companies.

Factors such as increased transportation costs and transportation strikes could adversely impact our operations. In addition, raw materials to be procured and finished products supplied by us in relation to



our business, may be lost, delayed or damaged in transit for various reasons including accidents or natural disasters. Disruption of transportation services because of weather related problems, strikes, lock-outs, accidents, inadequacies in road infrastructure or other events could impair our procurement of, and our ability to supply, such goods.

Any delay in the timely delivery of the products manufactured by our Company for our partner brands, or the products supplied to us from our partner brands for our retail operations may adversely affect our relationship with such partner brands and consequently our goodwill. Any such disruptions could result in our refusing to take delivery or seeking additional discount, which could materially adversely affect our business, financial condition and results of operations.

29. ***Governmental actions and changes in policy or adverse change in taxes could adversely affect our business.***

The Government of India and the Government of each State of India (each a “**State Government**”), have broad powers to regulate the Indian economy which may impact our business. In the past, the Government of India and State Governments have used such powers to influence, directly and indirectly, the Indian retail industry and the local manufacturing activities. Examples of such measures include: (i) permission for foreign investment in Indian retail industry, (ii) granting tax concessions for operation of new businesses in a particular region, and (iii) value added tax/sales tax regulations.

Taxes and duties, including those taxes and duties on certain types of trade transactions and industries or new industrial setup in states like Himachal Pradesh and Uttarakhand, may impact our business, financial condition and results of operations. We enjoy certain income tax and central excise exemptions at some of our units in Himachal Pradesh and Uttarakhand. This is subject to certain compliance with regulations and may be withdrawn either on any default on our part or any change in the policy by Central Government or the relevant State Government. For details, please see the section titled “*Statement of Possible Tax Benefits Available to our Company, Subsidiaries and our Shareholders*” on page 94 of this DRHP.

Any change in existing Government of India and/or State Government policies or new policies providing or withdrawing support to the Indian retail industry or manufacturing activities could adversely affect us. There can be no assurance that the current levels of taxes, tariffs and duties will not increase in the future, or that State Governments will not introduce additional levies, each of which may result in increased operating costs and lower income. To the extent additional levies are imposed, there can be no assurance that we will be able to pass such cost increases on to our partner brands.

30. ***Our Subsidiaries have availed unsecured loans which can be recalled anytime by their respective lenders.***

Our Subsidiaries have availed unsecured loans aggregating to approximately ₹ 6.25 million as on September 30, 2014. Such unsecured loans availed by our Subsidiaries have been taken from some of our related parties and can be recalled anytime by the lenders. In the event such loans are recalled, our Subsidiaries may not be able to pay the same on time, and such repayment may impact our working capital requirements.

31. ***Restrictive covenants exist under some of our loan agreements. Inability to effectively service our borrowings, comply with or obtain waivers of applicable loan covenants, as the case may be, may adversely affect our business, results of operations and financial conditions.***

We are subject to usual and customary restrictive covenants in agreements that we have executed with banks for short term loan and long term borrowings. The restrictive covenants require us to seek prior approval/consent from the lender banks for various activities, including amongst others to, (i) enter into any scheme of amalgamation or expansion program or take up any new activity, (ii) effect any change in our capital structure, (iii) declare dividends for any year except out of profits relating to that year; (iv) effect any material change in the management of our respective businesses; (v) declare any dividend if any instalment towards principal or interest remains unpaid on its due date; (vi) make amendments in our respective memorandum and articles of association; and (vii) issue any corporate guarantee. The restrictive covenants also prohibit us from entering into any borrowing arrangements of any nature with any other financial institutions or otherwise, without the prior approval of the



concerned lender. Further, under some of the credit facilities availed by our Company/Subsidiary, the lenders are entitled to revoke the facility, at any stage, without providing any notice or reasons, demand the repayment of the loan anytime and modify the credit limit without any reason. Further, under some of the credit facilities availed by us, our lenders are entitled to terminate the credit facility in the event of any default committed by us under other loan facilities. Inability to effectively service our borrowings, comply with or obtain waivers of applicable loan covenants, as the case may be, may adversely affect our business, results of operations and financial conditions. For further details, please see section titled “**Financial Indebtedness**” on page 339.

32. ***Uninsured losses or losses in excess of our insurance coverage could result in a loss of our investment.***

We could face liabilities or otherwise suffer losses should any unforeseen incident such as fire, flood, accident, etc. affect our stores, factories or distribution centres or in the regions/areas where our stores, factories or distribution centres are located. Although we maintain insurance coverage in relation to fire and special perils, burglary and housebreaking and money for our retail stores, warehouses, factories offices and operations, there are possible losses, which we may not have insured against or covered or wherein the insurance cover in relation to the same may not be adequate. We may face loss of investments in the absence of insurance and even in cases in which any such loss may be insured, we may not be able to recover the entire claim from insurance companies. Any damage suffered by us in excess of such limited coverage amounts, or in respect of uninsured events, not covered by such insurance policies will have to be borne by us.

33. ***We may in the future face potential liabilities from lawsuits or claims from third parties, should they perceive any deficiency in our products.***

We believe in providing quality products and due care is taken to mitigate the associated risks which may happen due to factors beyond our control. We may face the risk of legal proceedings and claims being brought against us by our partner brands amongst others on account of sale of any defective product. Further, we could also face liabilities should our consumers face any loss or damage due to any unforeseen incident such as fire, accident, etc. in our stores, which could cause financial and other damage to our consumers. This may result in lawsuits and /or claims against our Company, which may materially and adversely affect the results of our operations and may also result in loss of business and reputation. Although we maintain a commercial general liability policy, the compensation awarded to us under the policy for any product liability may not be adequate to compensate the claimants. Further, even if we successfully defend ourselves against a claim, or successfully claim back compensation from others, we may need to spend a substantial amount of money and time in defending such a claim and in seeking compensation. Further, we cannot assure you that any claim under the insurance policies maintained by us will be honoured fully or on time. If our claims under the insurance policies are not honoured fully or on time, we could suffer losses, which would adversely impact our financial condition. For further details, see section titled “**Our Business – Insurance**” on page 137.

34. ***If we fail to obtain trademark registrations for our brands, our brand building efforts may be hampered and our business could be adversely affected.***

We use our partner brand’s trademarks and logos in specific instances as allowed pursuant to our agreements with them. Trademarks of of partner brands that we use are their intellectual property and no right accrues to us other than as specified in the agreements.

Brand is an important component of our business and therefore we have applied for registration of certain trademarks under various classes under the Trade Marks Act, 1999 and rules framed thereunder. We have made applications for registration of the “SSIPL The Brand Hub” and other applications for registration of various trademarks including “Value Station” and “Mmojah”. Some of these applications are currently pending. We cannot provide any assurance that any of our pending applications will be approved by the appropriate regulatory authorities. Moreover, even if the applications are approved, third parties may seek to oppose or otherwise challenge such or other registrations. Certain applications for the trademarks that we have applied for has been opposed to by third parties. If our applications for registration of trademarks are not approved, our brand-building efforts could suffer and third parties may attempt to pass off using such trade mark/trade name. This could affect our Company’s business and affect its goodwill. For further details of such trademark



registrations, see section titled “**Government and other Approvals**” beginning on page 366.

35. ***The intellectual property of the brands that we manufacture and retail are registered in the name of third parties and we are authorised to use their intellectual property only in specific instances.***

Agreements with our partner brands restrict the use of their trademarks to specific activities including for the offer for sale of products having their trademarks or for the manufacture and sale of products to respective partner brands. Specifically, in our retailing business we have been given no further rights to use or incorporate the trademarks of our partner brands except for the sole purpose of operating a store. We are restricted from altering, restricting, tampering or otherwise interfering with the trademarks affixed on the partner brand’s products. We are further restricted from the usage of the trademarks of our partner brands in any media even or activity which is unrelated to the operation of a store or is likely to bring the trademarks of the partner brands into disrepute. A partner brand may terminate their agreement with us in the event of breach of any restrictions imposed on us. Therefore, we are heavily dependent on the consumer’s perception of the brand value of the trademarks of our partner brands and in turn their marketing strategies and brand positioning. In the event that our partner brands are unable to effectively promote their brand, it may adversely affect our business, results of operations and financial conditions.

36. ***The products manufactured by our Company for our partner brands are vulnerable to counterfeiting or imitation by third parties, any such counterfeiting activity that may be attributable to our Company might result in the termination of our Company’s manufacturing contracts or make it liable for damages or litigation.***

The design of the products manufactured by our Company is based on the orders and specifications received from respective partner brands. Such products are vulnerable to counterfeiting and imitation by third party vendors and in the event such counterfeiting and imitation is attributable to our Company’s manufacturing facilities, it may lead to termination of our Company’s contracts with its partner brands or our Company may become liable for damages under the respective contracts. This may have a material adverse effect on our Company’s business, prospects, results of operations, financial conditions and relationship with our partner brands.

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

The exchange rate between the Rupee and other currencies is variable and may continue to fluctuate in the future. Fluctuations in exchange rates may affect us to the extent of such orders being placed overseas. We may place orders with overseas contractors or consultants or for buying equipments for its new as well as existing stores, source some of its products from overseas markets for sale in its stores or sales to distributors, as well as source raw materials for its manufacturing operations. We have not yet taken any measures to hedge against the risk of exchange rate fluctuations. Accordingly, any such foreign currency exposures and fluctuation in the currency exchange rates may have an adverse effect on our business operations.

38. ***Our Promoters and Promoter Group will continue to retain significant control in our Company following the completion of the Offer, which will enable them to influence the outcome of matters submitted to shareholders for approval.***

Upon completion of the Offer, the Promoters, together with the Promoter Group will control, directly or indirectly, 42.64% of the outstanding Equity Shares of our Company. As a result, the Promoters will continue to exercise significant control over our Company, including in matters relating to any sale of all or substantially all of our Company’s assets, timing and distribution of dividends, controlling the composition of our Board and determining matters requiring shareholder approval or approval of our Board. The Promoters may take or block actions with respect to our Company’s business, which may conflict with the interests of our Company or the interests of the other shareholders of our Company. By exercising its control, the Promoters could delay, defer or cause a change of control of our Company or a change in the capital structure of our Company, or a merger, consolidation, takeover or other business combination involving our Company, discourage or encourage a potential acquirer from making a tender offer or otherwise attempting to obtain control of our Company. In addition, as long as the Promoters continue to exercise control over our Company, they may influence the material policies of our Company in a manner that could be conflict with the interest of the other shareholders of our



Company and may take positions with which our Company or its other shareholders may not agree.

39. ***We have experienced negative cash flows in relation to our investing and financing activities for the six months period ended September 30, 2014, and Fiscal Years 2014, 2013 and 2012. Any negative cash flows in the future would adversely affect our results of operations and financial condition.***

As per our restated consolidated financial statements, we had a negative cash flow from investing activities of ₹ 135.18 million, ₹263.71 million, ₹ 271.66 million and ₹ 418.85 million for the six months period ended September 30, 2014, and the Fiscal 2014, 2013 and 2012, respectively. Further, for the six months period ended September 30, 2014, and Fiscal Year 2013, we had a negative cash flow from financing activities of ₹ 109.19 million, and ₹ 141.14 million respectively.

Further, as per our restated standalone financial statements, we had a negative cash flow from investing activities of ₹ 87.5 million, ₹ 174.17 million, ₹ 195.52 million and ₹195.74 million for the six months period ended September 30, 2014, and the Fiscals 2014, 2013 and 2012, respectively. Further, as per our restated standalone financial statements for the six months period ended September 30, 2014, and Fiscal Year 2013, we had a negative cash flow from financing activities of ₹ 22.09 million and ₹ 72.01 million respectively.

If we experience any negative cash flows in the future, this could adversely affect our results of operations and financial condition. For further details, see the sections titled “**Financial Statements**” and “**Management’s Discussion and Analysis of Financial Condition and Results of Operations**” on pages 189 and 319 respectively.

40. ***Our contingent liabilities in the event they were to materialise could adversely affect our business, financial condition and results of operations.***

As of September 30, 2014, the details of our contingent liabilities as per our restated consolidated financial statements were as follows:

		(In ₹ million)
Particulars	As on	September 30, 2014
(i) Claims against our Company not acknowledged as debts		11.26
(ii) Guarantees given :		
(a) Guarantee given by Company's Banker on behalf of our Company to various authorities		2.69
(b) Corporate guarantee given by our Company to the sales tax department in respect of other entities		1.00
(iii) Other moneys for which our Company is contingently liable :		
(a) Demand raised by income tax authorities pending in appeal - assessment/appeals in progress, potential exposure		22.86
(b) Local Area Development Tax		60.45
(c) Sales Tax:		
Sales tax liability for Form C & F/pending appeal		10.52
(d) Excise duty liability on closing stock		5.46

For details see section titled “**Financial Information - Consolidated**” on page 194.

Any or all of these contingent liabilities may become actual liabilities. In the event that any of our contingent liabilities become non-contingent, our business, financial condition and results of operations may be adversely affected. Furthermore, there can be no assurance that we will not incur similar or increased levels of contingent liabilities in the current fiscal year or in the future.

41. ***Our auditors have highlighted certain matters of emphasis in relation to the financial statements for last five Fiscals.***

Our auditors for the respective Fiscal have highlighted the following matters of emphasis in relation to the financial statements for the last five years as material non-adjusting audit qualifications:

A. In Relation to Unconsolidated Financial Information:

Financial year ended March 31, 2010



Matter of emphasis/ qualification/ adverse remarks

- (i) The Company has been entering into certain transaction with related parties in terms of Section 297 of the Companies Act, 1956 for the period 2003 till August August 5, 2008 for which, our Company has not obtained prior approval of Central Government u/s 297(1) of the Companies Act, 1956. However, the Company has filed a compounding application under Section 621A of the Companies Act, 1956 with the Central Government, for which approval is awaited.
- (ii) The Company is in the process of further strengthening the internal audit system in commensurate with the size of the company and nature of its business.
- (iii) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2010 which have not been deposited on account of a dispute, are as follows:-

Name of the statute	Nature of dues	Amount (In ₹ millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.04	Assessment Year 2002-03	Appeal effect pending with assessing officer
Income Tax Act, 1961	Income tax	2.01	Assessment Year 2003-04	Commissioner of Income-tax (Appeal), New Delhi
Haryana Local Area Development Act, 2000	Demand for Local Area Development Tax	1.58	Assessment Year 2000-01 to 2001-02.	Pending with Tribunal at Chandigarh at the balance sheet date.
Haryana Local Area Development Act, 2000	Demand for Local Area Development Tax	31.26	Assessment Year 2008-09 to 2010-2011.	Pending with Supreme Court.
Service tax liability	Service Tax	0.78	Year 2006 – 2007	Commissioner of Service tax, New Delhi
Central Sales Tax	Non submission of 'C' Forms	0.03	Year 2008 - 2009	Karnataka VAT Authorities
Central Sales Tax	Non Submission of 'C' & 'F' Forms	2.49	Year 2007-2008	Delhi VAT Authorities
Central Sales Tax	Non Submission of 'F' Forms	0.10	Year 2007-2008	Assesing Authority Trade Tax, West Bengal
Value Added Tax	VAT imposed against notice issued by the checkpost	0.05	Year 2007-2008	Appeal with Deputy Commissioner UP Trade Tax
Central Sales Tax	Non Submission of 'F' & 'C' Forms	0.10	Year 2007-2008	Deputy Commissioner UP Trade Tax

Financial year ended March 31, 2011

Matter of emphasis/ Qualification/ Adverse remarks :

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2011 which have not been deposited



on account of dispute, are as follows:

Name of the statute	Nature of dues	Amount (In ₹ million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2000-01	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2001-02	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2002-03	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.09	Assessment Year 2003-04	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.55	Assessment Year 2004-05	Income tax, Appellate Tribunal
Haryana General Sales Tax Act	Interest	5.50	September 19, 1995 to September 18, 2002	Joint Director, DIC
Haryana Local Area Development, 2000	Local Area Development Tax	1.58	Year 2000-01 to 2001-02	Tribunal, Chandigarh
Haryana Local Area Development, 2000	Local Area Development Tax	6.98	Year 2007-08	Supreme Court, General case of industry.
Local Areas Act, 2008	Entry Tax	22.67	Year 2007-08 to 2010-11	Supreme Court, General case of industry.
Value Added Tax	Penalty	0.07	Year 2007-2008	Tribunal, UP
Value Added Tax	Tax and penalty	0.13	Year 2007-2008	Joint Commissioner, Delhi
Value Added Tax	Non Submission of 'C' Forms	0.16	Year 2007-2008	Delhi, Vat Authorities

Financial year ended March 31, 2012

Matter of emphasis/ Qualification/ Adverse remarks

- In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2012 which have not been deposited on account of dispute, are as follows: –

Name of the statute	Nature of dues	Amount (in ₹ millions)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2000-01	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2001-02	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2002-03	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.09	Assessment Year 2003-04	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.55	Assessment Year	Income tax,



Name of the statute	Nature of dues	Amount (in ₹ millions)	Period to which the amount relates	Forum where the dispute is pending
1961			2004-05	Appellate Tribunal
Income Tax Act, 1961	Income tax	0.23	Assessment Year 2005-06	CIT (Appeals)
Haryana Local Area Development, 2000.	Local Area Development Tax	1.58	Year 2000-01 to 2001-02.	Tribunal, Chandigarh
Haryana Local Area Development, 2000.	Local Area Development Tax	6.98	Year 2007-08	Supreme Court, General case of industry.
Local Areas Act, 2008	Entry Tax	33.48	Year 2007-08 to 2010-12	Supreme Court, General case of industry.
Value Added Tax	Penalty	0.07	Year 2007-2008	Tribunal, UP
Value Added Tax	Tax and penalty	0.05	Year 2007-2008	Joint Commissioner, Delhi
Value Added Tax	Non Submission of 'C' Forms	0.16	Year 2007-2008	Delhi, Vat Authorities

Financial year ended March 31, 2013

Matter of emphasis/ Qualification/ Adverse remarks:

In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.

- (i) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2013 which have not been deposited on account of dispute, are as follows: –

Name of the statute	Nature of dues	Amount (in ₹ million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2000-01	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.09	Assessment Year 2001-02	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2002-03	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.12	Assessment Year 2003-04	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.79	Assessment Year 2004-05	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	3.51	Assessment Year 2010-11	CIT Appeal
Haryana Local Area Development, 2000.	Local Area Development Tax	1.58	Year 2000-01 to 2001-02.	Tribunal, Chandigarh
Haryana Local Area Development, 2000.	Local Area Development Tax	6.98	Year 2007-08	Supreme Court, General case of industry.
Local Areas Act, 2008	Entry Tax	44.55	Year 2008-09 to 2012-13	Supreme Court, General case of industry.
Value Added Tax	Penalty	0.07	Year 2007-2008	Tribunal, UP
Value Added Tax	Non Submission	0.16	Year 2007-2008	Delhi, Vat



Name of the statute	Nature of dues	Amount (in ₹ million)	Period to which the amount relates	Forum where the dispute is pending
	of 'C' Forms			Authorities
Value Added Tax	Non Submission of 'C' Forms	0.10	Year 2008-2009	Joint Commissioner, west Bengal
Value Added Tax	Sales Tax	6.82	Year 2009-2010	Joint Commissioner, west Bengal
Value Added Tax	Sales Tax	2.49	Year 2011-2012	Deputy Excise & Taxation Commissioner, Chandigarh

Financial year ended March 31, 2014

Matter of emphasis/ Qualification/ Adverse remarks:

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2014 which have not been deposited on account of dispute, are as follows: –

Name of the statute	Nature of dues	Amount (in ₹ million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	2.91	Assessment Year 2004-05	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	3.94	Assessment Year 2010-11	CIT Appeal
Income Tax Act, 1961	Income tax	3.25	Assessment Year 2011-12	CIT Appeal
Income Tax Act, 1961	Income tax	1.95	Financial Year 2011-12	CIT Appeal
Haryana Local Area Development, 2000.	Local Area Development Tax	1.58	Year 2000-01 to 2001-02.	Tribunal, Chandigarh
Haryana Local Area Development, 2000.	Local Area Development Tax	6.98	Year 2007-08	Supreme Court, General case of industry.
Local Areas Act, 2008	Entry Tax	59.06	Year 2008-09 to 2013-14	Supreme Court, General case of industry.
Value Added Tax	Non Submission of 'C' Forms	0.08	Year 2008-2009	Joint Commissioner, west Bengal
Value Added Tax	Sales Tax	0.16	Year 2010-2011	Senior Joint Commissioner, West Bengal
Value Added Tax	Sales Tax	2.49	Year 2011-2012	Deputy Excise & Taxation Commissioner, Chandigarh

In addition to the audit qualification mentioned in relation to unconsolidated financial statements, mentioned below are the additional qualifications in relation to our consolidated financial statements:

B. In Relation to Consolidated Financial Information:

Financial year ended March 31, 2012



Matter of emphasis/ Qualification/ Adverse remarks:

The merger of Sports Station India Private Limited (step down subsidiary) with SSIPL Lifestyle Private Limited (subsidiary) would have a positive impact on its net worth and business continuity. Accordingly, accounts of step down subsidiary have been prepared on the going concern basis in spite of substantial accumulated losses which have been resulted in erosion of net worth of the company.

Financial year ended March 31, 2013

Matter of emphasis/ Qualification/ Adverse remarks:

The group has not provided a sum of ₹ 15.82 million for lease equalisation as prescribed in AS-19 pertaining to “Leases” notified under section 211(3C) Companies (Accounting Standards) Rules, 2006 of the Companies Act, 1956. Had the Lease Equalisation of ₹ 15.82 million been provided in the financial statements, there would have been following impact:

- (a) Profit after tax would have been decreased by ₹ 10.69 million (Net of deferred tax);
- (b) Deferred tax assets of ₹ 63.18 million would have been increased by ₹ 5.13million; and
- (c) Current Liabilities of ₹ 1,915.04 million would have been increased by ₹ 15.82 million

If such matters of emphasis are highlighted or qualifications are contained in future audit reports, the price of our equity shares may be adversely impacted.

42. ***Our Company has in the past, entered into related party transactions and may continue to do so in the future. Further, such related party transactions may involve or could potentially involve conflicts of interest and as a result, may have an adverse impact on our Company's business and operations.***

We have entered into certain transactions with related parties in the past and may continue to do so in the future. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. We have entered into certain transactions with related parties, including our Promoters and Group Entities and may continue to do so in the future. These transactions entered into with, amongst others, our Promoters and Group Entities. These transactions or any future transactions with our related parties could potentially involve conflicts of interest. While we believe that all such transactions have been conducted on an arms-length basis, there can be no assurance that we would not have achieved more favorable commercial terms with other parties. Furthermore, we may enter into related party transactions in the future, and such transactions may potentially involve conflicts of interest. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our results of operations and financial condition. For more information see “***Related Party Transactions***” on page 246 of this Draft Red Herring Prospectus.

In the past, our Company had failed obtain a prior approval of the central government before entering into contracts with related parties of our Company for the period from March 31, 2004 to March 31, 2009 and were in violation of the section 297 of the Companies Act, 1956. The applications to the central government through the office of the regional director were subsequently made and the offence was compounded. In the event that such approvals required for entering into agreements with related parties are not taken from the appropriate authorities our Company would be in violation of the provisions of the Companies Act. Any penal consequence of any non compliance may have a material adverse effect on our Company's business prospects.

Further the Companies Act, 2013, provides for more stringent compliance requirements in relation to related party transactions. We cannot assure you that we will be able to comply with this in the future.

43. ***Our Company's ability to pay dividends on the Equity Shares in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.***

The amount of future dividend payments, if any, will depend upon our Company's future earnings,



financial condition, cash flows, working capital requirements, terms and conditions of indebtedness and capital expenditures of our Company. We have not declared or paid any dividend in past five years except as stated in this Draft Red Herring Prospectus and there can be no assurance that our Company will be able to pay dividends in the future. For more information see “**Dividend Policy**” on page 188 of this Draft Red Herring Prospectus.

44. ***The market price of our Company’s Equity Shares may be adversely affected by additional issues of equity or equity linked securities by our Company or by sale of a large number of our Equity Shares by significant shareholders of our Company.***

Our Company may finance its growth plans through additional equity offerings. Any future issuance of equity or equity-linked securities by our Company may dilute the shareholding of investors in its Equity Shares and could adversely affect the market price of its Equity Shares.

Our Board and shareholders have approved an employee stock option scheme titled “Employee Stock Option Scheme, 2008” and “Employee Stock Option Scheme, 2014”, in compliance with the ESOP Guidelines under which 14,250 and 76,000 stock options are currently granted respectively. For further details, see section titled “**Capital Structure - Employee Stock Option Scheme**” on page 73. Although the pre-Offer shareholding of the shareholders is subject to lock-in as per applicable SEBI Regulations, sale of a large number of Equity Shares by any significant shareholder of our Company after the expiry of the lock-in periods could adversely affect the market price of the Equity Shares. In addition, any perception by investors that such issuances or sale might occur could also affect the trading price of the Equity Shares.

45. ***Some of our agreements may be unstamped/inadequately stamped and/or unregistered as a result of which our rights under such agreements may be adversely affected and penalties may be payable by us for enforceability of such agreements in a court of law.***

We enter into various agreements during the course of our business; some of our agreements may be unstamped/inadequately stamped and/or unregistered. For example, the retail outlets managed and operated by us are taken by us on lease or sub-lease or leave and licence from third parties and are governed by the applicable laws of the respective states. Some of the aforesaid agreements/deeds may not be stamped/adequately stamped or be registered as a result of which they cannot be admitted as evidence in a court of law.

The penalties imposed for enforcing inadequately stamped and/or unregistered agreements would vary depending on the provisions of such state laws and the tenure of the agreement and hence we are unable to ascertain the financial impact of the same, if any. For such agreements to be admitted/enforced in a court of law, stamp duty together with penalty has to be paid as per the provisions of the applicable law. Payment of such penalties for the enforceability of such agreements may adversely affect our financial position and business operations.

46. ***Our Company does not own the premises in which its registered office and three of its manufacturing facilities are located and have been taken on lease. If such lease agreements are terminated or we are unable to renew them, we may suffer disruption in our operations and would have to incur cost related to shifting of such office or facilities.***

Our Company does not own the premises in which its registered office and three of its manufacturing facilities, one each at Haryana, Himachal Pradesh and Uttarakhand, are located. These have been taken by our Company on lease. If such lease agreements are terminated or our Company is unable to renew such agreements on terms favourable to us or at all, we may suffer a disruption in our operations and incur costs related to moving office and/or factories.

47. ***We will not receive any proceeds from the offer for sale portion.***

This Offer comprises of an Offer for Sale of 1,988,368 Equity Shares by the Selling Shareholders. The proceeds from the Offer will be paid to the Selling Shareholders in proportion of the Equity Shares offered by them in the Offer and our Company will not receive any proceeds from the Offer or be benefitted from such proceeds.



48. ***In the last twelve months, we have issued Equity Shares at a price that may be lower than the Offer Price.***

We have issued Equity Shares to certain persons and companies in the last twelve months, which may be at a price lower than the Offer Price. The details of such issuance are set out in the table below:

Allottee(s)	Whether belongs to the promoter group	Date of issue	Number of Equity Shares	Issue price (₹)	Reasons for issue
Various employees under ESOS 2008	No	June 30, 2014	9,800	74.90	Allotment pursuant to ESOS 2008
OJIF	No	January 08, 2015	16,667	600.00	Preferential allotment pursuant to an agreement dated October 20, 2014

49. ***Some of our Group Entities have incurred losses during recent fiscals.***

Some of our Group Entities have incurred losses (as per their unconsolidated financial statements) in recent financial years, as set forth below:

Name of Group Entities	Year	Loss (in ₹ million)
Kasi Trishul Motors Private Limited	2011-12	0.05
Value Vestor Media Private Limited	2013-14	0.03
RN Property Developers Private Limited .	2013-14	0.02

50. ***Revenue generated from our business is subject to seasonal variations with a significant portion of revenue generated primarily during the period October to January each fiscal.***

Our business is seasonal in nature, with a significant portion of revenue generated primarily during the period October to January each Fiscal. The sales of our products increase during the aforementioned period on account of various factors including festivals and higher value products like shoes and winter apparel being sold in this period. As a result our revenue and profits may vary significantly during different financial periods and certain periods may not be indicative of our financial position for the year and may be significantly below the expectations of the market, analysts and investors.

B. EXTERNAL RISK FACTORS

RISK FACTORS RELATED TO INDIA AND INVESTMENT IN THE EQUITY SHARES

51. ***A slowdown in economic growth and consumer spending in India could adversely impact our business. Our performance and the growth of our business are necessarily dependent on the performance of the overall Indian economy.***

The median forecasts of select macroeconomic indicators Professional Forecasters' 2013-2014 conducted by the RBI places the overall GDP growth rate at factor cost for Fiscal 2014-15 at 5.5%. (Source: *Macroeconomic and Monetary Developments 2014-15*). Any slowdown in the Indian economy or in the industrial growth or any future volatility in global commodity prices could adversely affect the growth of our business, financial condition, results of operations and the price of our Equity Shares.

India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions.

The Indian economy and financial markets are also significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, especially in the United States of America, Europe or China, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have



adverse effects on the financial and market conditions in other countries. A loss of investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial markets.

The recent global financial turmoil, an outcome of the sub-prime mortgage crisis which originated in the United States, led to a loss of investor confidence in worldwide financial markets. Indian financial markets also experienced the effect of the global financial turmoil, evident from the sharp decline in SENSEX, BSE's benchmark index. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby having a material adverse effect on our business, financial condition, results of operations, and the price of our Equity Shares.

52. ***Difficulties faced by other manufacturing or retail sector generally could cause our business to suffer and the price of our Equity Shares to decline.***

We are exposed to risks consequent to being part of the manufacturing and retail sector. This sector in turn may be affected by financial difficulties and other problems faced by Indian manufacturing and retail companies. Any major difficulty or instability experienced by the Indian manufacturing and retail sector could create adverse market perception, which in turn could adversely affect our business and financial condition and the price of our Equity Shares.

53. ***Changing laws, rules and regulations and legal uncertainties in India may adversely affect our business and financial performance.***

Our business and financial performance could be adversely affected by unfavourable changes in our interpretations of existing, or the promulgation of new, laws, rules and regulations applicable to us and our business in India. For further details on certain existing regulations applicable to our business, see “**Regulations and Policies**” on page 138 of this Draft Red Herring Prospectus. There can be no assurance that the relevant governmental authorities will not implement new regulations and policies, which may require us to obtain additional approvals and licenses from the government and other regulatory bodies or impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of the new regulations may have a material adverse effect on our business, financial condition and results of operations.

54. ***The Companies Act, 2013 has effected significant changes to the existing Indian company law framework, which may subject us to higher compliance requirements and increase our compliance costs.***

A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, and in certain cases, introduced certain requirements which did not have corresponding provisions under the Companies Act, 1956, such as in the provisions related to private placement of securities, disclosures in prospectus, corporate governance norms, accounting policies and audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. The Companies Act, 2013 also introduced provisions relating to corporate social responsibility (“**CSR**”), pursuant to which we may also need to spend, in each financial year, at least 2.0% of our average net profits during the three immediately preceding financial years towards one of the specified CSR activities.

Accordingly, we may face challenges in interpreting and complying with such provisions due to limited administrative precedent or jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. Additionally, some of the provisions of the Companies Act, 2013 overlap with other existing laws and regulations (such as the corporate governance norms and insider trading regulations). We may face difficulties in complying with any such overlapping requirements.



Further, the Companies Act, 2013 imposes greater monetary and other liability on our Company and Directors for any non-compliance. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

55. ***Our business and activities will be regulated by the Competition Act, 2002 (“Competition Act”) and any application of the Competition Act to us could have a material adverse effect on our business, financial condition and results of operations.***

The Competition Act is designed to prevent business practices that have an appreciable adverse effect on competition in India. Under the Competition Act, any arrangement, understanding or action in concert between enterprises, whether formal or informal, which causes or is likely to cause an appreciable adverse effect on competition in India is void and attracts substantial monetary penalties. Any agreement which directly or indirectly determines purchase or sale prices, limits or controls production, shares the market by way of geographical area, market or number of customers in the market is presumed to have an appreciable adverse effect on competition. Further, if it is proved that the contravention committed by a company took place with the consent or connivance 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 liable to be punished.

The effect of the Competition Act on the business environment in India is unclear. If we are affected, directly or indirectly, by any provision of the Competition Act, or its application or interpretation, including any enforcement proceedings initiated by the Competition Commission and any adverse publicity that may be generated due to scrutiny or prosecution by the Competition Commission, it may have a material adverse effect on our business, financial condition and results of operations.

56. ***Public companies in India, including our Company, may be required to prepare financial statements under IFRS or IndAS (a variation of IFRS). The transition to IFRS or IndAS in India is still unclear and we may be negatively affected by such transition.***

We currently prepare our annual and interim financial statements under Indian GAAP. Public companies in India, including us, may be required to prepare annual and interim financial statements under Indian Accounting Standard 101 “First-time Adoption of Indian Accounting Standards (“IndAS”)”. As per the Companies (Indian Accounting Standards) Rules, 2015 dated February 16, 2015, the IndAS have been made applicable on certain categories of companies including our Company for the accounting periods beginning on or after April 1, 2017. There is not yet a significant body of established practice on which to draw in forming judgments regarding its implementation and application. Additionally, IndAS differs in certain respects from International Financial Reporting Standard (“IFRS”) and therefore financial statements prepared under IndAS may be substantially different from financial statements prepared under IFRS. There can be no assurance that our financial condition, results of operations, cash flow or changes in shareholders’ equity will not be present differently under IndAS than under Indian GAAP or IFRS. As we adopt IndAS reporting, we may encounter difficulties in the ongoing process of implementing and enhancing its management information systems. There can be no assurance that the adoption of IndAS by us will not adversely affect our results of operations or financial condition and any failure to successfully adopt IndAS in accordance with the prescribed timelines may have an adverse effect on our financial position and results of operations.

57. ***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may affect investors’ assessments of our Company’s financial condition.***

We have not attempted to explain in a qualitative manner the impact of the IFRS or U.S. GAAP on the financial information included in this Draft Red Herring Prospectus, nor do we provide a reconciliation of our financial information to those of U.S. GAAP or IFRS. The U.S. GAAP and IFRS differ in significant respects from Indian GAAP. Indian GAAP differs from other accounting principles with which prospective investors may be familiar in other countries. 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 practices, Indian GAAP, the Companies Act and the SEBI Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, the Companies Act and the SEBI Regulations, on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

58. ***If inflation increases, our results of operations and financial condition may be adversely affected.***

An increase in inflation in India could cause a rise in the price of raw materials, transportation, wages or any other of our expenses. If this trend continues, we may be unable to reduce our costs or pass our increased costs to our customers and our results of operations and financial condition may be adversely affected.

59. ***Wage pressures in India may prevent us from sustaining our competitive advantage and may reduce its profit margins.***

Wage costs in India have historically been significantly lower than the wage costs in the developed countries for comparably skilled professionals, which has been one of our competitive strengths. However, wage increases in India may prevent us from sustaining this competitive advantage and may negatively affect our profit margins. The buoyancy in Indian manufacturing and retail with the opening up of global trade may lead to an increase in wage costs which could result in increased cost. This can impact the performance and margins of players in the industry in India and may result in a material adverse effect on our business.

60. ***Political instability or changes in the Government could delay the liberalisation of the Indian economy and adversely affect economic conditions in India generally, which could impact our financial results and prospects.***

We are incorporated in India, derive our revenues from operations in India and all our assets are located in India. Consequently, our performance and the market price of Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. The GoI has traditionally exercised and continues to exercise significant influence over many aspects of the Indian economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by changes in the GoI's policies, including taxation.

Since 1991, successive Indian Governments have pursued policies of economic liberalisation, including significantly relaxing restrictions on the private sector. Nevertheless, the roles of the Indian central and state governments in the Indian economy as producers, consumers and regulators have remained significant. However, there can be no assurance that such policies will be continued and any significant change in the GoI's policies in the future could affect our business and economic conditions in India in general. However, possible political instability, changes in the rate of economic liberalisation, laws and policies affecting our industry, foreign investment, currency exchange, matters affecting investment in our securities, India's economic liberalisation and deregulation policies could all economic conditions in India generally, and could also adversely affect our business, future financial performance and the price of our Company's Equity Shares in particular.

61. ***Terrorist attacks, civil unrest and other acts of violence or war involving India and other countries could adversely affect the financial markets and could have a material adverse effect on our business, financial condition and results of operations and the price of our Equity Shares.***

Terrorist attacks and other acts of violence or war may negatively affect the Indian markets in which our Equity Shares trade. These acts may also result in a loss of business confidence, make travel and other services more difficult to avail of and ultimately adversely affect our business.

India has experienced communal disturbances, terrorist attacks and riots during recent years. If such events recur, our business may be adversely affected. The Asian region has from time to time experienced instances of civil unrest and hostilities. Hostilities and tensions may also occur in future. Military activity or terrorist attacks in India as well as other acts of violence or war could influence the Indian economy by creating a perception that investments in India involve higher degrees of risk. Events of this nature in future, as well as social and civil unrest in other countries in Asia, could influence the Indian economy and could adversely effect the Indian securities market, including our



Equity Shares.

62. ***The retail sector is restricted in its ability to raise financial resources for its growth.***

The retail sector has not been granted industry status by the Government of India. The capital requirements for a retailer are in real estate (which banks have historically restricted lending to) and for meeting working capital requirements. Banks and financial institutions are further reluctant to lend to the sector because of lack of collaterals since most of the assets are on lease. While some of the leading retailers are still able to get bank funding, the smaller ones are constrained for growth funding.

63. ***Availability of large quantities of retail space can be affected by change in interest rates or banking policies.***

Prevailing interest rates in the economy as well as the yields available on the lease of property have been instrumental in making real estate available for retail by permitting investors to borrow and invest in real estate and lease it to retail companies. Any change in interest rates, or yields on property or change in banking policies pertaining to lending against real estate or securitisation of lease rentals could impact availability of real estate for retail.

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

The Indian economy and its securities markets are influenced by economic developments and volatility in securities markets in other countries. Investors' reactions to developments in one country may have adverse effects on the market price of securities of companies located in other countries, including India. For instance, the economic downturn in the U.S. and several European countries during a part of Fiscal 2008 and 2009 adversely affected market prices in the world's securities markets, including India. Negative economic developments, such as rising Fiscal or trade deficits, or a default on national debt, in other emerging market countries may also affect investor confidence and cause increased volatility in Indian securities markets and indirectly affect the Indian economy in general.

65. ***Any downgrading of India's sovereign rating by an international rating agency could have a negative impact on our business and trading price of our Equity Shares.***

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

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

Capital gains arising from the sale of our Equity Shares are generally taxable in India. Any gain realised on the sale of our Equity Shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax has been paid on the transaction. The securities transaction tax will be levied on and collected by an Indian stock exchange on which our Equity Shares are sold. Any gain realised on the sale of our Equity Shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and as a result of which no securities transaction tax has been paid, will be subject to capital gains tax in India. Further, any gain realised on the sale of our Equity Shares held for a period of 12 months or less will be subject to capital gains tax in India.

67. ***India is vulnerable to natural disasters that could severely disrupt the normal operation of our business.***

India has experienced natural calamities, such as tsunamis, floods, droughts and earthquakes in the past few years. The extent and severity of these natural disasters determines their impact on the Indian economy. Unforeseen circumstances such as below normal rainfall and other natural calamities, could have a negative impact on the Indian economy. Because our operations are located in India, our business and operations could be interrupted or delayed as a result of a natural disaster in India, which



could affect our business, financial condition, results of operations and the price of our Equity Shares.

68. ***A decline in India's foreign exchange reserves may affect liquidity and interest rates in the Indian economy, which could adversely impact our financial condition.***

A decline in India's foreign exchange reserves could impact the valuation of the Rupee and result in reduced liquidity and higher interest rates, which could adversely affect our future financial condition. On the other hand, high levels of foreign funds inflow could add excess liquidity to the system, leading to policy interventions, which would also allow slowdown of economic growth. Either way, an increase in interest rates in the economy following a decline in foreign exchange reserves could adversely affect our business, prospects, financial condition, results of operations, and the trading price of the Equity Shares.

RISKS FACTORS RELATING TO THE OFFER

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, and any trading closures at the BSE and the NSE may adversely affect the trading price of the Equity Shares.***

Under the Indian law, permission for listing of the Equity Shares is granted by the Stock Exchanges after those Equity Shares have been issued and allotted. Such permission will require relevant documents authorising the issuing of Equity Shares to be submitted. If such permission is delayed or denied, there could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

70. ***You will not be able to immediately sell any of the Equity Shares you purchase in this Offer on the Stock Exchanges.***

Under the SEBI Regulations, we are required to list the Equity Shares within 12 Working Days of the Bid Closing Date. You can start trading in the Equity Shares only after requisite listing and trading permissions have been received from the Stock Exchanges and are subsequently listed on the Stock Exchanges.

Further, there can be no assurance that the Equity Shares allocated to you will be credited to your beneficiary account, or that the trading in Equity Shares will commence within the specified time periods.

71. ***Our Equity Shares have never been traded publicly before and this invitation may not result in an active or liquid market for our Equity Shares. The market prices of, and trading volumes in our Equity Shares may be volatile which could negatively affect an investment in our Shares.***

The Price Band and Offer Price would be determined through negotiations between us, the Selling Shareholders and the BRLMs based on several factors and may not be indicative of the market price for Equity Shares after the Allotment. The market price of our Equity Shares may be significantly affected by, among others, the following factors:

- (i) new services or products offered by us or our competitors;
- (ii) the loss of major partner brands;
- (iii) announcements by us or our competitors of significant contracts, acquisitions, partnerships, joint ventures or capital commitments;
- (iv) additions or departures of key personnel;
- (v) changes in, or our failure to meet, securities analysts' expectations;
- (vi) changes in market valuations of other similar companies;
- (vii) legislative and regulatory developments affecting our industry;
- (viii) developments in our industry and technological innovations;
- (ix) broad share price fluctuations;
- (x) involvement in litigation; and
- (xi) general market conditions and other factors beyond our control.

Prior to this Offer, there was no public market for our Equity Shares and we will apply to have our



Equity Shares listed and traded on BSE and NSE. The BSE/NSE listing and trading does not, however, guarantee that a trading market for our Equity Shares will develop or, if a market does develop, the liquidity of that market for our Equity Shares. Therefore, we cannot predict whether an active trading market for our Equity Shares will develop or how liquid that market might become.

Prominent Notes:

- Public Offer of up to 2,988,368 Equity Shares of face value of ₹ 10 each of our Company for cash at a price of ₹ [●] per Equity Share (including a share premium of ₹ [●] per Equity Share) aggregating to ₹ [●] million consisting of a fresh issue of up to 1,000,000 Equity Shares by our Company and an Offer for Sale of up to 1,988,368 Equity Shares by the Selling Shareholders. The Offer would constitute 27.12% of the post-Offer paid-up capital of our Company.
- Our Company was incorporated on October 5, 1994, under the Companies Act as Moja Shoes Private Limited. Subsequently the name of our Company was changed to SSIPL Retail Private Limited with effect from August 25, 2006. Further the status of our Company was changed to a public limited company by a special resolution of the shareholders passed at the EGM held on May 26, 2008, consequent to which the name of our Company was changed to SSIPL Retail Limited. The registered office of our Company is situated at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi - 110 044. For details of the change in our name and registered office, see section titled “**History and Certain Corporate Matters**” on page 144.
- As of September 30, 2014, our Company’s net worth was ₹ 1,244.70 million as per the Restated Consolidated Financial Information and ₹ 1,238.04 million as per the Restated Unconsolidated Financial Information.
- As of September 30, 2014, the net asset value per Equity Share was ₹ 124.44 as per the Restated Consolidated Financial Information and ₹ 123.78 as per the Restated Unconsolidated Financial Information.
- The average cost of acquisition of one Equity Share for the Promoters is as follows:

Name of the Promoter	Average cost of acquisition per Equity Share (in ₹)
Rishab Soni	29.36
Sunil Taneja	9.56
Amit Mathur	24.27
Kabir Taneja	35.84

Note: The average cost of acquisition has been adjusted for sale considerations for sale of such Equity Shares by the respective Promoter

For further information on the allotment of Equity Shares to our Promoters, please see section titled “**Capital Structure**” on page 64.

- Except as stated in the sections entitled “**Our Promoter, Promoter Group and Group Entities**” and “**Related Party Transactions**” on pages 176 and 246, respectively, none of the Group Entities have any business or other interest in our Company.
- For details of related party transactions entered into by our Company with the Group Entities and Subsidiaries during the last financial year, the nature of transactions and the cumulative value of transactions, please see the section entitled “**Related Party Transactions**” on page 246.
- There has been no financing arrangement by which the Promoter Group, the Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company other than in the normal course of business of the financing entity during the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI.
- Bidders may contact the BRLMs for complaints, information or clarifications pertaining to the Issue. All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, application number, address of the applicant, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the entity and centre where the Bid cum Application Form was submitted. All grievances relating to the ASBA process may be



addressed to the Registrar to the Issue with a copy to the relevant SCSB and the Syndicate Members at the Specified Locations with whom the Bid cum Application Form was submitted. In addition to the information indicated above, the ASBA Bidder should also specify the Designated Branch or the collection centre of the SCSB or the address of the centre of the Syndicate Member at the Specified Locations where the Bid cum Application Form was submitted by the ASBA Bidder.



SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

INDIAN ECONOMY OVERVIEW

In 2014-15, the Indian economy is poised to overcome the sub-5% growth in gross domestic product (GDP) witnessed over the last two years. The growth slow-down in the last two years was broad based, affecting in particular the industrial and manufacturing sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilisation front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

The following table illustrates India's real GDP growth between Fiscals 2009 and 2013 (at factor cost at constant 2004-05 prices):

Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
8.6%	8.9%	6.7%	4.5%	4.7%

(Source: Ministry of Finance, Government of India, Economic Survey 2013–14)

INDIAN RETAIL – EVOLUTION AND GROWTH

The organised retail industry in India prior to 1995 witnessed significant growth and constituted mostly of domestic manufacturers, who had set-up company /brand outlets to sell their products. From 1995 till 2005 there was a cautious optimism in the retail sector with limited players experimenting with new formats primarily in the apparel sector due to favourable economic attractiveness.

However, in the next three years post 2005, the retail industry went into a major expansion mode an expectation of major international players entering India, and large Indian Corporate houses committing to retail. This was also the period which saw the entry of food and general merchandise categories in the retail sectors, dominated by the apparel retailers till then. However, the global economic recession and FDI restrictions on multi-brand retail from 2008 onwards saw a phase of consolidation in the industry with players focusing on cost optimisation and operational efficiencies rather than new store roll outs.

Post 2011-12, there has been a resurgence in the retail industry with private brands getting established and increasing and renewed interest by international players as well as domestic ones. The focus has also shifted into more penetration and fast pace rollouts into tier II cities/tier III. (Source: IndiaRetail Report 2015)

INDIAN RETAIL OVERVIEW

The Indian Retail market is amongst the largest and fastest growing in the world. With a population of over 1.2 billion and household size between 4 to 5 on an average, it is not difficult to see the potential attractiveness this market offers. With increasing disposable incomes, increasing business activity and expansion of retail outlets within different categories, the retail sector in India is poised to grow exponentially. Already growing at a healthy rate of 16%, the Indian retail market will grow by 29% CAGR by 2017, touching a sum of ₹ 61,563 billion in value. Growing economic factors are no doubt helping the expansion of Indian retail considerably. (Source: India Retail Report 2015)



Modern or Organised Retail

The retail industry is largely unorganised though it is growing rapidly within the organised sector, also referred to as 'Modern Retail'. The modern retail market in India totaled ₹ 3,811 billion in 2014 and has been growing by 30% at an average during the last five years and is expected to gather pace over the next two to three years. In 2014, it accounted for 9.8% of the total Indian retail market. Though it is a very small chunk of the total retail market, it is slowly coming into its own and is expected to be at 20% by 2020. (Source: India Retail Report 2015)

Share of different retail segments in modern retail has been outlined below. Unlike total retail segmentation, largest category is clothing and apparel with 37% share of the Indian modern retail market which was just 8% of total Indian retail market. Similarly, share of Footwear is also higher at 4% of the Indian modern retail market as compared to its share of 1% of the Indian total retail market. With expected rise in the share of organised modern retail in the coming years, it clearly outlines the growth of apparel and clothing and footwear segments.

KEY GROWTH DRIVERS OF INDIAN RETAIL INDUSTRY

- (a) Favorable population demographics;
- (b) Rising income level and rise of a strong middle class;
- (c) Urbanisation;
- (d) Changing consumption pattern;
- (e) Increasing use of plastic money to drive spending;
- (f) Low retail penetration;
- (g) Unexplored potential of Tier I and Tier II cities; and
- (h) Favorable impact of FDI approval - A big step towards liberalization.

LIFESTYLE RETAILING

Fashion and Lifestyle makes up the largest portion of organised retailing, putting together segments like apparel, footwear, jewelry, watches, health and beauty services etc. and constitutes about 60% of organised retail.

Apparel Market Overview

The total apparel retail market has been growing at 20-21% and is estimated to continue with the same growth rate to be pegged at ₹ 5,648 billion in value by 2017. Modern retail is estimated at 43% of the total market and is expected to grow by a much higher growth rate. The industry estimates the category to grow at 30-40%.

Today, the total apparel and clothing market in India stands at ₹ 3,245 billion. The modern retail component out of this is ₹ 1,398 billion. The menswear segment is slightly larger currently than women's wear but by 2015 IRIS estimates that women's category would have grown larger in share than menswear. (Source: India Retail Report 2013)

Footwear market overview

The total footwear retail market (estimated at ₹ 335 billion in 2014) has been growing at 17-18% and is expected to cross ₹ 540 billion mark by 2017. The modern footwear retail component, which is 42% of the total footwear market, is expected to grow by 21-23% year on year. Retail expansion is growing at an average 16-18% in terms of number of outlets and retail space with the same outlet growth is expected to be around 25% (Source: India Retail Report 2015)

Fashion Accessories Market Overview

Fashion accessories include ties, handkerchiefs, socks, caps, belts, wallets, scarves, mufflers, fashion ornaments, hair accessories, hand bags, tie-pins and cufflinks.

The total fashion accessories retail market is worth about ₹ 155 billion, growing at 18-19% and is expected to touch ₹ 253 billion by 2017. The modern retail segment accounts for about 13% of this market. While this is still a very small segment, accounting for only ½ % of the total modern retail market of India, there is tremendous scope for growth and expansion. Belts, wallets, handbags and key chains account for 60% of this



market. The segment currently boasts of only a handful of players, but is gearing towards expansion and emergence of a very competitive market in the coming three to five years. While the market is largely dominated by unorganised retail and manufacturing, branded fashion accessories are springing up in malls and branded outlets.



SUMMARY OF OUR BUSINESS

The information in this section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this Draft Red Herring Prospectus, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations of our Company” and “Financial Statements” on pages 11, 319 and 189 respectively. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated financial statements.

Overview

We are primarily engaged in the retail, marketing and distribution of sports and lifestyle products including footwear, apparel, accessories and equipment. We specialise in the retail of a comprehensive range of sports and lifestyle brands while focussing on sports footwear. We believe that we are one of the leading companies having 19 years of experience across the verticals of manufacturing, and distribution and 16 years of organised retail expertise of internationally established sports and lifestyle brands in the Indian market. We have partnered with various leading global brands such as Nike, Puma, Lotto, Levi’s, Clarks and United Colors of Benetton across the retail and manufacturing spheres. We also retail certain domestic brands such as Mmojah and Cobblerz.

Retail Business

We are retailers of international brands in the sportswear category in India. As on December 31, 2014, we have an extensive network of 440 stores, spread across 92 cities. Our retail stores are targeted at specific market segments and carry a comprehensive range of footwear, apparel and accessories. We are the largest retail partners for Nike and Lotto in India

With over 16 years of experience in organised retailing in India, we have carved a niche for ourselves in the retail market and have helped our partner brands in establishing a strong retail presence in India. As on December 31, 2014, we operate 411 Exclusive Brand Outlets (“EBOs”) for Nike, Levi’s, Lotto, United Colors of Benetton, Clarks, and Mmojah.

We also retail various international and domestic brands through multi-brand concept stores of SSIPL Lifestyle Private Limited, our wholly owned subsidiary, viz. ShoeTree, ShoeTree Sports, and Value Station. ShoeTree retails various casual footwear brands, including Clarks, Johnston & Murphy, Puma, Carlton London and Cobblerz. ShoeTree Sports retails amongst others, brands like Nike, Lotto, Puma, and Crocs. Value Station retails Nike, Levi’s, Lotto and United Colors of Benetton.

Our retail concepts stores are focussed on providing a standard elevated shopping experience to customers and are developed after taking into account the store location, the demographic profile of consumers of that area and the store size. The range of products based on their price points, design and fashion quotient could vary from one location to another depending on the demographic factors of the store.

As on December 31, 2014, we have an aggregate retail gross floor area of approximately 453,105 square feet, and a network of 440 stores across India, of which 389 are EBOs of international brands namely Nike, Lotto, Levi’s, Clarks and United Colors of Benetton, 22 EBOs of Mmojah, and 29 stores are concept stores under the name of ShoeTree, ShoeTree Sports and Value Station.

We have been conferred with various awards by industry platforms for our contribution to the retail industry, elevated consumer experience and service levels and various other awards for application of technology. For details please refer to “**Awards and accreditations**” in the chapter titled “**History and Certain Corporate Matters**” on page 146.

We also distribute fitness equipments for Nike, in India. We also are the exclusive licensee for Smiley footwear in India.

Manufacturing Business

Our Company manufactures footwear for certain international brands such as Nike, Puma, Lotto and United Colors of Benetton. Our Company manufactures various kinds of footwear such as sports shoes and thongs, on the basis of specifications provided by the respective partner brands.



We have manufacturing facilities in Haryana, Himachal Pradesh and Uttarakhand. As at December 31, 2014, our Company operates a total of seven manufacturing facilities with a total production capacity of 4.89 million pairs of footwear and thongs per annum. Our first athletic footwear manufacturing facility in India was set up in 1995 at Kundli, Haryana and subsequently an additional manufacturing facility was set up in 2014. Further, we have set up three manufacturing facilities in Paonta Sahib, Himachal Pradesh in the year 2003, 2005 and 2010. We have also acquired a footwear manufacturing unit in Paonta Sahib, Himachal Pradesh in 2013. Another facility in Selaqui, Uttarakhand was established in 2009.

We are the largest authorised manufacturer of Nike footwear in India and have been manufacturing footwear for Nike for over 19 years. We are the largest footwear manufacturer for Puma and Lotto for the Indian market.

Our Company's total restated revenues on a consolidated basis, for the six months period ended September 30, 2014, and for the year ended March 31, 2014 and March 31, 2013 were ₹ 4,227.05 million, ₹ 7,626.99 million and ₹ 6,736.39 million respectively. Our Company's restated Profit after Tax for the six months period ended September 30, 2014, and years ended March 31, 2014 and March 31, 2013 were ₹ 37.02 million, ₹ 212.63 million, and ₹ 181.60 million respectively.

Competitive strengths

1. Strong portfolio of brands;
2. Wide network of stores;
3. Understanding consumer preferences;
4. Training and development;
5. Information technology;
6. Experienced management team;
7. Presence across premium and value segments; and
8. Complementing our retail stores by e-tailing and omni channel platforms.

For details on our strengths, see "***Our Business – Competitive strengths***" on page 122.

Our strategy

1. Continue to maintain our focus on long term relationships with leading international brands;
2. Increase geographic penetration of our owned brands and concept stores;
3. Continue to further strengthen manufacturing infrastructure; and
4. Target the growing segments.

For details on our strategy, see "***Our Business – Our strategy***" on page 124.



THE OFFER

The following table summarises the Offer details:

Equity Shares offered	
Offer	Up to 2,988,368 Equity Shares
<i>Of which:</i>	
Fresh Issue by our Company ⁽¹⁾	Up to 1,000,000 Equity Shares
Offer for Sale by the Selling Shareholders ⁽²⁾⁽³⁾	Up to 1,988,368 Equity Shares
<i>Offer to the Public</i>	
<i>Of which</i>	
A) Qualified Institutional Buyers (QIB) portion ⁽⁴⁾	Not more than 1,494,183 Equity Shares
<i>Of which</i>	
Available for allocation to Anchor Investors	Up to 896,509 Equity Shares
Net QIB Portion	Up to 597,674 Equity Shares
<i>Of which</i>	
Available for allocation to Mutual Funds only	Up to 29,844 Equity Shares
Balance for all QIBs including Mutual Funds	Up to 567,790 Equity Shares
B) Non-Institutional Portion ⁽⁵⁾	Not less than 448,256 Equity Shares
C) Retail Portion ⁽⁵⁾⁽⁶⁾	Not less than 1,045,929 Equity Shares
Equity Shares outstanding prior to the Offer	10,018,936 Equity Shares
Equity Shares outstanding after the Offer	11,018,936 Equity Shares
Use of Net Proceeds	See the section titled “ <i>Objects of the Offer</i> ” on page 85.

Allocation to all categories, except Anchor Investor Portion, if any and the Retail Portion, shall be made on a proportionate basis.

Notes:

1. *The Fresh Issue has been authorised by our Board of Directors pursuant to board resolution dated January 21, 2015 and by the shareholders of our Company pursuant to special resolution dated January 27, 2015 passed at the extra-ordinary general meetings of shareholders under section 62(1)(c) of the Companies Act, 2013.*
2. *The Selling Shareholders are offering an aggregate of up to 1,988,368 Equity Shares, which have been held for a period of at least one year prior to the date of filing of this Draft Red Herring Prospectus and hence, are eligible for being offered for sale in the Offer.*
3. *Our Company will not receive any proceeds from the Offer for Sale.*
4. *Our Company and the Selling Shareholders may 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 Anchor Investors. For further details, see the section titled “Offer Procedure” on page 407. In the event of under subscription or non allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion. Under subscription, if any, in any category, other than 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.*
5. *Subject to valid Bids received at or above the Offer Price, in the event of under-subscription in the Retail Category or the Non-Institutional Category in the Offer, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of our Company, in consultation with the BRLMs and the Designated Stock Exchange.*
6. *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 Bidder bidding at the Cut-Off Price have to ensure payment at the Cap Price, less Retail Discount at the time of making a Bid. Retail Individual Bidder must ensure that the Bid Amount, does not exceed ₹ 200,000. Retail Individual Bidder should note that while filling the “SCSB/Payment Details” block in the Bid cum Application Form, Retail Individual Bidder must mention the Bid Amount.*



SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our Restated Standalone Financial Information and Restated Consolidated Financial Information. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Regulations and are presented in the section titled “*Financial Statements*” on page 189.

The consolidated summary financial information presented below should be read in conjunction with our Restated Consolidated Financial Information, the notes thereto and the section titled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” on page 319.

RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Million)						
Sr No.	Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
I.	<u>EQUITY AND LIABILITIES</u>					
A	<u>Shareholders' Fund</u>					
	(a) Share Capital					
	- Equity Shares	100.02	99.92	99.35	92.72	92.72
	- Preference Shares	113.51	113.51	113.51	206.51	265.01
		213.53	213.44	212.86	299.23	357.74
	(b) Reserve & Surplus	1,281.79	1,261.43	1,092.89	844.52	776.35
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	Net Reserve and Surplus (excluding revaluation reserve)	1031.16	1010.80	842.26	593.89	525.72
	Total (A)	1,244.70	1,224.24	1,055.12	893.12	883.45
B	<u>Minority Interest</u>					
	- Capital	0.10	0.12	-	7.01	0.01
	- Reserves and Surplus	0.06	0.00	-	(1.65)	0.01
	Total (B)	0.16	0.13	-	5.36	0.02
C	<u>Non-Current Liabilities</u>					
	Long-Term Borrowings	104.45	100.00	111.57	15.19	0.91
	Deferred Tax Liability (net)	-	-	-	-	-
	Other Long term Provisions	104.21	91.15	71.15	81.99	84.85
	Other Long-Term Liabilities	136.89	134.17	143.55	123.15	89.69
	Total (C)	345.55	325.33	326.27	220.33	175.45
D	<u>Current Liabilities</u>					
	Short-Term Borrowings	788.37	785.21	508.70	619.49	297.72
	Trade Payables	1,543.27	1,080.67	967.68	848.76	598.25
	Other Current Liabilities	381.78	332.28	302.29	438.05	182.44
	Short-Term Provisions	148.73	180.62	136.36	7.20	14.48
	Total (D)	2,862.15	2,378.78	1,915.04	1,913.50	1,092.89
	Total (A+B+C+D)	4,452.56	3,928.48	3,296.43	3,032.32	2,151.81
II.	<u>ASSETS</u>					
A	<u>Non-Current Assets</u>					
	<u>Fixed Assets</u>					
	- Tangible Assets	1,023.34	1,019.83	955.09	792.51	603.33
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	- Tangible Assets (Net)	772.71	769.20	704.46	541.88	352.70
	- Intangible Assets	51.23	54.54	59.40	128.86	8.54
	- Capital work-in-progress	4.14	1.41	2.10	7.64	9.07
	Non-Current Investments	4.30	3.70	2.60	2.50	2.00
	Deferred Tax Assets (net)	76.71	72.70	64.85	14.91	20.37
	Long-Term Loans and Advances	544.65	521.03	449.72	408.77	391.19
	Other non-current assets	-	-	-	1.29	4.93
	Total (A)	1,453.74	1,422.58	1,283.13	1,105.84	788.81
B	<u>Current Assets</u>					
	Inventories	2,077.57	1,739.28	1,328.52	1,295.81	709.02
	Trade Receivables	662.45	558.34	519.71	372.61	506.23
	Cash and Bank Balances	61.45	54.83	83.66	138.97	101.57
	Short-Term Loans and Advances	195.78	152.88	81.15	118.47	42.72
	Other Current Assets	1.56	0.57	0.26	0.63	3.46



Total (B)	2,998.82	2,505.90	2,013.30	1,926.48	1,363.00
Total (A+B)	4,452.56	3,928.48	3,296.43	3,032.32	2,151.81

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Million)

Sr No.	Particulars	Six month ended September 30, 2014	2014	For the year ended March 31, 2013	2012	2011
A	INCOME					
	Revenue from Operations					
	Turnover	4,529.14	8,165.67	7,205.75	6,082.48	3,941.80
	Less: Excise Duty & VAT	308.90	549.82	484.41	371.37	216.35
	Net Turnover	4,220.24	7,615.85	6,721.34	5,711.10	3,725.45
	Income from Job work	-	3.28	-	-	-
	Other Income	6.82	7.86	15.05	8.37	25.81
	Total (A)	4,227.05	7,626.99	6,736.39	5,719.47	3,751.26
B	EXPENDITURE					
	Cost of materials consumed	691.27	1,067.45	918.62	1,017.49	929.34
	Purchase of Stock in Trade	1,941.21	3,432.83	2,952.55	2,611.99	1,687.56
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(278.60)	(312.06)	(43.82)	(273.20)	(159.13)
	Employee Benefits Expense	567.06	940.44	783.78	667.56	425.74
	Finance Cost	89.97	138.16	117.13	119.90	66.85
	Depreciation and Amortisation Expense	126.93	212.64	182.81	159.56	87.31
	Other Expenses	1,039.75	1,875.16	1,646.31	1,269.91	656.28
	Total (B)	4,177.60	7,354.63	6,557.40	5,573.20	3,693.96
C	Profit / (Loss) before Tax and extraordinary items (A-B)	49.45	272.37	178.99	146.27	57.30
	Extraordinary Items*	-	-	-	-	-
D	Profit before tax	49.45	272.37	178.99	146.27	57.30
E	Provision for Tax					
	- Current Tax	16.44	67.59	47.34	28.02	21.25
	- Deferred Tax	(4.01)	(7.86)	(49.94)	5.46	(7.96)
F	Profit after tax but before share of results of subsidiary and minority interest	37.02	212.63	181.60	112.79	44.01
	Adjustment on consolidation for pre-acquisition profit	-	0.52	(3.47)	(5.60)	0.02
G	Profit after tax but before minority interest	37.02	213.14	178.12	107.20	44.03
	Less : Share of Minority Interest	0.03	0.00	-	(1.66)	0.01
H	Net Profit / (Loss) after Tax as restated available for Appropriation	36.99	213.14	178.12	108.85	44.02
I	Net Profit / (Loss) after Tax as per the audited Financial Statements	36.34	199.17	182.02	67.37	60.16
J	Adjustment on account of restatement (Refer Annexure - 5A)					
	- Prior period	-	(15.82)	15.82	(0.17)	(0.11)
	- Exceptional Items	-	-	-	(53.70)	16.23
	- Extra-ordinary Items	-	-	(12.54)	8.33	4.21
	- Tax adjustments	-	(0.46)	0.95	1.69	(1.98)
	- Deferred Tax	-	1.67	(0.34)	2.37	(2.22)
	- Adjustment for unrealised profit on GIT	(0.65)	0.65	-	-	-
	Total Adjustments	(0.65)	(13.97)	3.90	(41.48)	16.14
K	Net Profit / (Loss) after Tax as restated for Appropriation	36.99	213.14	178.12	108.85	44.02

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



* Extraordinary item relating to IPO expenses of ₹ 12.85 million in the FY 2013 has been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head “Restatement to prior period items”. For further details refer Annexure- 5B.



RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Million)

Sr. No.	Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit before Tax as restated	49.45	272.37	178.99	146.27	57.30
	Add /(Less) :					
	Adjustments for					
	Depreciation/Amortisation	126.93	212.64	182.81	159.56	87.31
	Interest Expenses	89.97	138.16	117.13	119.90	66.85
	Interest Income	(1.23)	(0.73)	(1.31)	(2.34)	(23.71)
	Loss / (profit) on Sale/disposal of Fixed Assets	1.48	1.28	1.30	(4.30)	4.01
	Unrealised loss/(gain) on foreign currency transactions and translation (net)	4.38	18.35	7.11	11.20	2.53
	Bad debts/ Advances written off	2.55	-	0.03	5.36	0.45
	Provision for Doubtful debts	-	-	-	0.23	0.76
	Adjustment on consolidation of pre -acquisition profit	-	0.52	-	(5.60)	0.02
	Adjustment for restatement of subsidiary	-	0.09	-	(24.66)	(0.05)
	Profit on cease of subsidiary	-	-	18.56	-	-
	Provision for Fixed Deposit	-	-	-	0.08	(0.21)
	ESOS Expenses	0.08	1.61	3.06	4.34	-
	Liability no longer required written back	(4.11)	(1.78)	(6.96)	-	(1.04)
	Increase in Liability for Employee benefit	11.06	4.58	11.97	1.44	(5.48)
	Operating Profit before Working Capital changes	280.56	647.07	512.70	411.48	188.74
	Adjustments for Working Capital changes :					
	- (Increase)/Decrease in Trade Receivables	(106.66)	(38.63)	(147.31)	128.04	(52.46)
	- (Increase)/Decrease in Loans & advances and other receivables	(51.36)	(142.29)	7.68	(89.32)	10.77
	- Increase/(Decrease) in Trade Payables & other Current Liabilities	512.96	147.06	64.25	529.91	292.95
	- Increase/(Decrease) in Other bank balances	0.00	-	-	0.03	(0.03)
	- (Increase)/Decrease in Inventories	(338.29)	(410.75)	(32.71)	(586.79)	(197.04)
	Cash generated from Operations	297.21	202.47	404.61	393.34	242.93
	- Direct Tax Paid	(46.21)	(51.07)	(48.66)	(31.44)	(6.48)
	NET CASH INFLOW/ (USED) IN OPERATING ACTIVITIES	251.00	151.40	355.95	361.90	236.45
B	CASH FLOW FROM INVESTING ACTIVITIES					
	- Purchase of Fixed Assets	(140.73)	(281.71)	(320.31)	(421.43)	(105.97)
	-Adjustment on Amalgamation in Fixed Assets	-	-	(160.79)	-	-
	-Adjustment for cease/(purchase) of subsidiary in Fixed Assets	-	(1.43)	192.10	(61.99)	-
	- Sale of Fixed Assets	5.91	10.04	17.31	20.10	0.76
	- Purchase on Investments	(0.60)	(1.10)	(0.10)	(0.50)	(0.50)
	-Capital Subsidy received from Government	-	-	-	3.00	-
	-Fixed Deposit (net)	0.01	10.07	(1.55)	36.80	(39.91)
	- Interest Received	0.23	0.42	1.68	5.17	25.72
	NET CASH USED IN INVESTING ACTIVITIES	(135.18)	(263.71)	(271.66)	(418.85)	(119.90)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	-Redemption of preference shares including premium	-	-	-	(90.00)	-
	-Proceeds of Equity Shares with Premium allotted under ESOS	0.73	4.31	5.12	-	-
	- Proceeds/(Repayments) of Long Term Borrowings (net)	4.45	(11.57)	96.38	14.28	(1.35)
	- Proceeds/(Repayments) of Short Term Borrowings (net)	(0.67)	259.57	(117.85)	318.42	(39.27)
	-Proposed Dividend and Tax on Dividend	(24.63)	(22.02)	-	-	-
	- Adjustment on consolidation	-	0.12	(7.01)	7.00	0.01
	- Interest paid	(89.06)	(136.86)	(117.79)	(118.46)	(66.30)
	NET CASH INFLOW/ (USED) IN FINANCING ACTIVITIES	(109.19)	93.56	(141.14)	131.24	(106.91)
	NET CASH AND CASH EQUIVALENTS INFLOW/(USED)	6.63	(18.76)	(56.86)	74.30	9.64



CASH AND CASH EQUIVALENTS (OPENING BALANCE)	50.13	68.89	125.75	51.45	41.81
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	56.77	50.13	68.89	125.75	51.45
<u>Reconciliation with Balance Sheet</u>					
CASH & BANK BALANCES (AS PER BALANCE SHEET)	61.45	54.83	83.66	138.97	101.57
Less : OTHER BANK BALANCES	4.69	4.70	14.77	13.22	50.13
CASH & CASH EQUIVALENTS (AS PER BALANCE SHEET)	56.77	50.13	68.89	125.75	51.45
Less : Unpaid Dividend (excluding Dividend Distribution Tax)	-	-	18.82	-	-
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	56.77	50.13	50.07	125.75	51.45

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



RESTATED UNCONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Million)

Sr. No.	Particulars	As at September 30, 2014	2014	2013	2012	2011	2010
I. EQUITY AND LIABILITIES							
A	Shareholders' Fund						
	(a) Share Capital						
	- Equity Shares	100.02	99.92	99.35	92.72	92.72	92.72
	- Preference Shares	113.51	113.51	113.51	206.51	265.01	265.01
		213.53	213.44	212.86	299.23	357.74	357.74
	(b) Reserve & Surplus	1,275.14	1,251.66	1,087.08	874.27	776.28	759.77
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63	250.63
	Net Reserve and Surplus (excluding revaluation reserve)	1024.51	1001.03	836.45	623.64	525.65	509.14
	Total (A)	1,238.04	1,214.47	1,049.31	922.87	883.39	866.87
B	Non-Current Liabilities						
	Long-Term Borrowings	98.20	88.75	100.85	0.64	0.91	2.26
	Deferred Tax Liability (net)	-	-	-	-	-	-
	Other Long-Term Liabilities	88.46	89.96	100.28	91.59	70.01	68.80
	Other Long-Term Provisions	77.03	66.02	53.52	81.93	84.84	65.54
	Total (B)	263.70	244.73	254.65	174.16	155.76	136.60
C	Current Liabilities						
	Short-Term Borrowings	718.14	679.01	508.70	619.49	297.72	335.94
	Trade Payables	1,273.33	912.47	739.77	678.16	593.85	352.85
	Other Current Liabilities	312.60	277.87	209.80	259.50	179.42	153.99
	Short-Term Provisions	139.16	166.39	128.02	5.16	14.45	3.72
	Total (C)	2,443.23	2,035.74	1,586.29	1,562.31	1,085.44	846.51
	Total (A+B+C)	3,944.97	3,494.94	2,890.25	2,659.33	2,124.59	1,849.99
II. ASSETS							
A	Non-Current Assets						
	Fixed Assets						
	- Tangible Assets	848.41	852.13	792.01	697.48	602.51	598.10
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63	250.63
	- Tangible Assets (Net)	597.78	601.50	541.38	446.85	351.88	347.47
	- Intangible Assets	25.65	23.47	17.74	8.60	7.42	8.94
	- Capital work-in-progress	0.97	0.84	0.50	6.82	8.56	-
	Non-Current Investments	88.51	82.43	72.60	65.59	2.09	1.50
	Deferred Tax Assets (net)	18.71	16.40	21.24	16.31	20.44	12.41
	Long-Term Loans and Advances	391.19	564.01	544.95	536.08	385.52	413.99
	Other Long-term assets	-	-	-	-	4.93	-
	Total (A)	1,122.79	1,288.65	1,198.40	1,080.25	780.83	784.31
B	Current Assets						
	Inventories	1,429.82	1,230.35	892.82	836.15	696.61	511.98
	Trade Receivables	1,013.59	801.16	640.19	530.52	505.63	454.98
	Cash and Bank Balances	49.93	45.22	76.78	126.49	99.52	51.79
	Short-Term Loans and Advances	325.24	129.05	76.40	83.20	38.55	41.45
	Other Current Assets	3.59	0.52	5.68	2.72	3.45	5.48
	Total (B)	2,822.18	2,206.29	1,691.86	1,579.08	1,343.76	1,065.67
	Total (A+B)	3,944.97	3,494.94	2,890.26	2,659.33	2,124.59	1,849.99

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



RESTATED UNCONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Million)

Sr. No.	Particulars	For six months ended September 30, 2014	2014	For the Year ended March 31, 2013	2012	2011	2010
A	INCOME						
	Revenue from Operations						
	Turnover	3,775.45	6,809.27	5,824.32	5,015.22	3,937.92	3,430.10
	Less: Excise Duty and VAT	276.90	466.25	390.81	302.82	216.00	186.85
	Net Turnover	3,498.55	6,343.03	5,433.51	4,712.40	3,721.92	3,243.25
	Other Income	15.88	29.09	38.45	15.31	25.81	36.65
	Total (A)	3,514.43	6,372.12	5,471.95	4,727.71	3,747.73	3,279.90
B	EXPENDITURE						
	Cost of materials consumed	652.75	1,086.28	918.62	1,017.49	929.34	837.14
	Purchase of Stock in Trade	1,638.93	2,992.07	2,482.49	2,127.17	1,673.80	1,359.06
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(141.43)	(254.55)	(64.30)	(130.38)	(146.72)	20.86
	Employee Benefits Expense	434.16	731.79	607.65	527.47	425.42	359.27
	Finance Cost	68.02	110.28	98.59	101.92	66.82	77.30
	Depreciation and Amortisation Expense	88.88	135.98	112.58	92.47	87.28	73.35
	Other Expenses	723.74	1,301.32	1,119.84	847.44	654.71	525.10
	Total (B)	3,465.06	6,103.18	5,275.48	4,583.59	3,690.64	3,252.08
C	Profit / (Loss) before Tax and extraordinary items (A-B)	49.37	268.94	196.48	144.12	57.09	27.82
	Extraordinary items*	-	-	-	-	-	-
D	Profit / (Loss) before Tax	49.37	268.94	196.48	144.12	57.09	27.82
E	Provision for Tax						
	- Current Tax	12.00	56.88	38.45	26.00	21.22	7.09
	- Fringe Benefit Tax	-	-	-	-	-	-
	- Deferred Tax	(2.31)	4.84	(4.93)	4.12	(8.03)	(6.00)
	- MAT Credit Entitlement	0.00	(2.06)	-	-	-	-
F	Net Profit / (Loss) after Tax as restated available for Appropriation (D-E)	39.68	209.27	162.96	114.00	43.90	26.73
G	Net Profit / (Loss) after Tax as per the audited Financial Statements	39.68	208.71	152.70	97.18	60.10	40.43
	Adjustment on account of restatement (Refer Annexure - 5A)						
	- Prior period	-	-	-	(0.17)	(0.05)	0.68
	- Exceptional items	-	-	-	(29.03)	16.23	8.81
	- Extra-ordinary items	-	-	(12.54)	8.33	4.21	-
	- Deferred Tax Surplus	-	(0.00)	1.33	2.37	(2.22)	3.48
	- Tax adjustments	-	(0.56)	0.95	1.69	(1.98)	0.72
	Total Adjustments	-	(0.56)	(10.26)	(16.82)	16.19	13.69
H	Net Profit / (Loss) after Tax as restated available for Appropriation	39.68	209.27	162.96	114.00	43.90	26.73

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.

* Extraordinary item relating to IPO expenses of ₹ 12.85 million and ₹ 9.55 million in the FY 2013 and FY 2009 respectively have been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head "Restatement to prior period items". For further details refer Annexure- 5B.



RESTATED UNCONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Million)

Sr. No.	Particulars	For six months ended September 30, 2014	For the Year ended March 31, 2014	2013	2012	2011	2010
A	CASH FLOW FROM OPERATING ACTIVITIES						
	Net Profit / (Loss) before Tax as restated	49.37	268.94	196.48	144.12	57.09	27.82
	Add / (Less) :						
	Adjustments for						
	Depreciation/Amortisation	88.88	135.98	112.58	92.47	87.28	73.35
	Interest Expenses	43.13	64.78	59.22	73.20	47.52	50.51
	Interest Income	(6.79)	(16.14)	(27.01)	(13.81)	(23.70)	(27.72)
	Loss / (profit) on Sale/disposal of Fixed Assets	0.41	1.39	1.28	0.37	4.01	0.16
	Unrealised loss/(gain) on foreign currency transactions and translation (net)	4.38	12.72	7.11	11.20	2.53	(1.66)
	Bad debts/ Advances written off	0.58	-	0.03	3.88	0.45	1.46
	Provision for Doubtful debts	-	-	-	-	0.76	8.46
	Provision for Fixed Deposit	-	-	-	(0.09)	(0.21)	0.30
	ESOS Expenses	0.08	1.61	3.06	4.34	-	-
	Liability no longer required written back	(1.49)	(1.78)	(6.96)	-	(1.04)	(2.14)
	Increase in Liability for Employee benefit	8.95	3.91	10.21	1.34	(5.49)	1.39
	Profit from Partnership firm	(6.08)	(7.38)	-	-	-	-
	Operating Profit before Working Capital changes	181.43	464.04	356.00	317.02	169.19	131.94
	Adjustments for Working Capital changes :						
	- (Increase)/ Decrease in Trade Receivables	(213.02)	(160.97)	(109.87)	(28.76)	(51.86)	10.18
	- (Increase)/ Decrease in Loans & advances and other receivables	(11.44)	(73.10)	(0.19)	(190.09)	19.46	(21.30)
	- (Increase)/ Decrease in Other Bank balances	0.00	-	-	0.03	(0.03)	-
	- Increase/ (Decrease) in Trade Payables & other Current Liabilities	394.28	236.00	72.03	176.72	266.86	47.39
	Provisions						
	- (Increase)/Decrease in Inventories	(199.48)	(337.53)	(56.66)	(139.54)	(184.63)	26.98
	Cash generated from Operations	151.78	128.44	261.31	135.37	218.99	195.20
	- Direct Tax Paid (net of refunds)	(37.76)	(40.92)	(44.86)	(31.21)	(6.32)	(3.50)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	114.02	87.52	216.45	104.16	212.66	191.70
B	CASH FLOW FROM INVESTING ACTIVITIES						
	- Purchase of Fixed Assets including CWIP and capital advances	(96.69)	(213.07)	(227.54)	(195.86)	(103.48)	(116.18)
	-Purchase of Investments	0.00	(2.45)	(7.01)	(63.50)	(0.59)	-
	- Sale of Fixed Assets	5.76	9.51	16.33	8.60	0.76	10.21
	-Capital Subsidy received from Government	-	-	-	3.00	-	-
	-Fixed Deposit (net)	0.06	10.55	(1.35)	37.47	(39.37)	6.47
	- Interest Received	3.71	21.30	24.05	14.54	25.72	69.29
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(87.15)	(174.17)	(195.52)	(195.74)	(116.96)	(30.21)
C	CASH FLOW FROM FINANCING ACTIVITIES						
	-Redemption of preference shares including premium	-	-	-	(90.00)	0.00	0.00
	-Proceeds of Equity Shares with Premium allotted under ESOS	0.73	4.31	5.12	-	-	-
	- Proceeds/(Repayments) of Long Term Borrowings (net)	9.45	(12.09)	100.21	(0.27)	(1.35)	(2.25)
	- Proceeds/(Repayments) of Short Term Borrowings (net)	35.29	158.90	(117.85)	318.42	(39.27)	(105.78)
	- Dividend and Tax on Dividend paid	(24.63)	(22.02)	-	-	-	-
	- Interest paid	(42.92)	(63.45)	(59.48)	(72.19)	(46.97)	(50.28)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(22.09)	65.65	(72.01)	155.97	(87.58)	(158.31)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.77	(21.00)	(51.07)	64.38	8.12	3.19
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	42.23	63.24	114.31	49.93	41.81	38.62
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	47.01	42.23	63.24	114.31	49.93	41.81



Reconciliation with Balance Sheet							
CASH & BANK BALANCES (AS PER BALANCE SHEET)	49.93	45.22	76.78	126.49	99.52	51.79	
Less : OTHER BANK BALANCES	2.93	2.99	13.53	12.19	49.59	9.98	
CASH & CASH EQUIVALENTS (AS PER BALANCE SHEET)	47.00	42.23	63.25	114.31	49.93	41.81	
Less : Unpaid Dividend (excluding Dividend Distribution Tax)	-	21.06	18.82	-	-	-	
CASH & CASH EQUIVALENTS (CLOSING BALANCE)	47.00	21.17	44.43	114.31	49.93	41.81	

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



GENERAL INFORMATION

Our Company was originally incorporated as a private limited company on October 05, 1994 in the name of “Moja Shoes Private Limited” under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, the name of our Company was changed to “SSIPL Retail Private Limited” pursuant to a fresh certificate of incorporation dated August 25, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a change in status of our Company to a public limited company by a special resolution of the shareholders passed at the EGM held on May 26, 2008, the name of our Company was changed to “SSIPL Retail Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on June 19, 2008. For details of the business of our Company, please see the section titled “*Our Business*” on page 121. For further details relating to incorporation, corporate structure, change in registered office of our Company, please refer to the chapter “*History and Other Corporate Matters*” beginning on page 144.

Registered and Corporate Office of our Company

B1/F4, Mohan Co-operative Industrial Area
Main Mathura Road
New Delhi 110 044
Tel: (91 11) 6699 9999
Fax: (91 11) 4100 0253
Website: www.ssiplgroup.com
Email: ssiplipo@ssipl.in

Corporate Identity Number: U74899DL1994PLC061971

Company Registration Number: 061971

For more information on changes in the location of the registered office of our company, please see section titled “*Our Business*” on page 121.

Address of Registrar of Companies

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

Registrar of Companies, National Capital Territory of Delhi and Haryana

4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019

Board of Directors

Under the Articles of Association, our Company is required to have not less than 3 and not more than 15 Directors. Our Company currently has 10 Directors on its Board, 4 of whom, including its Chairman are independent Directors.

The following table sets forth details regarding our Board as of the date of filing the Draft Red Herring Prospectus:

Sr. No.	Name	Designation	DIN	Age	Address
1.	Sanjiv Saraf	Chairman and Independent Director	00003998	56	B-42, Maharani Bagh, New Delhi 110065
2.	Rishab Soni	Managing Director	00035576	42	50-A, New Friends Colony (East), New Delhi 110065
3.	Sunil Taneja	Whole-Time Director	00035716	59	220, Sector A, Zone B, Mancheshwar Industrial Estate, Bhubaneswar 751 010, Orissa
4.	Amit Mathur	Non-Executive	00036919	36	12B, Pocket B, Siddharth Extension, New Delhi 110 014



Sr. No.	Name	Designation	DIN	Age	Address
		and Non-Independent Director			
5.	Carlton Pereira*	Non-Executive and Non-Independent Director	00106962	47	72 Buena Vista, Gen. J. Bhosle Marg, Nariman Point, Mumbai 400 021, Maharashtra
6.	Abhay Soi	Non-Executive and Non-Independent Director	00203597	41	Apartment 4 west, 4 th floor, Hari Bhavan CHS, 64 Peddar Road, Mumbai 400 026, Maharashtra
7.	Raj Vaisoha	Independent Director	00207252	50	C-18, South Extension Part - 1, New Delhi 110 049
8.	Meenu Bansal	Independent Director	01442132	45	15A/13, S-1, 2nd Floor, East Patel Nagar, New Delhi 110 008
9.	Rahul Sood	Independent Director	00379895	45	V-37/17, DLF Phase-III, Gurgaon 122 002, Haryana
10.	Srinath Srinivasan **	Non-Executive and Non-Independent Director	00107184	48	1003, Raheja Empress, Veer Savarkar Marg, Prabhadevi, Mumbai 400025

* Nominee of Tano

** Nominee of Oman India Joint Investment Fund

For further details and profile of our Directors, see the section titled “*Our Management*” on page 156.

Company Secretary and Compliance Officer

Our Company Secretary and Compliance Officer is Kanika Verma. Her contact details are as follows:

Kanika Verma

SSIPL Retail Limited

B1/F4, Mohan Cooperative Industrial Area

Main Mathura Road

New Delhi 110 044

Tel: (91 11) 6699 9999

Fax: (91 11) 4100 0253

Email: ssiplipo@ssipl.in

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, credit of Allotted Equity Shares in the respective beneficiary account or refund orders.

All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, application number, address of the applicant, number of the Equity Shares applied for, Bid Amount paid on submission of the Bid cum Application Form and the entity and centre where the Bid cum Application Form was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant SCSB and the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Cities, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Broker Centers, as the case may be, giving full details such as the full name of the sole or first Bidder, address of the applicant, ASBA Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the member of the Syndicate or the Designated Branch or the Registered Broker, as the case may be, where the Bid was submitted, and the ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Investors may contact the BRLMs for any complaint pertaining to the Offer. All grievances relating to the non-ASBA process may be addressed to the Registrar to the Offer, with a copy to the relevant SCSBs, or the Syndicate Members, or the Registered Broker, as the case may be, giving full details such as the full name of the sole or first Bidder, Bid cum Application Form number, Bidders’ DP ID, Client ID, PAN, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the Syndicate Member or the



Registered Broker where the Bid was submitted and cheque or draft number and issuing bank thereof. All grievances relating to Bids submitted through the Registered Broker may be addressed to the Stock Exchanges with a copy to the Registrar.

Chief Financial Officer

Sunil Taneja

SSIPL Retail Limited

B1/F4, Mohan Cooperative Industrial Area

Main Mathura Road

New Delhi 110 044

Tel: (91 11) 6699 9999

Fax: (91 11) 4100 0253

Email: ssiplipo@ssipl.in

Selling Shareholders

Tano Mauritius India FVCI

IFS, Court, Twenty Eight

Cybercity, Ebene, Mauritius

Tel: (230) 467 3000

Fax: (230) 467 4000

Email: hbulladin@ifsmauritius.com

Website: www.tanocapital.com

Rajesh Sahgal

130, Jor Bagh

New Delhi 110003

Tel: (91) 98110 48822

Email: sahgalbuilders@yahoo.com

Book Running Lead Managers

Axis Capital Limited

1st Floor, Axis House

C – 2 Wadia International Centre

P.B. Marg

Worli, Mumbai 400 025

Tel: (91 22) 4325 2183

Fax: (91 22) 4325 3000

Email: ssipl.ipo@axiscap.in

Website: www.axiscapital.co.in

Investor grievance email: complaints@axiscap.in

Contact person: Kanika Goyal

SEBI Registration No.: INM000012029

IDFC Securities Limited

Naman Chamber

C – 32, G Block

Bandra Kurla Complex

Bandra (E), Mumbai 400 051

Tel: (91 22) 6622 2600

Fax: (91 22) 6622 2501

Email: srl.ipo@idfc.com

Website: www.idfccapital.com

Investor grievance email: investorgrievance@idfc.com

Contact person: Akshay Bhandari

SEBI Registration No.: MB/INM000011336

Ambit Corporate Finance Private Limited

Ambit House, 449 Senapati Bapat Marg

Lower Parel, Mumbai 400 013

Tel: (91 22) 3982 1819

Fax: (91 22) 3982 3020

Email: srlipo@ambitpte.com

Website: www.ambitholdings.com

Investor grievance email: customerservicemb@ambitpte.com

Contact person: Sundeep Parate

SEBI Registration No.: INM000010585

Syndicate Members

[•]



Legal Counsel to the Offer

Economic Laws Practice, Advocates and Solicitors

109, A Wing, Dalamal Towers,
Nariman Point,
Mumbai - 400021
Tel: (91 22) 6636 7000
Fax: (91 22) 6636 7172
Email: ssipl.ipo@elp-in.com

Registrar to the Offer

Karvy Computershare Private Limited

Plot No.17 to 24
Vithalrao Nagar
Madhapur, Hyderabad 500 081
Tel: (91 40) 44655000
Toll Free: 1800 345 4001
Fax: (91 40) 2342 0814
Email: ssipl.ipo@karvy.com
Website: www.karvycomputershare.com
Contact Person: M Murali Krishna
SEBI Registration Number: INR000000221

Bankers to the Offer/Escrow Collection Banks

[•]

Refund Banker

[•]

Self-Certified Syndicate Banks

The list of banks which have been notified by SEBI to act as SCSBs for the ASBA process are provided at the website of the SEBI (<http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>) and updated from time to time. For details on Designated Branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned link.

Syndicate SCSB Branches

In relation to ASBA Bids submitted to a member of the Syndicate, the list of branches of the SCSBs at the Specified Cities named by the respective SCSBs to receive deposits of Bid cum Application Forms from the members of the Syndicate is available on the website of the SEBI (<http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>) and updated from time to time. For more information on such branches collecting Bid cum Application Forms from the Syndicate at Specified Cities, please refer to the above mentioned link.

Registered Brokers

Bidders can submit Bid cum Application Forms in the Offer to Registered Brokers at the Registered Broker Centres. The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the 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. For further details, see the section titled “*Offer Procedure*” beginning on page 407.



Broker Centers

In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 04, 2012, Bidders can submit Bid cum Application Forms with the Registered Brokers at the Broker Centres, a list of which is available at the websites of the Stock Exchanges at www.bseindia.com and www.nseindia.com, respectively. In relation to ASBA Bids submitted to the Registered Brokers at the Broker Centers, the list of branches of the SCSBs at the Broker Centers named by the respective SCSBs to receive deposits of the Bid cum Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Auditor to our Company

T. R. Chadha & Co., Chartered Accountants

B-30, Kuthiala Building,
Connaught Place,
New Delhi 110 001

Tel: (91 11) 4325 9900

Fax: (91 11) 4325 9930

Firm Registration No: 006711N

Peer Review Certificate No.: 006464

Contact Person: Surender Kumar

Email: skagarwal@trchadha.com

Bankers to our Company

Axis Bank Limited

148, Barakhamba Road
Statesman House, 2nd Floor
New Delhi 110 001

Tel : (91 11) 4739 6607

Fax: (91 11) 4739 6601

Contact person: Anirban Das Gupta

Email: anirban.dasgupta@axisbank.com

Canara Bank

Parliament Street,
Jeevan Bharti Building
New Delhi 110 001

Tel : (91 11) 2372 0456

Fax: (91 11) 2332 7334

Contact person: SK Bhatnagar

Email: cb1098@canarabank.com

ING Vysya Bank Limited

Regional Office
14th Floor, Tower B
Building No.5 DLF Cyber Terraces
DLF Cybercity, Phase III
Gurgaon 122 001

Tel: (91 124) 6680 400

Fax: Not available

Contact person: Gaurav Rana

Email: gaurav.rana@ingvysyabank.com

Statement of Inter-se Allocation of Responsibilities for the Offer

The following table sets forth the *inter-se* allocation of responsibilities and coordination for various activities in relation to this Offer amongst the BRLMs:

Sr. No.	Activities	Responsibility	Co-ordinator
1.	Capital structuring with relative components and formalities such as type of instruments, etc.	Axis, IDFC, Ambit	Axis
2.	Pre Offer – due diligence on the Company, DRHP Drafting, compliance and completion of prescribed formalities with the Stock Exchanges, RoC and SEBI including finalisation of RHP, Prospectus and SEBI, RoC filing and co-ordination of all agreements namely Offer agreement, Registrar agreement, Syndicate agreement, Escrow agreement and Underwriting agreement.	Axis, IDFC, Ambit	Axis
3.	Coordinating approval of all statutory advertisements in relation to the	Axis, IDFC, Ambit	Axis



Sr. No.	Activities	Responsibility	Co-ordinator
	Offering.		
4.	Coordinating approval of all publicity material other than statutory advertisement as mentioned above including corporate advertisement, brochure, etc.	Axis, IDFC, Ambit	Ambit
5.	Appointment of other intermediaries including Bankers to the Offer, Printers and PR Agency; Registrar, Grading and Monitoring Agency, as applicable.	Axis, IDFC, Ambit	Ambit
6.	Non-Institutional and Retail Marketing of the Offering, which will cover, inter alia: <ul style="list-style-type: none"> Formulating marketing strategies, preparation of publicity budget; Finalising Media and PR strategy Finalising centres for holding conferences for brokers etc. Follow-up on distribution of publicity and Offer material including form, prospectus and deciding on the quantum of the Offer material; and finalising collection centres. 	Axis, IDFC, Ambit	Ambit
7.	International Institutional Marketing of the Offering, which will cover, inter alia, <ul style="list-style-type: none"> Finalising the list and division of investors for one to one meetings; and Finalising road show schedule and investor meeting schedules. 	Axis, IDFC, Ambit	Axis
8.	Domestic Institutional Marketing of the Offering, which will cover, inter alia, <ul style="list-style-type: none"> Finalising the list and division of investors for one to one meetings; and Finalising road show schedule and investor meeting schedules 	Axis, IDFC, Ambit	Ambit
9.	Preparation of the roadshow presentation and FAQ	Axis, IDFC, Ambit	Ambit
10.	Finalisation of pricing in consultation with the Company and Managing the book	Axis, IDFC, Ambit	Ambit
11.	Co-ordination with the Stock Exchanges for book building software, bidding terminals and mock trading	Axis, IDFC, Ambit	Ambit
12.	Post-Bidding activities –anchor coordination, management of escrow accounts, co-ordination of non-institutional and institutional allocation, intimation of allocation and dispatch of refunds to Bidders, etc. The Post Offer activities for the Offer will involve essential follow up steps, which include the finalisation of basis of allotment, dispatch of refunds, demat and delivery of shares, finalisation of listing and trading of instruments with the various agencies connected with the work such as the Registrar(s) to the Offer and Escrow Collection and Refund Banks. The BRLMs shall be responsible for ensuring that these agencies fulfill their functions and enable it to discharge this responsibility through suitable agreements with our Company.	Axis, IDFC, Ambit	IDFC
13.	Payment of the applicable Securities Transaction Tax on sale of unlisted equity shares by the Selling Shareholders under the offer for sale included in the Offer to the Government and filing of the STT return by the prescribed due date as per Chapter VII of Finance (No. 2) Act, 2004.	Axis, IDFC, Ambit	IDFC

Even if any of these activities are being handled by other intermediaries, the designated BRLMs shall be responsible for ensuring that these agencies fulfil their functions and enable them to discharge this responsibility through suitable agreements with our Company and Selling Shareholders.

IPO Grading

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

Credit Rating

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

Monitoring Agency

There is no requirement for a monitoring agency in terms of Regulation 16(1) of SEBI (ICDR) Regulations since our proposed Offer size is less than ₹ 5,000 million. As required under the listing agreements with the Stock Exchanges, the Audit Committee constituted by our Board of Directors will monitor the utilisation of the Offer proceeds. We will disclose the utilisation of the proceeds of this Offer, including interim use, under a separate head in our quarterly financial disclosures and annual audited financial statements until the Offer proceeds remain unutilised, to the extent required under the applicable law and regulation



Expert

Our Company has received consent from the Auditors namely, T. R. Chadha & Co., Chartered Accountants to include their name as an expert under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to their examination report dated February 26, 2015 and their report on the 'Statement of possible tax benefits available to our Company, Subsidiaries and our shareholders' dated March 02, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Project Appraisal

None of the objects of this Offer have been appraised by any agency. The objects of the Offer and means of finance therefore are based on internal estimates of our Company.

Trustee

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

Book Building Process

The Book Building Process, with reference to 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 Selling Shareholders in consultation with the BRLMs, and advertised atleast five Working Days prior to the Bid/Offer Opening Date. The Offer Price is finalised by our Company and Selling Shareholders in consultation with the BRLMs, after the Bid/Offer Closing Date. Investors may in the meantime be guided by the secondary market prices. The principal parties involved in the Book Building Process are:

1. our Company;
2. the Selling Shareholders;
3. the BRLMs;
4. the Syndicate Members
5. the Registrar to the Offer;
6. the Registered Brokers;
7. the Escrow Collection Banks; and
8. the SCSBs.

This Offer is being made through the Book Building Process, wherein not more than 50% of the Offer shall be available for allocation on a proportionate basis to QIBs.

Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors on a discretionary basis at the Anchor Investor Allocation Price, out of which at least one-third will be available for allocation to domestic Mutual Funds only. For further details, see the section titled "*Offer Procedure*" on page 407. Allocation to Anchor Investors shall be on a discretionary basis subject to minimum number of two Anchor Investors. An Anchor Investor shall make a minimum Bid of such number of Equity Shares that the Bid Amount is at least ₹ 100 million. In the event of under-subscription or non-Allotment in the Anchor Investor Portion, the balance Equity Shares in the Anchor Investor Portion shall be added to the Net QIB Portion.

Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. In the event that the demand from Mutual Funds is greater than 29,844 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the Net QIB Portion, after excluding the allocation in the Mutual Fund Portion. However, in the event of under-subscription in the Mutual Fund Portion, the balance Equity Shares in the Mutual Fund Portion will be added to the Net QIB Portion and allocated to QIBs (including Mutual Funds) on a proportionate basis, subject to valid Bids at or above Offer Price.



Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Offer shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price. Under-subscription in any category other than for QIB category, if any, 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, on a proportionate basis.

In accordance with the SEBI Regulations, QIBs Bidding in the Net QIB Portion are not allowed to withdraw their Bids and Anchor Investors cannot withdraw their Bids after the Anchor Investor Bidding Period. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis. For further details, see the sections titled “*Offer Structure*” and “*Offer Procedure*” on pages 399 and 407 respectively.

Our Company will comply with the SEBI Regulations and any other ancillary directions issued by SEBI for this Offer. In this regard, our Company and Selling Shareholders have engaged the BRLMs to manage this Offer and procure subscriptions to this Offer.

The BookBuilding Process is subject to change. Bidders are advised to make their own judgment about an investment through this process prior to submitting a Bid.

Steps to be taken by the Bidders for Bidding:

- Check eligibility for making a Bid. For further details, see section titled “*Offer Procedure*” on page 407. Specific attention of ASBA Bidders is invited to section titled “*Offer Procedure*” on page 407;
- Ensure that you have an active demat account and the demat account details are correctly mentioned in the Bid cum Application Form or the ASBA Form, as the case may be;
- Ensure that the Bid cum Application Form or ASBA Form is duly completed as per the instructions given in the Red Herring Prospectus and in the respective forms;
- Except for bids on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, for Bids of all values ensure that you have mentioned your PAN allotted under the IT Act in the Bid cum Application Form and the ASBA Form (see the section titled “*Offer Procedure*” on page 407). The exemption for the Central or State Government and the officials appointed by the courts and for investors residing in the State of Sikkim is subject to the Depository Participants’ verifying the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims;
- Ensure the correctness of your demographic details such as the address, the bank account details for printing on refund orders and occupation (“**Demographic Details**”), given in the Bid cum Application Form or ASBA Form, with the details recorded with your Depository Participant;
- Ensure the correctness of your PAN, DP ID and Client ID given in the Bid cum Application Form and the ASBA Form. Based on these parameters, the Registrar to the Offer will obtain details of the Bidders from the Depositories including the Bidder’s name, bank account number etc.
- Bids by ASBA Bidders will have to be submitted to the SCSBs only at the Designated Branches. ASBA Bidders should ensure that their bank accounts have adequate credit balance at the time of submission to the SCSB to ensure that their ASBA Form is not rejected; and
- Bids by QIBs, including Anchor Investors but excluding ASBA Bidders, will have to be submitted to the BRLMs or their affiliates.

Illustration of BookBuilding Process and the Price Discovery Process

(Investors should note that the following is solely for the purpose of illustration, excludes bidding by Anchor Investors or under the ASBA process and is not specific to this Offer)

Bidders can Bid at any price within the Price Band. For instance, assuming a price band of ₹20 to ₹24 per share, an offer size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the Bidding Centres during the bidding period. The illustrative book as shown below indicates the demand for the shares of the issuer company at various prices and is collated from bids from various investors.



Bid Quantity	Bid Price (₹)	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 offer the desired number of shares is the price at which the book cuts off, i.e., ₹ 22 in the above example. Our Company and the Selling Shareholders, in consultation with Book Running Lead Managers, will finalise the offer price at or below such cut-off, i.e., at or below ₹ 22. All bids at or above the offer price and cut-off price are valid bids and are considered for allocation in the respective categories.

Underwriting Agreement

After the determination of the Offer Price, but prior to filing of the Prospectus with the RoC, our Company and the Selling Shareholders intend to enter into the Underwriting Agreement with the Underwriters and the Registrar to the Offer for the Equity Shares proposed to be offered through the Offer. It is proposed that pursuant to the terms of the Underwriting Agreement, the Underwriters shall be responsible for bringing in the amount devolved in the event the respective Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded, subject to Regulation 13 of the SEBI Regulations. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriting Agreement is dated [●]. The Underwriters have indicated their intention to underwrite the following number of Equity Shares:

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

Details of Underwriters	Indicated number of Equity Shares to be underwritten*	Amount underwritten (in ₹ million)*
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]
[●]	[●]	[●]

**The information will be finalised after determination of the Offer Price and finalisation of the 'Basis of Allotment' subject to the provisions of Regulation 13 (2) of the SEBI Regulations.*

In the opinion of our Board of Directors (based on a representation made to our Company by the Underwriters), the resources of the Underwriters are sufficient to enable them to discharge their respective underwriting obligations in full. Each of the Underwriters is registered with SEBI under section 12(1) of the SEBI Act or as a broker with the Stock Exchanges. Pursuant to a meeting of our Board of Directors/committee of directors, the Selling Shareholders and our Board have accepted and entered into the Underwriting Agreement.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments set forth in the table above. Notwithstanding the above table, the Underwriters will be severally responsible for ensuring payment with respect to the Equity Shares allocated to Bidders procured by them. In the event of any default in payment, the respective Underwriters, in addition to other obligations mentioned in the Underwriting Agreement, will also be required to procure subscriptions for/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the Underwriting Agreement.

The underwriting arrangements mentioned above shall not apply to the subscriptions by the ASBA Bidders in the Offer. The underwriting agreement shall list out the role and obligations of each Syndicate Member, and *inter alia* contain a clause stating that margin collected shall be uniform across all categories indicating the percentage to be paid as margin by the investors at the time of Bidding.



CAPITAL STRUCTURE

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

(All amounts in ₹)		
	Aggregate Value at nominal value	Aggregate Value at Offer Price
A) AUTHORISED SHARE CAPITAL*		
42,800,000 Equity Shares of face value ₹ 10 each	428,000,000	
B) ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL BEFORE THE OFFER		
10,018,936 Equity Shares	100,189,360	
C) PRESENT OFFER IN TERMS OF THIS DRAFT RED HERRING PROSPECTUS¹		
Public Offer of up to 2,988,368 Equity Shares aggregating ₹ [•] million	[•]	[•]
Out of which:		
1. Fresh Issue of up to 1,000,000 Equity Shares	[•]	[•]
2. Offer for Sale of up to 1,988,368 Equity Shares ⁽²⁾⁽³⁾	[•]	[•]
D) ISSUED, SUBSCRIBED AND PAID-UP EQUITY SHARE CAPITAL AFTER THE OFFER		
11,018,936 Equity Shares	[•]	[•]
E) SECURITIES PREMIUM ACCOUNT		
Before the Offer		630,299,072
After the Offer**		[•]
* For more information on changes in the authorised share capital of our Company, see “ <i>History and Certain Corporate Matters</i> ” on page 144		
** The securities premium account will be determined after completion of the Book Building process and determination of the Offer Price.		
1. The Offer has been authorised by a resolution of our Board dated January 21, 2015 and by special resolution passed pursuant to section 62(1)(c) of the Companies Act, at the extra-ordinary general meeting of the shareholders of our Company held on .		
2. The Offer for Sale has been authorised by Tano pursuant to a Board resolution dated February 10, 2015.		
3. The Offer for Sale has been authorised by Rajesh Sahgal by a letter of authority dated February 23, 2015.		

Offer for sale by the Selling Shareholders

The Selling Shareholders have offered up to 1,988,368 Equity Shares in the Offer. This amounts to 19.85% of the pre-Offer equity capital of our Company. The Equity Shares constituting the Offer for Sale portion have been held by the Selling Shareholders for a period of atleast one year prior to filing this Draft Red Herring Prospectus with SEBI.

Our Promoters and Promoter Group presently hold 46.90% of the issued and paid up equity capital of our Company. After the Offer, their shareholding will be 42.64% of the fully diluted post-Offer paid-up equity capital of our Company.

Changes in Authorised Share Capital

The details of changes in authorised share capital of our Company since incorporation are as follows:

Date of shareholder / board resolution	Change in authorised capital
January 06, 1995	The initial authorised share capital of our Company of ₹ 5,000,000 divided into 500,000 Equity Shares was increased to ₹ 50,000,000 divided into 5,000,000 Equity Shares.
April 25, 2006	Increase in the authorised share capital of our Company from ₹ 50,000,000 divided into 5,000,000 Equity Shares to ₹ 55,000,000 divided into 5,500,000 Equity Shares.
May 08, 2007 (date of scheme of arrangement)	Pursuant to the Scheme of Arrangement, the authorised equity share capital of our Company was increased from ₹ 55,000,000 divided into 5,500,000 Equity Shares to ₹ 95,000,000 divided into 9,500,000 Equity Shares.
June 22, 2007	Pursuant to the Scheme of Arrangement, the authorised share capital of our Company was increased from



**Date of shareholder / Change in authorised capital
board resolution**

	₹ 95,000,000 divided into 9,500,000 Equity Shares to ₹ 135,000,000 divided into 13,500,000 Equity Shares.
	Additionally, the authorised share capital of our Company was increased from ₹ 135,000,000 divided into 13,500,000 Equity Shares to ₹ 403,000,000 divided into 13,500,000 Equity Shares, ₹ 17,300,000 optionally convertible or redeemable cumulative preference shares of ₹ 10 each, and ₹ 95,00,000 compulsorily convertible, non redeemable, cumulative preference shares of ₹ 10 each.
September 03, 2007	The authorised share capital of ₹ 403,000,000 divided into 13,500,000 Equity Shares, ₹ 17,300,000 optionally convertible or redeemable cumulative preference shares of ₹ 10 each, and ₹ 95,00,000 compulsorily convertible, non redeemable, cumulative preference shares of ₹ 10 each, the authorised equity share capital of our Company was reclassified as ₹ 403,000,000 divided into 27,000,000 equity shares of ₹ 5 each, ₹ 17,300,000 optionally convertible or redeemable cumulative preference shares of ₹ 10 each, and ₹ 95,00,000 compulsorily convertible, non redeemable, cumulative preference shares of ₹ 10 each.
May 26, 2008	The authorised share capital was ₹ 403,000,000 divided into 27,000,000 equity shares of ₹ 5 each, ₹ 17,300,000 optionally convertible or redeemable cumulative preference shares of ₹ 10 each, and ₹ 95,00,000 compulsorily convertible, non redeemable, cumulative preference shares of ₹ 10 each.
	The authorised equity share capital of our Company was consolidated from ₹ 135,000,000 divided into 27,000,000 equity shares of ₹ 5 each to ₹ 135,000,000 divided into 13,500,000 Equity Shares.
April 04, 2011	Increase in the authorised share capital from ₹ 403,000,000 divided into 1,35,00,000 Equity Shares ₹ 10 each and 26,800,000 preference shares of ₹ 10 each to ₹ 428,000,000 divided into 16,000,000 Equity Shares and 26,800,000 preference shares of ₹ 10 each.
November 30, 2011	Authorised share capital was reclassified from an aggregate of ₹ 428,000,000 divided into 16,000,000 Equity Shares and 26,800,000 preference shares of ₹ 10 each to an aggregate of ₹ 428,000,000 divided into 21,850,784 Equity Shares and 20,949,216 preference shares of ₹ 10 each.
January 27, 2015	Authorised share capital was reclassified from an aggregate of ₹ 428,000,000 divided into 21,850,784 Equity Shares and 20,949,216 preference shares of ₹ 10 each to an aggregate of ₹ 428,000,000 divided into 42,800,000 Equity Shares.

Notes to Capital Structure

1. **Share Capital History of our Company:**

(a) The following is the history of the Equity Share capital of our Company:

Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/nature of Allotment	Cumulative number of Equity Shares	Cumulative equity share capital	Cumulative equity securities premium [#]
October 19, 1994	20	10	10	Cash	Subscribers to the Memorandum of Association ⁽¹⁾	20	200	-
December 28, 1994	319,980	10	10	Cash	Preferential Allotment ⁽²⁾	320,000	3,200,000	-
August 08, 1995	1,455,500	10	10	Cash	Preferential Allotment ⁽³⁾	1,775,500	17,755,000	-
August 26, 1995	80,000	10	10	Cash	Preferential Allotment ⁽⁴⁾	1,855,500	18,555,000	-
October 26, 1995	536,750	10	10	Cash	Preferential Allotment ⁽⁵⁾	2,392,250	23,922,500	-
December 06, 1995	926,450	10	10	Cash	Preferential Allotment ⁽⁶⁾	3,318,700	33,187,000	-
March 07, 1996	80,000	10	10	Cash	Preferential Allotment ⁽⁷⁾	3,398,700	33,987,000	-
May 10, 2006	836,414	10	66.95	Cash	Preferential Allotment ⁽⁸⁾	4,235,114	42,351,140	47,635,860
July 14, 2006	1,254,622	10	66.95	Cash	Preferential Allotment ⁽⁸⁾	5,489,736	54,897,360	71,453,780
September 03, 2007	7,688,649	10	-	Amalgamation	Preferential Allotment pursuant to implementation	13,178,385	131,783,850	194,383,588



Date of allotment	No. of Equity Shares allotted	Face value (₹)	Issue price per Equity Share (₹)	Nature of consideration	Reason/nature of Allotment	Cumulative number of Equity Shares	Cumulative equity share capital	Cumulative equity securities premium [#]
					of the Scheme of Arrangement ⁽⁹⁾			
September 03, 2007	Pursuant to the Scheme of Arrangement, the capital was reduced consequent upon the reduction of face value of the Equity Shares from ₹ 10 per Equity Share to ₹ 5 per Equity Share.					13,178,385	65,891,925	194,383,588
October 03, 2007	833,162	5	78.26	Cash	Preferential Allotment ⁽¹⁰⁾	14,011,547	70,057,735	255,421,036
December 24, 2007	3,655,182	5	82.08	Cash	Preferential Allotment ⁽¹¹⁾	17,666,729	88,333,645	537,162,464
May 26, 2008	11	5	5	Cash	Preferential Allotment ⁽¹²⁾	17,666,740	88,333,700	511,443,675
May 26, 2008	Pursuant to the shareholders resolution dated May 26, 2008, the authorised Equity Share capital of our Company was consolidated by issuing one Equity Share of ₹ 10 each against two equity shares of ₹ 5 each thereby reducing the cumulative number of Equity Shares to 8,833,370.					8,833,370	88,333,700	511,443,765
October 15, 2008	351,248	10	81.22	Cash	Conversion of warrants ⁽¹³⁾	9,184,618	91,846,180	523,376,640
October 15, 2008	87,770	10	42.60	Cash	Preferential Allotment ⁽¹⁴⁾	9,272,388	92,723,880	523,376,640
September 29, 2012	594,131	10	156.52	Cash	Conversion of 9,299,342 CCPS into Equity Shares ⁽¹⁵⁾	9,866,519	98,665,190	527,743,012
March 04, 2013	68,400	10	74.90	Cash	Allotment of 68,400 Equity shares under ESOS 2008 ⁽¹⁶⁾	9,934,919	99,349,190	532,182,172
August 05, 2013	57,550	10	74.90	Cash	Allotment of 57,550 Equity Shares under ESOS 2008 ⁽¹⁷⁾	9,992,469	99,924,690	508,863,043
June 30, 2014	9,800	10	74.90	Cash	Allotment of 9,800 Equity Shares under ESOS 2008 ⁽¹⁸⁾	10,002,269	100,022,690	496,149,616
January 08, 2015	16,667	10	600.00	Cash	Preferential Allotment ⁽¹⁹⁾	10,018,936	100,189,360	630,299,072
#	Cumulative equity securities premium reflects the balance after adjustment of provision for premium on redemption of preference shares as well as IPO expenses of ₹ 12.85 million and ₹ 9.55 million in the FY 2013 and FY 2009 respectively							
1.	The subscribers to the MoA were late Ashok Mathur* and Divya Mathur each subscribing to 10 Equity Shares.							
2.	Allotment of 319,980 Equity Shares to late Ashok Mathur*.							
3.	Allotment of 1,455,500 Equity Shares to Dilip Mathur.							
4.	Allotment of 80,000 Equity Shares to late Ashok Mathur*.							
5.	Allotment of 536,750 Equity Shares to Mahesh Naithani (236,750) and Ravi Akhoury (300,000).							
6.	Allotment of 926,450 Equity Shares to Dilip Mathur.							
7.	Allotment of 80,000 Equity Shares to late Ashok Mathur*.							
8.	Allotment of 836,414 Equity Shares and 1,254,622 Equity Shares to Tano pursuant to SSA dated April 25, 2006.							
9.	Allotment of 7,688,649 Equity Shares, consequent to the implementation of the Scheme of Arrangement, to Anil Taneja (23,829), Vivek Chand Sehgal (4,766), Jayee Dee International Private Limited (797,086), Sunil Taneja (1,284,771), Ashok Mathur (1,239,079), Rishab Soni (2,152,993), Ridhi Soni (12), Asha Taneja (12), Neera Sahgal (19), Kiran Soni (246), Swaran Dewan (9), Amit Mathur (2,65,630), Divya Mathur (23,599), Esha Mathur (23,437), Himmaj Soni (12), Rohini Mathur (81,792), Gulshan Bhel (12), Aruna Chatterjee (12), G K Nayar (9), Arvind Kumar (9), Jyoti Kumar (9), B.M Khanna (9), Jatika Bahl (9), Janak Bahl (12), Jyoti Bahl (12), Tano Mauritius India FVCI (544,642), ESS Invest Private Limited (170,551), Ashish Gupta (264,272), Halcyon Resources Manangement Consulting Private Limited (777,526), Alka Taneja (34,222), Nandita Soni (3), B.K Soni (3), Sunil Taneja (HUF) (3), Alice Koshy (3), Meera Mathur (3), R.K Mathur (3), K.B Mathur (3), Divrina Dhingra (3), Nupur Dhingra (3), Anjuman (3), Anshul Kumar (3), Hitesh (3), Arvind Kumar (HUF) (3), Reena Khetrpal (3), Rooma Khanna (3), Vyom Khanna (3) and Rajesh Sahgal (3).							
10.	Allotment of 833,162 Equity Shares to Rajesh Sahgal (575,035), Applique Garments Private Limited (28,100), A & M Wearing Apparels and Accessories Private Limited (53,000), Divya Mathur (14,500), Sports Station (44,964), Suryabhan Rampal Singh (HUF) (5,500), Arun Pundlikaro Dhole (HUF) (7,000), Sunanda Rajendra Chakole (3,500), Omprakash Jaynarayan Awasthi (6,000), Savita Pramod Kumar Shukla (8,000), Pramod Kumar Shukla (HUF)(8,000), Suryabhan Rampal Singh (7,000), Anil Taneja (2,600) for Field Spares Sales & Services, B.M. Khanna (64,000), Sunil Taneja as karta of Sunil Taneja (HUF) (5,963).							
11.	Allotment of 3,655,182 Equity Shares to:							
	(i) 365,518 Equity Shares allotted to Tano pursuant to SSA dated November 30, 2007;							
	(ii) 1,218,394 Equity Shares allotted to Future Ventures India Limited pursuant to SSA dated December 15, 2007;							
	(iii) 609,197 Equity Shares allotted to IDFC Limited (erstwhile Infrastructure Development Finance Company Limited)							



- pursuant to SSA dated November 30, 2007;
- (iv) 243,679 Equity Shares allotted to IDFC Securities Limited (Erstwhile IDFC-SSKI Private Limited) pursuant to SSA dated November 30, 2007;
- (v) 365,518 Equity Shares allotted to HBP pursuant to SSA dated November 30, 2007; and
- (vi) 852,876 Equity Shares allotted to Reliance Capital Asset Management Limited pursuant to SSA dated December 11, 2007.
12. Allotment of 1 Equity Share each to Dhhra Soni, late Ashok Mathur*, Divya Mathur, Esha Mathur, Sunil Taneja, Alka Taneja, Anil Taneja, B.M. Khanna, Ess Investments Private Limited, IDFC Limited (Erstwhile Infrastructure Development Finance Company Limited) and IDFC Securities Limited (Erstwhile IDFC-SSKI Private Limited) aggregating to 11 Equity Shares.
13. Allotment of 351,248 Equity Shares to Rajesh Sahgal.
14. Allotment of 87,770 Equity Shares to Tano.
15. 9,299,342 CCPS allotted to HBP on October 03, 2007 got converted into 594,131 Equity Shares on September 29, 2012 pursuant to the terms of the settlement agreement dated July 21, 2011 executed amongst our Company, HBP, Sports Station (India) Private Limited, KNS Trading Private Limited and the Principal Shareholders mentioned therein.
16. Allotment of 68,400 Equity Shares under the first tranche of ESOS, 2008.
17. Allotment of 53,250 Equity Shares under the second tranche of ESOS, 2008. Allotment of 4,300 Equity Shares for the options re-granted under the first tranche of ESOS, 2008.
- * Through a will dated July 29, 2009 registered with the Sub-Registrar, Alipore, Parganas, Kolkata, the late Ashok Mathur bequeathed the shares held by him in our Company to his son Amit Kumar Mathur, and his daughters Divya Kashyap and Rohini Khanna in the ratio of 50:25:25 respectively. It is noted that a total of 425,459 Equity Shares were transmitted to Amit Kumar Mathur as of September 03, 2011, a total of 212,729 Equity Shares each were transmitted to Divya Kashyap as of September 03, 2011, and a total of 212,730 Equity Shares each were transmitted to Rohini Khanna as of September 03, 2011.
18. Allotment of 8,000 Equity Shares under the first tranche of Phase III under ESOS, 2008 scheme and allotment of 1,800 Equity Shares for the options re-granted under the second tranche of Phase II under ESOS, 2008 scheme.
19. Allotment of 16,667 Equity Shares to OIJIF pursuant to the Share Subscription Agreement dated October 20, 2014.

(b) **Equity Shares issued for Consideration other than Cash**

As on the date of this offer document, our Company has not issued any Equity Shares for consideration other than cash or issued any Equity Shares out of revaluation reserves.

(c) **Equity Shares issued pursuant to the Scheme of Arrangement**

Pursuant to a Scheme of Arrangement, 7,688,649 Equity Shares were allotted to the shareholders of Sierra, Sports Station and Revere on September 03, 2007. For further details of the Scheme of Arrangement, see section titled “*History and Certain Corporate Matters- Amalgamation*” on page 144.

(d) **History of the preference share capital of our Company**

The following is the history of the preference share capital of our Company

(i) Redeemable Preference Shares (“RPS”)

Date of allotment/redemption	No. of preference shares	Face value (₹)	Issue/redemption price (₹)	Allotment /redemption	Nature of consideration
October 03, 2007*	17,201,969 OCPS [#]	10	10	Allotment	Cash
September 26, 2011**	5,850,784 RPS	10	15.38	Redemption	Cash
January 07, 2015***	11,351,185 RPS	10	10	Redemption	Cash
* Allotment to HBP pursuant to share subscription agreement dated March 26, 2007.					
# Pursuant to the shareholders resolution dated July 26, 2011, the OCPS were reclassified into RPS as per the Settlement Agreement with HBP.					
** Pursuant to the Settlement Agreement, 5,850,784 RPS were redeemed on September 26, 2011.					
*** Pursuant to Termination Agreement dated October 20, 2014 executed with HBP, 11,351,185 RPS were redeemed by our Company on January 07, 2015 in accordance with the terms of the Agreement					

(ii) Compulsorily Convertible, Non Redeemable Cumulative Preference Shares (“CCPS”)

Date of allotment/redemption	No. of preference shares	Face value (₹)	Issue/redemption price (₹)	Allotment /redemption	Nature of consideration
October 03, 2007*	9,299,342 CCPS	10	10	Allotment	Cash
* Allotment to HBP pursuant to share subscription agreement dated March 26, 2007					



Note: Pursuant to the Settlement Agreement dated July 21, 2011, 9,299,342 CCPS were converted into 594,131 Equity Shares on September 29, 2012.

As on the date of this Draft Red Herring Prospectus, our Company does not have any outstanding preference shares.

(d) **Issue of Equity Shares in the last one year**

The table below 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:

Sr. No.	Particulars	Date of allotment	No. of Equity Shares	Issue price (₹)	Whether part of Promoter Group	Reason for Allotment
1.	8,000 Equity Shares under the first tranche of Phase III under ESOS, 2008 and allotment of 1,800 Equity Shares for the options re-granted under the second tranche of Phase II under ESOS, 2008.	June 30, 2014	9,800	74.90	No	Allotment under ESOS 2008
2.	Allotment of 16,667 Equity Shares to OIIF pursuant to the Share Subscription Agreement dated October 20, 2014.	January 08, 2015	16,667	600	No	Preferential Allotment pursuant to the Share Subscription Agreement dated October 20, 2014

2. **Build-up of our Promoter's shareholding, Promoters' Contribution and Lock-in**

(a) **Details of the build up of our Promoters' present shareholding in our Company**

(i) **Rishab Soni**

Date	Particulars of transaction	Nature of consideration	No. of equity shares (before capital reduction and share consolidation)	No. of equity shares (after capital reduction and share consolidation) ¹	Face Value (₹)	Total consideration (₹)	% of total pre-Offer paid up capital as on the date of DRHP
October 04, 1996	Purchase	Cash	100	50	10	1,000	0.00 [#]
October 03, 2005	Sale	Cash	(100)	(50)	10	(1,000)	(0.00) [#]
December 21, 2005	Purchased	Cash	397,955	198,977	10	7,481,554	1.99
September 03, 2007	Allotment	Pursuant to Scheme of Arrangement	2,152,993	1,076,497	10 [*]	4,521,321	10.77
March 09, 2011	Sale	Cash	NA	(2,160)	10	(80,716)	(0.02)
September 03, 2011	Purchased	Cash	NA	33,341	10	5,473,275	0.33
December 1, 2011	Purchased	Cash	NA	25,505	10	40,00,000	0.26
December 1, 2011	Purchased	Cash	NA	30,458	10	50,00,000	0.30
March 28, 2012	Purchased	Cash	NA	4,778	10	784,390	0.05
March 28, 2012	Purchased	Cash	NA	1	10	164	0.00 [#]
June 29, 2012	Purchased	Cash	NA	25,556	10	4,000,000	0.26



2012							
September 05, 2013	Purchased	Cash	NA	34,049	10	3,745,440	0.34
October 27, 2013	Purchased	Cash	NA	15,229	10	2,500,000	0.15
January 30, 2015	Purchased	Cash	NA	36,469	10	5,900,400	0.36
TOTAL				1,478,700			14.76%

[#] Negligible

* Pursuant to the Scheme of Arrangement approved by Delhi High Court by its order date May 08, 2007, the capital was reduced consequent upon the reduction of face value of the Equity Shares from ₹ 10 per Equity Share to ₹ 5 per Equity Share. The same was later consolidated pursuant to the shareholders resolution dated May 26, 2008 by issuing one Equity Share of ₹ 10 each against two equity shares of ₹ 5 each

(ii) **Sunil Taneja**

Date	Particulars of transaction	Nature of consideration	No. of equity shares (before capital reduction and share consolidation)	No. of equity shares (after capital reduction and share consolidation) ¹	Face Value (₹)	Total consideration (₹)	% of total pre-Offer paid up capital as on the date of DRHP
October 04, 1996	Purchase	Cash	100	50	10	1,000	0.00 [#]
October 03, 2005	Sale	Cash	(100)	(50)	10	(1,000)	(0.00) [#]
September 03, 2007	Allotment	Pursuant to Scheme of Arrangement	1,284,771	642,385	10	3,406,644	6.41
September 03, 2007	Purchase	Cash	90	45	10*	450	0.00 [#]
May 26, 2008	Allotment	Cash	1	1	10	5	0.00 [#]
March 09, 2011	Sale	Cash	NA	(8,640)	10	(30,099)	(0.09)
April 22, 2013	Purchase	Cash	NA	17,360	10	2,850,000	0.17
August 07, 2013	Purchase	Cash	NA	200,000	10	53,00,000	2.00
January 12, 2015	Sale	Cash	NA	(200,000)	10	(53,00,000)	(2.00)
TOTAL				651,151			6.50%

* Pursuant to the Scheme of Arrangement approved by Delhi High Court by its order date May 08, 2007, the capital was reduced consequent upon the reduction of face value of the Equity Shares from ₹ 10 per Equity Share to ₹ 5 per Equity Share. The same was later consolidated pursuant to the shareholders resolution dated May 26, 2008 by issuing one Equity Share of ₹ 10 each against two equity shares of ₹ 5 each

(iii) **Amit Mathur**

Date	Particulars of transaction	Nature of consideration	No. of equity shares (before capital reduction and share consolidation)	No. of equity shares (after capital reduction and share consolidation) ¹	Face Value (₹)	Total consideration (₹)	% of total pre-Offer paid up capital as on the date of DRHP
December 21, 2005	Purchase	Cash	53,196	26,958	10	531,960	0.53
May 18, 2006	Sale	Cash	(53,196)	(26,958)	10	(531,960)	(0.53)
September 03, 2007	Allotment	Pursuant to Scheme of Arrangement	265,630	132,815	10*	780,949	1.33
September 03, 2011	Transmission	As a consequence of the demise of Ashok Mathur, Equity Shares held by him were transmitted to his son Amit Mathur.	NA	425,459	10	6,037,263	4.26
September 03, 2011	Purchase	Cash	NA	26,500	10	4,147,780	0.27



Date	Particulars of transaction	Nature of consideration	No. of equity shares (before capital reduction and share consolidation)	No. of equity shares (after capital reduction and share consolidation) ¹	Face Value (₹)	Total consideration (₹)	% of total pre-Offer paid up capital as on the date of DRHP
April 29, 2013	Gift	NA	NA	117,100	10	4,762,457	1.17
September 05, 2013	Gift	NA	NA	79,504	10	3,233,428	0.80
TOTAL				781,378			7.80%

* Pursuant to the Scheme of Arrangement approved by Delhi High Court by its order date May 08, 2007, the capital was reduced consequent upon the reduction of face value of the Equity Shares from ₹10 per Equity Share to ₹5 per Equity Share. The same was later consolidated pursuant to the shareholders resolution dated May 26, 2008 by issuing one Equity Share of ₹10 each against two equity shares of ₹5 each

(iv) **Kabir Taneja**

Date	Particulars of transaction	Nature of consideration	No. of equity shares (before capital reduction and share consolidation)	No. of equity shares (after capital reduction and share consolidation) ¹	Face Value (₹)	Total consideration (₹)	% of total pre-Offer paid up capital as on the date of DRHP
November 29, 2005	Purchase	Cash	300,000	150,000	10	5,809,981	1.50%
November 29, 2005	Purchase	Cash	236,750	118,375	10	4,585,043	1.18%
November 30, 2007	Purchase	Cash	5,500	2,750	5		0.03%
November 30, 2007	Purchase	Cash	7,000	3,500	5		0.04%
November 30, 2007	Purchase	Cash	3,500	1,750	5		0.02%
November 30, 2007	Purchase	Cash	6,000	3,000	5	29,076	0.03%
November 30, 2007	Purchase	Cash	8,000	4,000	5		0.04%
November 30, 2007	Purchase	Cash	8,000	4,000	5		0.04%
November 30, 2007	Purchase	Cash	7,000	3,500	5		0.04%
TOTAL				290,875			2.90%

All the Equity Shares held by our Promoters were fully paid-up on the respective dates of acquisition of such Equity Shares. None of the Equity Shares held by our Promoters are pledged.

(b) **Details of Promoters' contribution lock-in of three years**

Pursuant to Regulations 32 and 36 of the SEBI Regulations, an aggregate of 2,203,788 Equity Shares comprising 20.00% of the fully diluted post-Offer capital of our Company held by the Promoters, being the minimum Promoters contribution, shall be locked in for a period of three years from the date of Allotment of Equity Shares in the Offer the details of which are as follows:

Name of the Promoter	Date of allotment/transfer [#]	Face value (₹)	Issue/transfer price per Equity Shares (₹)	Nature of transaction	No. of Equity Shares locked-in	% of the fully diluted post-Offer Capital	Source of funds
Rishab Soni	December 21, 2005	10	37.60	Purchase	196,817	1.79%	Partially owned and partially borrowed funds ⁽¹⁾
	September 03, 2007	10	-	Allotment	551,189	5.00%	Owned



Name of the Promoter	Date of allotment/transfer [#]	Face value (₹)	Issue/transfer price per Equity Shares (₹)	Nature of transaction	No. of Equity Shares locked-in	% of the fully diluted post-Offer Capital	Source of funds
				(Pursuant to scheme of arrangement)			funds
SUB-TOTAL					748,006	6.79%	
Sunil Taneja	September 03, 2007	10	-	Allotment (Pursuant to scheme of arrangement)	433,745	3.94%	Owned funds
	September 03, 2007	10	10	Purchase	45	0.00%	Owned funds
	May 26, 2008	10	5	Allotment	1	0.00%	Owned funds
	April 22, 2013	10	164.17	Purchase	17,360	0.16%	Owned funds
SUB-TOTAL					451,151	4.09%	
Amit Mathur	September 03, 2007	5	-	Allotment (Pursuant to scheme of Arrangement)	132,815	1.21%	NA
	September 03, 2011	10	-	Transmission	425,459	3.86%	NA
	September 03, 2011	10	164.00	Purchase	26,500	0.24%	Owned funds
	April 29, 2013	10	-	Gift	117,100	1.06%	Gift
	September 05, 2013	10		Gift	45,693	0.41%	Gift
SUB-TOTAL					747,567	6.78%	
Kabir Taneja	November 29, 2005	10	38.73	Purchase	150,000	1.36%	Borrowed Funds ⁽²⁾
	November 29, 2005	10	38.73	Purchase	107,064	0.97%	Borrowed Funds ⁽²⁾
SUB-TOTAL					257,064	2.33	
GRAND TOTAL					2,203,788	20.00	

Note: The promoter contribution in terms of the number of shares may increase on the basis of the post issue expanded capital taking into account the employee stock options that may be vested, at a later stage.

(1) Source of the fund for shares acquired on December 21, 2005 is borrowed from A.P. Sehgal (130, JorBagh, New Delhi-110003) amounting to ₹3,173,890

(2) Source of the fund for shares acquired on November 29, 2005 are borrowed from Sunil Taneja (1186 Ratnakar Bagh, Tankapani road Bhubneshwar Orrisa-751002) amounting ₹3,863,000 and Alka Taneja (Add: 1186 Ratnakar Bagh, Tankapani road Bhubneshwar Orrisa-751002) amounting ₹1,0342,000

The Equity Shares that are being locked-in are not ineligible for computation of Promoter's contribution under Regulation 33 of the SEBI Regulations. In this connection, our Company confirms that the Equity Shares being locked-in do not consist of:

- Equity Shares acquired during the preceding three years (a) for consideration other than cash and revaluation of assets or capitalisation of intangible assets or (b) arising from a bonus issue by utilisation of revaluation reserves or unrealised profits of our Company or from a bonus issue against Equity Shares which are otherwise ineligible for computation of the minimum Promoters' contribution;
- Equity Shares acquired by the Promoters during the one year preceding the date of the Draft Red Herring Prospectus at a price lower than the price at which Equity Shares are being offered to the public in the Offer; and
- Equity Shares pledged with any creditor

Further, our Company has not been formed by the conversion of a partnership firm into a company and thus no Equity Shares have been issued to the Promoters upon conversion of a partnership firm. All the Equity Shares of our Company held by the Promoters and the



Promoter Group are held in dematerialised form except for 22,844 Equity Shares held by Nikita Susan George.

(c) ***Details of Equity Shares locked in for one year***

In terms of Regulation 36(b) and 37 of the SEBI Regulations, in addition to the lock-in of Promoters Contribution for three years, the entire pre-Offer capital comprising of 4,041,789 Equity Shares are locked in for a period of one year from the date of allotment/purchase of Equity Shares in the Offer except:

- (i) 1,988,368 Equity Shares being offered for sale;
- (ii) 16,667 Equity Shares allotted to OIIF on January 08, 2015; 322,594 Equity Shares purchased by OIIF on January 13, 2015 and 544,340 shares purchased by OIIF on January 14, 2015; and 776,890 Equity Shares purchased by OIIF on February 18, 2015. These Equity Shares purchased by/allotted to OIIF shall be locked-in for a period of one year from their date of purchase or allotment as the case may be; and
- (iii) 124,500 Equity Shares allotted under ESOS 2008 to the current (permanent and full-time employees who are not Promoters or members of the Promoter Group and will continue to be employees of the Company as on the date of Allotment).

Additionally, any unsubscribed portion, excluding the Equity Shares purchased through the FVCI Route, of the Offer for Sale of 1,988,368 Equity Shares being offered by the Selling Shareholders would also be locked-in for one year from the date of Allotment.

The securities which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned on the face of the security certificate. The shares which are in dematerialised form shall be locked-in by the respective depositories.

(d) ***Lock-in of Equity Shares allotted to Anchor Investors***

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

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

As per Regulation 39 of the SEBI Regulations, the locked in Equity Shares held by the Promoters can be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. However, Equity Shares locked in as Promoters' Contribution can be pledged only if in addition to fulfilling the aforementioned requirements, such loans have been granted by such banks or financial institutions for the purpose of financing one or more of the Objects of the Offer.

As per Regulation 40 of the SEBI Regulations, the Equity Shares held by persons other than the Promoters prior to the Offer may be transferred to any other person holding Equity Shares which are locked-in as per Regulation 37 of the SEBI Regulations, subject to the continuation of the lock-in in the hands of transferees for the remaining period and compliance with the Takeover Code. Further, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters 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 Code.

We shall comply with the requirements of Regulation 33, 36, 37, 39 and 40 of the SEBI Regulations.

(f) ***Shareholding of our Promoter and Promoter Group***

Provided below are details of Equity Shares held by our Promoter and members of the Promoter Group as on the date of this Draft Red Herring Prospectus.

Shareholders	Pre-Offer		Post-Offer	
	No. of equity Shares	(%)	No. of equity Shares	(%)



Shareholders	Pre-Offer		Post-Offer	
	No. of equity Shares	(%)	No. of equity Shares	(%)
Promoters				
Rishab Soni	1,478,700	14.76%	1,478,700	13.42%
Sunil Taneja	651,151	6.50%	651,151	5.91%
Amit Mathur	781,378	7.80%	781,378	7.09%
Kabir Taneja	290,875	2.90%	290,875	2.64%
Sub Total (A)	3,202,104	31.96%	3,202,104	29.06%
Promoter Group				
KNS Trading Private Limited	69,964	0.70%	69,964	0.63%
Trishul Tread Private Limited	531,043	5.30%	531,043	4.82%
Rishab Soni (HUF) held through its karta Rishab Soni	26,596	0.27%	26,596	0.24%
Divya Mathur*	245,829	2.45%	245,829	2.23%
Nandita Soni	295,105	2.95%	295,105	2.68%
Himmaj Soni	126,545	1.26%	126,545	1.15%
Dhhra Soni	65,533	0.65%	65,533	0.59%
Kiran Soni	27,724	0.28%	27,724	0.25%
Alka Taneja	35,095	0.35%	35,095	0.32%
Anil Taneja	13,215	0.13%	13,215	0.12%
Esha Mathur	11,719	0.12%	11,719	0.11%
Sunil Taneja (HUF) held through its karta Sunil Taneja	6,943	0.07%	6,943	0.06%
Nikita Susan George	41,119	0.41%	41,119	0.37%
Sub Total (B)	1,496,430	14.94%	1,496,430	13.58%
Promoter and Promoter Group (A+B)	4698534	46.90%	4698534	42.64%

* now Divya Kashyap

3. *Employee Stock Option Scheme*

The employee stock options of our Company have been granted under two employee stock option schemes; namely Employee Stock Option Scheme, 2008 (“**ESOS 2008**”) and Employee Stock Option Scheme, 2014 (“**ESOS 2014**”). The details of the ESOS schemes of our Company are as follows:

- (a) Our Company instituted ESOS 2008 which was approved on June 18, 2008 by the shareholders of our Company at the extra-ordinary general meeting dated September 13, 2008. The objective of ESOS-2008 is to attract, reward, motivate and retain its employees for high levels of individual performance and for extraordinary efforts to improve the financial performance of the Company, which will ultimately contribute to the success of the Company. This purpose is sought to be achieved through the grant of Options to the Employees to subscribe for Shares of the Company.

The following table sets forth the particulars of the options granted under ESOS 2008 as of the date of filing of this Red Herring Prospectus:

Options granted	Pool-I	Pool-II	Pool-III	Pool-IV	Pool-V
Date of grant/further grant	August 05, 2011	March 30, 2012	March 30, 2013	March 28, 2014	July 01, 2014
No. of options originally granted	150,000	-	-	-	-
No. of options re-granted ¹	-	8,850	19,250	3,250	3,250
Price per Equity Share	74.90	74.90	74.90	74.90	74.90
Date of Board (Compensation Committee) approval	August 05, 2011	March 30, 2012	March 30, 2013	March 28, 2014	July 01, 2014
* represent the option re-issued against forfeiture/lapsed/cancelled of options from 150,000 options originally issued or options re-issued					



Pricing formula:

The Committee will have the freedom to determine the Exercise Price subject to the confirming the accounting policies as specified in the SEBI Guidelines. However, in case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed in the Directors report and also the impact of this difference on profits and on Earning Per Share of the Company shall also be disclosed in the Directors' report.

Particulars	Pool-I	Pool-II	Pool-III	Pool-IV	Pool-V
Vesting period	1-2 Years	1-2 Years	1-2 Years	1-2 Years	1 Year
Options vested	150,000	8,850	10,000	-	-
Options exercised	121,650	6,100	8,000	-	-
Total number of shares arising as a resulting of exercise of options	121,650	6,100	8,000	-	-
Options forfeited/ lapsed/ cancelled	28,350	2,750	2,000	-	-
Variation of terms of options	Nil	Nil	Nil	Nil	Nil
Money realised by exercise of options (in ₹)	9,111,585	456,890	599,200	-	-
Total number of options in force	-	-	-	-	-

Employee wise details of Options granted to Directors/Senior Management Personnel

Name of Director/Senior Management Personnel	No. of Options granted
Directors	Nil
Senior Management Personnel	
Kanika Verma	5,270
Atul Madan	37,500
Mohan Bansal	4,500
Praduman Pushkarnath Raina	7,025
Om Prakash Gupta	19,025

Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year

Pool	Name of Employee	No. of Options granted
Pool-III (FY 2012-13)	Megha Bhargava	1,250
	Niranjan Ayyar	1,000
	Rakesh Kalra	1,500
	Total no. of options granted: 19,250	
Pool-IV (FY 2013-14)	Rakesh Kalra	1,000
	Suman Joshi	1,000
	Yagik Thukral	500
	Amit Varun	500
	Anil Jain	250
Pool-V (FY 2014-15)	Rakesh Kalra	270
	Gulshan Uttreja	270
	Pooja Kalra	270
	Suman Joshi	270
	Sandeep Kakkar	270
	Mukesh Bhatia	270
	Saurabh Sharma	270
	Love Gulati	270
	Gagan Gulati	270
Identified employees who were granted options during		Nil



any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant

Fully diluted EPS pursuant to issue of Equity Shares on exercise of options in accordance with the relevant accounting standard ₹ 3.97 (As at September 30, 2014, not annualised)

Difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options) Employee cost had been calculated on the basis of fair value of options. Therefore there is no difference.

Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock	Pool-I	Pool-II	Pool-III	Pool-IV	Pool-V
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Weighted average exercise price of Options granted during the year whose:

Exercise price equals market price on the date of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise price is greater than market price on the date of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise price is less than market price on the date of grant	₹ 74.90	₹ 74.90	₹ 74.90	₹ 74.90	₹ 74.90

Weighted average fair value of options granted during the year whose

Exercise price equals market price on the date of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise price is greater than market price on the date of grant	N.A.	N.A.	N.A.	N.A.	N.A.
Exercise price is less than market price on the date of grant	₹ 58.88	₹ 127.09	₹ 67.36	₹ 62.86	₹ 195.98

Method and significant assumptions used to estimate the fair value of options granted during the period/year

Particulars	Pool-I		Pool-II		Pool-III		Pool-IV		Pool-V	
Years	1	2	1	2	1	2	1	2	1	2
A. Method used: Black shoes pricing model										
B. Assumptions										
(a) Risk Free Interest Rate	8.54	8.41	8.48	8.50	7.69	7.76	8.51	8.68	8.58	-
(b) Time to expiration (in years)	1.25	2.25	1.25	2.25	1.25	2.25	1.50	2.50	1.50	-
(c) Expected volatility	44.09	44.09	53.55	53.55	38.66	38.66	38.17	38.17	41.53	-



(d)	Expected dividend (%)	-	-	-	-	-	-	1.49	1.49	0.79	-
(e)	Current stock price of underlying Equity Shares at the time of grant of options (₹)	120.28	120.28	189.95	189.95	131.15	131.15	127.41	127.41	264.89	-
Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue		Ten equity shareholders holding 74,250 equity shares have expressed their intention to sell their Equity Shares post listing.									
* does not consider ex-employee											
Intention to sell Equity Shares arising out of the ESOS-2008 within three months after the listing of Equity Shares by directors, key management personnel, senior management personnel and employees having Equity Shares arising out of the ESOS-2008, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)		Not applicable									
Impact on the profits and on the Earnings Per Share of the last three years if the issuer had followed the accounting policies specified in clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of options granted in the last three years		Company is following the same accounting policies specified in clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. Therefore, there is no impact on profit and Earning Per Share.									

- (b) Our Company instituted ESOS 2014, which was approved on July 31, 2014 by the shareholders of the Company at their extra-ordinary general meeting. The objective of ESOS-2014 is to attract, reward, motivate and retain its employees for high levels of individual performance and for extraordinary efforts to improve the financial performance of the Company, which will ultimately contribute to the success of the Company. The purpose is sought to be achieved through the grant of options to the Employees to subscribe for Shares of the Company.

Options granted	Pool-I
Date of grant	February 10, 2015
No. of options granted	76,000
Price per Equity Share	₹ 400
Date of Board (ESOP Compensation Committee) approval	February 10, 2015

Pricing formula:

The Committee will have the freedom to determine the Exercise Price subject to the confirming the accounting policies as specified in the SEBI Guideline. However, in case the Company calculates the employee compensation cost using the intrinsic value of the stock options, the difference between the employee compensation cost so computed and the employee compensation cost that shall have been recognised if it had used the fair value of the options, shall be disclosed in the Directors report and also the impact of this difference on profits and on Earning Per Share of the Company shall also be disclosed in the Directors' report.

Particulars	Pool-I
Vesting period	1-2 years
Options vested	-
Options exercised	-
Total number of Equity Shares arising from exercise of options	-
Options forfeited/lapsed/cancelled	-
Variation of terms of options	Nil
Money realised by exercise of options	N.A.
Total number of options in force	-



Employee wise details of options granted to Directors/Senior Management Personnel

Name of Director/Senior Management Personnel	No. of Options granted
<i>Directors</i>	Nil
<i>Senior Management Personnel</i>	
Kanika Verma	4,000
Atul Madan	8,000
Mohan Bansal	6,000
Praduman Pushkarnath Raina	6,000
Om Prakash Gupta	9,000

Any other employee who receives a grant in any one year of options amounting to 5% or more of the options granted during the year

Pool	Name of employee	No. of options granted
Pool-I (FY 2014-15)	Suman Joshi	4,000
Total number of options granted: 76,000		

Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant

Nil

Fully diluted EPS pursuant to issue of shares on exercise of options in accordance with the relevant accounting standard

Not applicable

Difference, if any, between employee compensation cost calculated according using the intrinsic value of stock options and the employee compensation cost calculated on the basis of fair value of stock options and impact on the profits of our Company and on the EPS arising due to difference in accounting treatment and for calculation of the employee compensation cost (i.e. difference of the fair value of stock options over the intrinsic value of the stock options)

Weighted average exercise price and the weighted average fair value of options whose exercise price either equals or exceeds or is less than the market price of the stock

Pool-I

Weighted average exercise price of Options granted during the year whose:

Exercise price equals market price on the date of grant	N.A.
Exercise price is greater than market price on the date of grant	₹ 400
Exercise price is less than market price on the date of grant	N.A.

Weighted average fair value of options granted during the year whose:

Exercise price equals market price on the date of grant	N.A.
Exercise price is greater than market price on the date of grant	₹ 38.42
Exercise price is less than market price on the date of grant	N.A.

A. Method used: Black shoes pricing model

B. Assumptions:

		Year 1	Year 2
(a)	Risk free interest rate (%)	7.85	7.83
(b)	Time to expiration (in years)	1.50	1.50
(c)	Expected volatility (%)	45.19	45.19
(d)	Expected dividend (%)	0.81	0.81
(e)	Current stock price of underlying Equity Shares at the time of grant of options	₹ 259.15	₹ 259.15



Intention of the holders of Equity Shares allotted on exercise of options to sell their shares within three months after the listing of Equity Shares pursuant to the Issue

Not applicable, since options are not yet exercised

* does not consider ex-employee

Intention to sell Equity Shares arising out of the ESOS-2008 within three months after the listing of Equity Shares by directors, key management personnel, senior management personnel and employees having Equity Shares arising out of the ESOS-2008, amounting to more than 1% of the issued capital (excluding outstanding warrants and conversions)

Not applicable, since options are not yet exercised

Impact on the profits and on the Earnings Per Share of the last three years if the issuer had followed the accounting policies specified in clause 13 of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 in respect of options granted in the last three years

Not applicable, since options are not yet exercised

4. Shareholding pattern before and after the proposed Offer

Category code	Category of shareholder	No of shareh olders	Total number of shares (pre-Offer)	No of shares held in dematerial ised form	Total number of shares (post-Offer)*	Total shareholding as a% of total no of shares pre-Offer (as a % of (a+b))	post-Offer (as a % of (a+b))	Number of shares s pledg e or otherwise encumber ed	Number of shares pledge or otherwise encumbered as a% of total no of shares pre-Offer (as a % of (a+b))	post-Offer (as a % of (a+b))
(i)	(ii)	(iii)	(iv)	(v)		(vi)	(vii)	(viii)		
(A)	PROMOTER AND PROMOTER GROUP									
(1)	INDIAN									
(a)	Individual /HUF	15	4,097,527	4,097,527	40,97,527	40.90	37.19	-	-	-
(b)	Central Government/State Government(s)	-	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	2	601,007	601,007	6,01,007	6.00	5.45	-	-	-
(d)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
Sub-total A(1):		17	4,698,534	4,675,690	4,698,534	46.90	42.64	-	-	-
(2)	FOREIGN									
(a)	Individuals (NRIs/Foreign Individuals)	-	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(e)	Others	-	-	-	-	-	-	-	-	-
Sub-total A(2):		-	-	-	-	-	-	-	-	-
Total A=A(1)+A(2)		17	4,698,534	4,698,534	4,698,534	46.90	42.64	-	-	-
(B)	PUBLIC SHAREHOLDING									
(1)	INSTITUTIONS	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds /UTI	-	-	-	-	-	-	-	-	-



Category code	Category of shareholder	No of shareholders	Total number of shares (pre-Offer)	No of shares held in dematerialised form	Total number of shares (post-Offer)*	Total shareholding as a % of total no of shares		Number of shares pledged or otherwise encumbered	Number of shares pledged or otherwise encumbered as a % of total no of shares	
(i)	(ii)	(iii)	(iv)	(v)		pre-Offer (as a % of (a+b))	post-Offer (as a % of (a+b))	(viii)	pre-Offer (as a % of (a+b))	post-Offer (as a % of (a+b))
(b)	Financial Institutions /Banks	-	-	-	-	-	-	-	-	-
(c)	Central Government /State Government(s)	-	-	-	-	-	-	-	-	-
(d)	Venture Capital Funds	1	1,660,491	883,601	1,660,491	16.57	15.07	-	-	-
(e)	Insurance Companies	-	-	-	-	-	-	-	-	-
(f)	Foreign Company	-	-	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	1	1,588,368	1,588,368	-	15.85	-	-	-	-
(h)	Institutional Investors	-	-	-	-	-	-	-	-	-
Sub-Total B(1) :		2	3,248,859	2,471,969	1,660,491	32.43	15.07	-	-	-
(2)	NON-INSTITUTIONS									
(a)	Bodies Corporate	2	779,923	779,923	779,923	7.78	7.08	-	-	-
(b)	Individuals									
	(i) Individuals holding nominal share capital up to ₹ 0.1 million	46	168,605	159,698	168,605	1.68	1.53	-	-	-
	(ii) Individuals holding nominal share capital in excess of ₹ 0.1 million	5	1,123,015	1,123,015	723,015	11.21	6.56	-	-	-
(c)	Any Others	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-
Sub-Total B(2) :		53	2,071,543	2,062,636	1,671,543	20.68	15.17	-	-	-
Total B=B(1)+B(2) :		55	5,320,402	4,534,605	3,332,034	53.10	30.24	-	-	-
(e)	PUBLIC (PURSUANT TO THE OFFER) B(3)	-	-	-	2,988,368*	-	27.12	-	-	-
Total B= B(1)+B(2)+B(3)		55	5,320,402	4,534,605	6,320,402	53.10	57.36	-	-	-
Total (A+B):		72	10,018,936	9,210,295	11,018,936	100.00	100.00	-	-	-
(C)	Shares held by custodians, against which Depository receipts have been issued	-	-	-	-	-	-	-	-	-
-	Promoter and Promoter Group	-	-	-	-	-	-	-	-	-
(2)	Public	-	-	-	-	-	-	-	-	-
TOTAL (A+B+C) :		72	10,018,936	9,233,139	11,018,936	100.00	100.00	0	0.00	0.00

* Assuming full subscription of the fresh issue and transfer of all the equity shares offered through the offer for sale



5. **Top10 shareholders**

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

Sr. No.	Name of shareholder	No. of Equity Shares	% shareholding
1.	Oman India Joint Investment Fund	1,660,491	16.57
2.	Tano Mauritius India FVCI	1,588,368	15.85
3.	Rishab Soni	1,478,700	14.76
4.	Amit Mathur	781,378	7.80
5.	Sunil Taneja	651,151	6.50
6.	Future Lifestyle Fashions Limited	609,197	6.08
7.	Trishul Tread Private Limited	531,043	5.30
8.	Rajesh Sahgal	400,000	3.99
9.	Nandita Soni	295,105	2.95
10.	Kabir Taneja	290,875	2.90
TOTAL		8,286,308	82.71

- (b) Our top 10 shareholders as of two years prior to the date of this Draft Red Herring Prospectus were as follows:

Sr. No.	Name of shareholder	No. of Equity Shares	% shareholding
1.	Tano Mauritius India FVCI	1,588,368	16.10
2.	Rishab Soni	1,392,953	14.12
3.	HBP Holdings Limited	776,890	7.87
4.	Sunil Taneja	633,791	6.42
5.	Indus League Clothing Limited	609,197	6.17
6.	Amit Mathur	584,774	5.93
7.	Trishul Tread Private Limited	531,043	5.38
8.	Dilip Mathur	422,500	4.28
9.	Rajesh Sahgal	415,139	4.21
10.	IDFC Limited (Erstwhile Infrastructure Development Finance Company Limited)	304,599	3.09%
TOTAL		7,259,254	73.57%

6. As on the date of this Draft Red Herring Prospectus, the public shareholders holding more than 1% of the pre-Offer share capital of our Company are as follows:

Sr. No.	Name of shareholder	No. of Equity Shares	% shareholding	
			pre-Offer	Post-Offer
1.	Oman India Joint Investment Fund	1,660,491	16.57	15.07
2.	Tano Mauritius India FVCI	1,588,368	15.85	-
3.	Future Lifestyle Fashions Limited	609,197	6.08	5.53
4.	Rajesh Sahgal	400,000	3.99	-
5.	Taruna Soi	230,000	2.30	2.09
6.	Narayan K Sheshadri	182,192	1.82	1.65
7.	Ashish Gupta	180,334	1.80	1.64
8.	Ess Investments Private Limited	170,726	1.70	1.55
9.	Abhay Soi	130,489	1.30	1.18
TOTAL		5,152,247	51.41	28.71

* This is based on the assumption that the existing shareholders shall continue to hold the same number of Equity Shares after the Offer the entire OFS shares are sold in the Offer. This does not include any Equity Shares that such shareholders (excluding our Promoters, Promoter Group and Selling Shareholders) may Bid for and be Allotted in the Offer.

7. The details of Equity Shares sold/purchased by our Directors, immediate relatives of Directors, Promoter Group during the period of six months preceding the date on which the DRHP is filed with SEBI is given herein below:



Name	Name of Transacting entity	Date of allotment / fully paid up / transfer	No. of Equity Shares issued / transferred	Face value (₹)	Issue / Transfer Price / Consideration per Equity Share (₹)	Nature of consideration	Nature of transaction
Promoter							
Rishab Soni	Amit Khanna	January 2015	30,	2,966	10	164.16	Cash Purchase
Rishab Soni	Riddhi Khanna	January 2015	30,	33,503	10	164.20	Cash Purchase
Sunil Taneja	Trishul Tread Private Limited	January 2015	21,	200,000	10	16.50	Cash Sale
Promoter Group							
KNS Trading Private Limited	Oman Joint Investment Fund	January 2015	13,	200,754	10	421.50	Cash Sale
Nandita Soni	Dilip Mathur	January 2015	21,	32,759	10	133.03	Cash Purchase
KNS Trading Private Limited	Rajesh Sehgal	January 2015	30,	69,964	10	214.40	Cash Purchase
Dhhra Soni	Amit Khanna	January 2015	30,	15,300	10	164.16	Cash Purchase
Himmaj Soni	Amit Khanna	January 2015	30,	6,100	10	164.16	Cash Purchase
Dilip Mathur	Nandita Soni	January 2015	21,	32,759	10	133.03	Cash Sale
Dilip Mathur	Taruna Soi	January 2015	21,	150,000	10	220.00	Cash Sale
Dilip Mathur	Oman Joint Investment Fund	January 2015	14,	239,741	10	320.00	Cash Sale
Nikita Susan George	A & M Wearing Apparels Private Limited	January 2015	30,	22,844	10	164.16	Cash Purchase
A & M Wearing Apparels Private Limited	Nikita Susan George	January 2015	30,	22,844	10	164.16	Cash Sale
Trishul Tread Private Limited	Sunil Taneja	January 2015	21,	200,000	10	26.50	Cash Purchase
Directors and their relatives							
Taruna Soi	Dilip Mathur	January 2015	21,	150,000	10	220.00	Cash Purchase

8. Shareholding of our Directors and Key Managerial Personnel

Except as set forth below, none of our Directors or Key Managerial Personnel holds any Equity Shares as on the date of this Draft Red Herring Prospectus:

Sr. No.	Name of shareholder	Number of Equity Shares held	Pre Offer%	Post Offer%
1.	Rishab Soni	1,478,700	14.76%	13.42%
2.	Amit Kumar Mathur	781,378	7.80%	7.09%
3.	Sunil Taneja	651,151	6.50%	5.91%
4.	Abhay Soi	130,489	1.30%	1.18%
5.	Kanika Verma	5,000	0.05%	0.05%



Sr. No.	Name of shareholder	Number of Equity Shares held	Pre Offer%	Post Offer%
TOTAL		3046718	30.41%	27.65%

9. Our Company, the Selling Shareholders, the Promoters, the Directors and the BRLMs have not entered into any buy-back and/or standby and/or safety net arrangements for the purchase of Equity Shares through this Offer from any person.
10. During the period of six months immediately preceding the date of filing of this Draft Red Herring Prospectus with SEBI, our Promoters, Promoter Group, our Directors and their relatives have not financed the purchase of Equity Shares by any other person other than in the normal course of business of such financing entity.
11. Sale, purchase or subscription of our Company's securities by our Promoter, Promoter Group and our Directors within three years immediately preceding the date of this Draft Red Herring Prospectus, which in aggregate is equal to or greater than 1% of the pre-Offer capital of our Company is as follows:

S. No.	Name of Shareholder	Promoter/Director/Promoter Group	Number of Equity Shares Subscribed To / Acquired	% of pre-Issue paid up capital	Number of Equity Shares Sold	% of pre-Issue paid up capital
1.	Rishab Soni	Promoter and Director	116,082	1.16%	-	-
2.	Sunil Taneja	Promoter and Director	217,360	2.17%	200,000	2.00%
3.	Amit Kumar Mathur	Promoter and Director	196,604	1.96%	-	-
4.	KNS Trading Private Limited	Promoter Group	264,218	2.64%	200,754	2.00%
5.	Nandita Soni	Promoter Group	148,827	1.49%	-	-
6.	Dilip Mathur	Promoter Group	-	-	422,500	4.22%
7.	Trishul Tread Private Limited	Promoter Group	200,000	2.00%	200,000	2.00%

12. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI Regulations, wherein 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price.
13. Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories or a combination of categories at the discretion of our Company in consultation with the BRLMs and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories..



14. Oversubscription, if any, to the extent of 10% of this Offer can be retained for the purpose of rounding off and making allotments in minimum lots, while finalising the 'Basis of Allotment'. Consequently, the Allotment may increase by a maximum of 10% of the Offer, as a result of which the post-Offer paid up capital would also increase by the excess amount of Allotment so made. In such an event, the Equity Shares to be locked-in towards the Promoters' Contribution shall be suitably increased so as to ensure that 20% of the post – Offer paid up capital is locked in.
15. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from submission of this Draft Red Herring Prospectus with SEBI, other than shares that may be issued pursuant to the ESOS 2008 and/or ESOS 2014, until the Equity Shares to be issued pursuant to the Offer have been listed or all application moneys have been refunded on account of failure of the Offer.
16. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law.
17. As on the date of this Draft Red Herring Prospectus, there are 72 equity shareholders.
18. We have not raised any bridge loans against the proceeds of the Offer.
19. There are no partly paid up Equity Shares in our Company. All the Equity Shares offered through the Offer will be fully paid-up at the time of Allotment.
20. No person connected with the Offer, including, but not limited to, the BRLMs, the members of the Syndicate, our Company, the Directors, the Promoters, members of our Promoter Group and Group Entities and Entities, 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.
21. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle to any person the option to acquire Equity Shares after the IPO except the issuance of Equity Shares pursuant to exercise of the stock options granted to employees as defined under the ESOS 2008 and/or under ESOS 2014.
22. We have not issued any Equity Shares out of revaluation reserves.
23. Except the Equity Shares allotted by our Company pursuant to the Scheme of Arrangement as disclosed under the section titled "***Capital Structure- Equity Shares issued pursuant to the Scheme of Arrangement***" on page 67, our Company has not issued any Equity Shares for consideration other than cash.
24. We do not have any intention, proposal, negotiations or consideration to alter our capital structure by way of split /consolidation of the denomination of the Equity Shares, or issue of Equity Shares on a preferential basis or issue of bonus or rights or further public issue of shares or any other securities or qualified institutional placement, within a period of six months from the Bid Opening Date except allotment of Equity Shares under ESOS 2008 or ESOS 2014 that may vest and be exercised in the next six months or if our Company enters into acquisitions or joint ventures or if the business needs otherwise arise, we may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares for participation in such acquisitions or joint ventures or other arrangements.
25. The Equity Shares held by the Promoters or any member of our Promoter Group are not subject to any pledge.
26. The Promoters and members of the Promoter Group will not participate in the Offer.
27. Our Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.



28. None of the BRLMs and their associates hold any shares in our Company as on date of this DRHP. Please refer to the notes to the “Share Capital History of our Company” in this chapter for shares earlier held by IDFC Limited and IDFC Securities Limited.
29. Other than as provided in this section above, our Company has not issued any Equity Shares at price lower than the Offer Price in the last one year preceding the date of filing of this offer document:
30. As required by Regulation 69 (4) of the SEBI Regulations, our Company will ensure that transactions in the Equity Sharers by the Promoters and Promoter Group between the date of filing of the Red Herring Prospectus with the Registrar of Companies and the Bid Closing Date will be intimated to the Designated Stock Exchanges within twenty four hours of the transaction.
31. Our Company, Directors, Promoters or Promoter Group shall not make any payments direct or indirect, discounts, commissions, allowances or otherwise under this Offer except as disclosed in this Prospectus.



OBJECTS OF THE OFFER

The Offer comprises of a Fresh Issue by our Company and an Offer for Sale by the Selling Shareholders.

The proceeds of the Offer for Sale

The object of the Offer for Sale is to allow the Selling Shareholders to sell an aggregate of up to 1,988,368 Equity Shares held by them, aggregating up to ₹ [●] million. The funds from the Offer for Sale shall be received by the Selling Shareholders and our Company shall not receive any proceeds from the Offer for Sale.

Objects of the Fresh Issue

Our Company intends to utilise the proceeds from the Fresh Issue, after deduction of the Offer expenses to the extent payable by our Company (such net proceeds, the “**Net Proceeds**”) towards the following objects:

1. Addition of 30 Exclusive Brand Outlets (“**EBOs**”) for brand Nike;
2. Investment in our subsidiary SSIPL Lifestyle to enable SSIPL Lifestyle to:
 - (a) Expand its retail network by opening EBOs for brands Lotto, Levi’s, United Colors of Benetton (“**UCB**”), Clarks and Mmojah; and
 - (b) Expand its retail network by opening Multi Brand Outlets (“**MBOs**”) for brands ShoeTree, ShoeTree Sports and Value Station.
3. Expansion and modernisation of our existing manufacturing facilities; and
4. General corporate purposes.

In addition, our Company expects to receive the benefits of listing the Equity Shares on the Stock Exchanges.

The main objects of our Company enable us to undertake its present activities and activities proposed to be undertaken for which the funds are being raised in the captioned initial public offering.

Proceeds from the Fresh Issue

The details of the proceeds from the Fresh Issue (“**Gross Proceeds**”) are summarised below:

Particulars	Amount [*]
Gross Proceeds	[●]
Less: Offer related expenses to the extent payable by our Company	[●]
Net Proceeds	[●]

^{*}Will be incorporated after finalisation of the Offer Price.

Requirement of funds and proposed schedule of deployment

The intended use of Net Proceeds is summarised in the table below:

Sr. No	Particulars	Total Estimated Cost ^{**}	Amount to be deployed from the Net Proceeds	Estimated schedule of utilisation of Net Proceeds		
				Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018
1.	Addition of 30 EBOs for brand Nike	143.90	143.90	54.81	70.37	18.72
2.	Investment in our subsidiary i.e., SSIPL Lifestyle	418.46	418.46	159.76	198.98	59.72
3.	Expansion and modernisation of existing manufacturing facilities	198.56	198.56	73.56	100.00	25.00
4.	General corporate purposes [*]	[●]	[●]	[●]	[●]	[●]
TOTAL		[●]	[●]	[●]	[●]	[●]



* Will be incorporated at the time of filing of the Prospectus

** The entire estimated costs are proposed to be met from the Net Proceeds

Note: As of the date of this Draft Red Herring Prospectus, our Company has not deployed any amount towards the stated objects.

Means of finance

Since the objects of the Offer are proposed to be financed entirely out of the proceeds of the Fresh Issue, the requirement of an undertaking confirming that firm arrangements of finance through verifiable means towards 75% of the stated means of finance, excluding the amount proposed to be raised through the Offer is not applicable.

In the event of a shortfall in raising the requisite capital from the Net Proceeds, towards meeting the objects of the Offer, the extent of the shortfall will be met by existing identifiable internal accruals or debt. In case of any surplus of monies received in relation to the Fresh Issue, we may use such surplus towards general corporate purposes.

The fund requirement and the intended use of the Net Proceeds as described herein are based on our management estimates and our current business plan. Further, the fund requirement and the intended use of the Net Proceeds have not been appraised by any bank or financial institution. For risks associated with the above, see the section titled “**Risk Factors**” on page 11.

Our Company operates in competitive and dynamic market conditions. Accordingly, we may have to revise our business plan from time to time. Our fund requirements and utilisation of Net Proceeds may also change as a result of variations in the cost structure, changes in estimates, exchange rate fluctuations and other external factors, which may not be within the control of our management. Any such change in our plans may require rescheduling of our expenditure programs, at the discretion of our management, subject to the necessary approvals, and such rescheduling, if any, shall be within the objects of the Offer. In addition, the estimated dates of completion of various projects as described herein are based on management’s current expectations and are subject to change due to various factors, some of which may not be in our control.

Details of utilisation of Net Proceeds

1. Addition of 30 EBOs for brand Nike

Our Company retails products of brand Nike through its network of EBOs. As on December 31, 2014, our Company operated and managed 235 EBOs for brand Nike across 84 cities.

To expand our EBO network for the Nike brand and promote its retail reach, our Company intends to invest ₹ 143.90 million out of the Net Proceeds for opening 30 EBOs of brand Nike with each EBO having an average area of approximately 1,232 Sq. Ft each. These EBOs are proposed to be opened by June 2017 across India.

We intend to enter into lease or leave and license agreements with the developers/property owners for the proposed EBOs. Our Company would be required to pay amount towards security deposits on entering into such arrangements with the developers/property owners.

Estimated cost for establishing EBOs

The estimated cost for establishing these EBOs primarily comprise of (i) payment of security deposit; and (ii) expenses on the interiors of EBOs and other expenses, such as furniture and fixtures, electrical, air conditioning, security systems, lighting, information technology systems, etc. (“**Store Fit Out Expenses**”). Our Company estimates that Store Fit Out Expenses would be similar across EBOs proposed to be set up in various locations. However, payments towards security deposit may vary based on various factors including the location, city and area of the EBO. The average area of a store is expected to be about 1,232 Square feet.

The break-up of estimated costs for setting up the above mentioned EBOs are as follows:

Particulars	(in ₹million) Estimated cost
Security deposit*	52.11
Store fit-out expenses**	88.09



Particulars	Estimated cost
Miscellaneous and contingent expenses***	3.70
TOTAL	143.90
* Based on the experience of our Company, the security deposit for stores has been estimated as equivalent to five months rental. The average monthly rental has been estimated at approximately ₹263 per Sq. Ft.	
** The Store Fit Out Expenses per Sq. Ft. for Nike stores has been estimated by the management at approximately ₹2,384 per Sq. Ft.	
*** The miscellaneous and contingency expenses per Sq. Ft. has been estimated by the management at approximately ₹100 per Sq. Ft.	

2. Investment in our subsidiary SSIPL Lifestyle Private Limited

We intend to make an investment of ₹ 418.46 million in SSIPL Lifestyle by way of loan or or an other permissible debt instrument as may be approved by the management of the Company out of the Net Proceeds to open 175 EBOs and MBOs of brands Levi's, Lotto, UCB, Clarks, Mmojah, ShoeTree, ShoeTree Sports and Value Station, over a period of two years. As of December 31, 2014, SSIPL Lifestyle operates and manages 176 EBOs collectively of brands namely Levi's, Lotto, UCB, Clarks, and Mmojah, and 29 MBOs of ShoeTree, ShoeTree Sports and Value Station. Our Company shall benefit from the investment in our subsidiary by way of interest income. The business of our subsidiary adds to our revenues and brings more brands under our portfolio.

SSIPL Lifestyle intends to enter into lease or leave and license agreements with the developers and/or property owners for the proposed EBOs. Accordingly, SSIPL Lifestyle would be required to pay amounts towards security deposits on entering into such arrangements with the developers/property owners.

The break-up of estimated costs for setting up the above mentioned EBOs and MBOs are as follows:

Particulars	(in ₹ million) Estimated cost
Security deposit*	147.10
Store fit-out expenses**	257.29
Miscellaneous and contingencies expenses***	14.07
TOTAL	418.46
* Based on the experience of our Company, the security deposit for stores has been estimated as equivalent to five months rental. The average monthly rental has been estimated at approximately ₹209 per Sq. Ft.	
** The average Store Fit Out Expenses per Sq. Ft. for the stores has been estimated by the management at approximately ₹1829 per Sq. Ft.	
*** The miscellaneous and contingency expenses per Sq. Ft. has been estimated by the management at approximately ₹100 per Sq. Ft.	

3. Expansion and modernisation of existing manufacturing facilities

We intend to deploy an amount of ₹ 198.56 million out of the Net Proceeds towards expansion and modernisation of our existing manufacturing facilities which includes replacement and upgradation of our existing machinery. This is essential for our Company to continue manufacturing products adhering to global standards in order to meet the requirements of our partner brands. As on December 31, 2014, our manufacturing capacity was up to 4.89 million pairs per annum. With the installation of new assembly line our capacity will increase up to 6.39 million pairs per annum on account of 15% and 100% increase in the capacity for manufacturing shoes and thongs respectively.

The break-up of estimated costs for expansion and modernisation of existing manufacturing facilities are as follows:

Sr. No	Particulars	Quantity	Quote no. and Date	Cost (in USD)	Cost**	All inclusive Cost in ₹ (mn)*
1.	Assembly /stock fitting machines (complete line)	1 Set	KD-12/2014/SSIPL dated December 2014	272,400	17,161,200	23.17



Sr. No	Particulars	Quantity	Quote no. and Date	Cost (in USD)	Cost**	All inclusive Cost in ₹ (mn)*
2.	Cutting and preparation	1 Set	JLIN-9RM9UA dated January 29, 2015	103,550	6,523,650	8.81
3.	Rubber/eva section					
	High Speed Splitting Machine	2	02015/309 dated January 28, 2015	24,800	1,562,400	4.22
	Auto Sole Slope Machine	2	02015/309 dated January 29, 2015	9,900	623,700	1.68
	Refrigerating Rubber Calander Machine	2	JNIN-9QR8DJ dated January 29, 2015	26,300	1,656,900	4.47
	Screw Compressor 55 HP +	1	MIEPL01/14/0 dated January 29, 2015		1,289,000	1.29
	Automatic Rubber Moulding Machine	1	DC/2015/3101 dated January 31, 2015	110,000	6,930,000	9.36
	IM EVA 6 SECTION	2	TKIN-20150203-E Date February 03, 2015	203,300	12,807,900	34.58
						55.60
4.	Modernisation					
	Computerised Stiching Machine 450 * 350MM	5	ND/SSIPL 07/2014 dated. December 10, 2014	28,000	1,764,000	11.90
	Computerised Stiching Machine 300 * 200MM	3	ND/SSIPL 07/2014 dated December 10, 2014	18,600	1,171,800	4.75
	Lab Equipments	1 Set	RSMSQ1794 dated February 02, 2015	78,140	4,922,820	6.65
	Automatic Phylon Compression Molding Machine	1	TKIN -2014 SSIPL dated December 2014	191,800	12,083,400	16.31
	Heat Press Machine	2	Hong Hau 11/12/14 dated January 29, 2015	26,000	1,638,000	4.42
						44.03
5.	Electrical/line installations /other capex					
	DG Sets 700 KVA	1	VPS 14/15-8/12/14 dated December 08, 2014		5,400,000	5.40
	Electrical Panel , fans , Coolers , lights, wires		SA/SRL /2015-16/Q-82and invoice No.292 dated January 31, 2015		3,500,000	3.50
						8.90
6.	Moulds		The name of the suppliers and quotes will be decided at the time of actual buying		4,000,000	40.00
	TOTAL					180.51
			Additional 10%			18.05



Sr. No	Particulars	Quantity	Quote no. and Date	Cost (in USD)	Cost**	All inclusive Cost in ₹ (mn)*
			on machines for local freight/installations/contingencies etc			
TOTAL COST						198.56

* Conversion rate: 1 USD = ₹63

** Cost includes Duty and Taxes

4. General corporate purposes

Our Company proposes to deploy the balance Net Proceeds aggregating ₹ [●] million towards general corporate purposes, subject to such utilisation not exceeding 25% of the Net Proceeds, in compliance with the SEBI Regulations, including but not limited to brand building, expansion and/or modernisation of manufacturing business and setting up of corporate office, meeting expenses incurred in the ordinary course of business and any other purpose as may be approved by our Board or a duly appointed committee from time to time, subject to compliance with the necessary provisions of the Companies Act. Our Company's management, in accordance with the policies of our Board, will have flexibility in utilising any surplus amounts.

5. Offer related expenses

The total expenses of the Offer are estimated to be approximately ₹ [●] million. The expenses of this Offer include, among others, underwriting and management fees, selling commissions, SCSBs' commissions/fees, printing and distribution expenses, legal fees, statutory advertisement expenses, registrar and depository fees and listing fees.

All Offer related expenses shall be pro rata borne by our Company and the Selling Shareholders in proportion to the proceeds of the respective Equity Shares offered by the Company and the Selling Shareholders in the Offer for Sale. The Selling Shareholders will reimburse their proportionate share of expenses from the proceeds of the Offered Shares upon a successful listing of the Equity Shares of the Company.

The estimated Offer related expenses are as under:

Sr. No.	Activity Expense	Amount* (in ₹ Million)	Percentage of Total Estimated Offer Expenses*	percentage of Offer Size*
1.	Fees of the BRLMs, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications) and Commission payable to Registered Brokers	[●]	[●]	[●]
2.	Processing fee to the SCSBs for processing Bid cum Application Forms procured by Syndicate/Sub Syndicate and submitted to SCSBs or procured by Registered Brokers	[●]	[●]	[●]
3.	Fees to the Escrow Collection Banks/Bankers to the Offer and Refund Banks.	[●]	[●]	[●]
4.	Advertising and marketing expenses, printing and stationery, distribution, postage etc.	[●]	[●]	[●]
5.	Fees to the Registrar to the Offer	[●]	[●]	[●]
6.	Listing fees and other regulatory expenses	[●]	[●]	[●]
7.	Other expenses (Legal advisors, Auditors and other Advisors etc.)	[●]	[●]	[●]
Total Estimated Offer Expenses		[●]	[●]	[●]

*To be completed after finalisation of the Offer Price

Interim use of Net Proceeds

Pending utilisation of the Net Proceeds for the purposes described above, we intend to temporarily invest the funds in high quality interest bearing liquid instruments including in interest bearing liquid instruments including deposits with banks for the necessary duration and investments in money market mutual funds and



other financial products and investment grade interest bearing securities as may be approved by our Board or a committee thereof. Such investments would be in accordance with the investment policies approved by our Board from time to time. We will not invest in equity shares of listed companies.

Monitoring of utilisation of funds

There is no requirement for appointment of an independent monitoring agency in terms of Regulation 16 (1) of the SEBI ICDR Regulations. Further, pursuant to Clause 49 of the Equity Listing Agreement, the Audit Committee of our Board will monitor the utilisation of the Net Proceeds.

We shall, on a quarterly basis disclose to the Audit Committee the utilisation and application of the Net Proceeds. We will disclose the utilisation of the Net Proceeds under a separate head in our balance sheet till such time the Net Proceeds have been utilised, clearly specifying the purpose for which the Net Proceeds have been utilised. Further, till such time that the Net Proceeds have been utilised, we will provide details in our balance sheet, if any, in relation to any portion of the Net Proceeds that have not been utilised and also indicating investments, if any, of such unutilised portions of the Net Proceeds.

In accordance with Clause 43A of the Equity Listing Agreement, our Company shall furnish to the Stock Exchanges on a quarterly basis a statement including material deviations, if any, in the utilisation of the Net Proceeds for the objects of the Offer 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. Further, on an annual basis, our Company shall prepare a statement of funds utilised for purposes other than those stated in the Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made until the Net Proceeds have been fully utilised. The statement shall be certified by the Auditors of our Company.

Bridge financing facilities

We have not raised any bridge loan against the proceeds of the Fresh Issue.

Variation in Objects

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

Other confirmations

No part of the Net Proceeds will be paid by us as consideration to our Promoters, our Directors, Key Management Personnel or Promoter Group, except in the ordinary course of our business. We further confirm that the amount raised by our Company through the Offer shall not be used for buying, trading or otherwise dealing in equity shares of any other listed company.



BASIS FOR THE OFFER PRICE

The Issue Price will be determined by our Company and the Selling Shareholders in consultation with the BRLMs on the basis of an assessment of market demand for the Equity Shares through the Book Building Process and on the basis of the following qualitative and quantitative factors. The face value of the Equity Shares of our Company is ₹ 10 each and the Issue Price is [●] times of the face value at the lower end of the Price Band and [●] times the face value at the higher end of the Price Band.

Qualitative Factors

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

- Strong portfolio of brands
- Wide network of stores
- Understanding consumer preferences
- Training and development
- Information technology
- Experienced Management Team
- Presence across premium and value segments

For further details, please refer to the chapters “*Our Business*” and “*Risk Factors*” beginning on pages 121 and 11, respectively.

Quantitative Factors

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

1. Basic and Diluted Earnings/Loss per Share (“EPS”)

As per our Restated Unconsolidated Financial Information:

Year ended	Basic EPS (₹)	Weight	Diluted EPS (₹)	Weight
March 31, 2014	20.98	3	20.97	3
March 31, 2013	17.02	2	16.98	2
March 31, 2012	12.29	1	11.53	1
Weighted Average	18.21		18.07	
For the six-month period ended September 30, 2014*	3.97		3.97	

* Not annualised

As per our Restated Consolidated Financial Information:

Year ended	Basic EPS (₹)	Weight	Basic/Diluted EPS (₹)	Weight
March 31, 2014	21.37	3	21.36	3
March 31, 2013	18.60	2	18.56	2
March 31, 2012	11.74	1	11.01	1
Weighted Average	18.84		18.70	
For the six-month period ended September 30, 2014*	3.70		3.70	

* Not annualised

Note:

1. Earnings per share calculations are in accordance with AS 20 “Earnings per Share” prescribed by the Companies (Accounting Standards) Rules, 2006.
2. The face value of each Equity Share is ₹10.



2. **Price Earning Ratio (P/E) in relation to the Issue price of ₹ [●] per Equity Share of the face value of ₹ 10 each**

Particulars	
P/E ratio based on Basic/Diluted EPS for Financial Year 2013-14 at the Floor Price:	[●]
P/E ratio based on Basic/Diluted EPS for Financial Year 2013-14 at the CapPrice:	[●]
Industry P/E [#]	
Highest	59.78
Lowest	21.90
Industry Composite	38.91

Source: For Industry P/E, P/E figures for the peers are considered which are computed based on closing price as of February 23, 2015, of Arvind Limited, Liberty Shoes Limited, Bata India Limited, Relaxo Footwear Limited, Kewal Kiran Clothing Limited as Rs. 300.30, Rs. 291.10, Rs. 1,273.55, Rs. 654.00, Rs. 1,774.50 per Equity Share, respectively, at BSE, available at www.bseindia.com divided by Diluted EPS (as disclosed below) based on the annual reports of respective companies. Industry Composite is average of P/E figures for the peers.

3. **Return on Net Worth (RoNW)**

Return on net worth as per Restated Unconsolidated Financial Information:

Year ended	RONW (%)	Weight
March 31, 2014	17.23	3
March 31, 2013	15.53	2
March 31, 2012	12.35	1
Weighted Average	15.85	
For the three-month period ended September 30, 2014*	3.21	

* not annualised

Return on net worth as per Restated Consolidated Financial Information:

Year ended	RONW (%)	Weight
March 31, 2014	17.41	3
March 31, 2013	16.88	2
March 31, 2012	12.19	1
Weighted Average	16.36	
For the three-month period ended September 30, 2014*	2.97	

* not annualised

RoNW (%) =	Net profit/(loss) after extraordinary items, as restated
	Net worth as restated at the end of the period

4. **Minimum Return on Total Net Worth after Issue needed to maintain pre-Issue EPS for the Financial Year 2013-14**

Particulars	Unconsolidated (%)	Consolidated (%)
At the Floor Price	[●]	[●]
At the Cap Price	[●]	[●]

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

NAV	Unconsolidated (₹)	Consolidated (₹)
As on March 31, 2014	121.54	122.52
As on September 30, 2014	123.78	124.44
After the Issue	[●]	

Note: Net Asset Value per Equity Share represents net worth excluding revaluation reserve /number of Equity Share outstanding as at the year (period end).



6. Comparison with listed industry peers

Name of the Company	Revenue (Revenue from Operations and other income) (₹ in million)	Face Value per Equity Share (₹)	P/E	EPS (Basic & Diluted) (₹)	Return on Net Worth (%)	Net Asset Value / Share (₹)
SSIPL Retail Limited ⁽¹⁾	7,626.99	10	[●]	21.36	17.41	122.52
Peer Group						
Arvind Limited ⁽²⁾	69,315.20	10	21.90	13.71	13.70	100.05
Trent Limited ⁽²⁾	24,326.60	10	-(5)	(5.58)	(1.87)	298.15
Shopper Stop Limited ⁽²⁾	37,771.03	5	-(5)	(1.00)	(1.69)	58.94
Liberty Shoes Limited ⁽²⁾	4,842.48	10	37.37	7.79	9.60	81.12
Bata India Limited ⁽³⁾	20,966.66	10	42.87	29.71	22.73	130.69
Relaxo Footwear Limited ⁽⁴⁾	12,146.12	1	59.78	10.94	23.73	46.09
Kewal Kiran Chothing Limited ⁽⁴⁾	3,790.38	10	32.63	54.38	23.07	235.78

(1) Based on restated consolidated financials of our Company for Fiscal 2014.

(2) Based on consolidated financials for Fiscal 2014.

(3) Based on consolidated financials for financial year January 01, 2013 - December 31, 2013.

(4) Based on standalone financials for Fiscal 2014.

(5) Not applicable as EPS is negative

For Peer group –

- (a) Return on Net Worth is calculated as Net Profit After Tax for the year divided by Shareholders Fund (share capital plus reserves and surplus).
- (b) Net Asset Value per share is calculated as Shareholders Fund divided by paid-up number of shares of the company outstanding as on the balance sheet date
- (c) P/E figures for the peers are computed based on closing market price as on February 23, 2015, of Arvind Limited, Liberty Shoes Limited, Bata India Limited, Relaxo Footwear Limited, Kewal Kiran Chothing Limited as ₹300.30, ₹291.10, ₹1,273.55, ₹654.00, ₹1,774.50 per Equity Share, respectively, at BSE, available at www.bseindia.com divided by Diluted EPS (as disclosed above) based on the annual reports of respective companies.

The Issue Price of ₹ [●] has been determined by our Company and the Selling Shareholders in consultation with the BRLMs on the basis of the demand from investors for the Equity Shares through the Book Building Process. Our Company and the BRLMs believe that the Issue Price of ₹ [●] is justified in view of the above qualitative and quantitative parameters. Investors should read the above mentioned information along with the chapters titled “**Risk Factors**”, “**Business**” and “**Financial Statements**” beginning on pages 11, 121 and 189 respectively, to have a more informed view. The trading price of the Equity Shares of our Company could decline due to the factors mentioned in “**Risk Factors**” and you may lose all or part of your investments.



**STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO OUR COMPANY, SUBSIDIARIES
AND OUR SHAREHOLDERS**

To,
The Board of Directors
SSIPL Retail Limited
B1/4F, Mohan Co-operative Industrial Area
Main Mathura Road
New Delhi 110044

Dear Sirs,

We hereby confirm that the enclosed annexure, prepared by SSIPL Retail Limited (“**Company**”) states the possible tax benefits available to the Company and its subsidiaries and the shareholders of the Company under the Income Tax Act, 1961 (“**IT Act**”) and the Wealth Tax Act, 1957, presently in force in India, in connection with the Initial Public Offer (“**IPO**”) of Equity Shares of the Company (“**Offer**”). Several of these benefits are dependent on the Company or its subsidiaries or its shareholders fulfilling the conditions prescribed under the relevant provisions of the respective tax laws. Hence, the ability of the Company or its subsidiaries or its shareholders to derive tax benefits is dependent upon fulfilling such conditions, which based on the business imperatives, the Company may or may not choose to fulfill.

The amendments in **Finance Act, 2014** have been incorporated to the extent relevant in the enclosed annexure.

The benefits discussed in the enclosed Annexure are not exhaustive and the preparation of the contents stated is the responsibility of the Company’s management. We are informed that this statement is only intended to provide general information to the investors and hence is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and the changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the proposed Offer.

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company or its subsidiaries.

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

- The Company and its subsidiaries are currently availing any of these tax benefits or will avail these tax benefits in future;
- The Company or its subsidiaries or its shareholders will continue to obtain these benefits in future; and
- The conditions prescribed for availing these tax benefits, where applicable have been/would be met;
- The authorities/courts will concur with the views expressed herein. Our views are based on the existing provisions of law and our interpretation of the same, which are subject to change from time to time. We do not assume responsibility to update the views consequent to such changes.

This report is addressed to and is provided to enable the Board of Directors of the Company to include this report in the Draft Red Herring Prospectus or Red Herring Prospectus or Prospectus to be filed by the Company with Stock Exchange(s) and the concerned Registrar of Companies, National Capital Territory of Delhi and Haryana in connection with the proposed Offer.

For T.R.Chadha & Co.
(Firm Registration No. 006711N)
Chartered Accountants

Surender Kumar
Partner
M. No. 82982
Place: New Delhi
Date: March 02, 2015



**ANNEXURE TO STATEMENT OF TAX BENEFITS
STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO THE COMPANY, ITS
SUBSIDIARIES AND ITS
SHAREHOLDERS**

Outlined below are the possible benefits available to the Company, its subsidiaries and its shareholders under the current direct tax laws in India for the Financial Year 2014-2015.

I. SPECIAL TAX BENEFITS TO THE COMPANY AND ITS SUBSIDIARIES

A. Benefits under the IT Act

1. Special tax benefits available to the Company under the IT Act:

(a) **For Bhagani unit at Paonta Sahib**

The profits of the manufacturing Bhagani unit located at Paonta Sahib, Himachal Pradesh would be eligible for deduction at the rate of 100% under section 80-IC of the IT Act for a period of the first five assessment years after commencement of commercial production i.e. March 30, 2010 and thereafter at the rate of 30% for the next five assessment years. The profit of this unit for the purpose of section 80-IC of the IT Act shall be computed on an unconsolidated basis. The benefit is available subject to fulfilment of the conditions prescribed under the section.

(b) **For Selaqui Unit at Dehradun**

The profits of the manufacturing Selaqui unit located at Dehradun, Uttarakhand would be eligible for deduction at the rate of 100% under section 80-IC of the IT Act for a period of the first five assessment years after commencement of commercial production i.e. February 07, 2009 and thereafter at the rate of 30% for the next five assessment years. The profit of this unit for the purpose of section 80-IC of the IT Act shall be computed on an unconsolidated basis. The benefit is available subject to fulfilment of the conditions prescribed under the section.

2. Special tax benefits available to the subsidiary of the Company under the IT Act:

(a) **For Bangran Unit in the case of Shree Shoes (Partnership Firm) at Paonta Sahib**

The profits of the manufacturing Bangran unit located at Paonta Sahib, Himachal Pradesh would be eligible for deduction at the rate of 100% under section 80-IC of the IT Act for a period of the first five assessment years after commencement of commercial production i.e. October 5, 2009 and thereafter at the rate of 25% for the next five assessment years. The profit of this unit for the purpose of section 80-IC of the IT Act shall be computed on an unconsolidated basis. The benefit is available subject to fulfilment of the conditions prescribed under the section.

B. Special tax benefits available to Company and its subsidiary under Central Excise Act, 1944 ("Central Excise Act") and Central Sales Tax Act, 1956 ("CST Act")

1. The manufacturing units located at Paonta Sahib, Himachal Pradesh and Dehradun, Uttarakhand are exempt from paying central excise duty under the Central Excise Act, 1944, vide Notification No. 50/2003 dated June 10, 2003 and the said exemption would be available to these units until the expiry of ten years from the date of notification or from the date of commencement of commercial production of the respective units mentioned above, whichever is later.

2. Sales made from Units located at Paonta Sahib, Himachal Pradesh, are liable to pay concessional central sales tax at the rate of 1.5% in pursuance of Notification No. EXN-F (5)-6/2006-Vol-I and Uttarakhand Government policy



subject to compliance of provision(s) of the Himachal Pradesh General Sales Tax Act (HPGST Act)/Uttarakhand Value Added Tax (UK VAT Act) and the Central Sales Tax Act (CST Act) and rules made or issued there under and the said exemption would be available to these units until March 31, 2018 or till the implementation of the Goods and Services Tax, whichever is earlier.

II. GENERAL TAX BENEFITS TO THE COMPANY OR ITS SUBSIDIARIES OR ITS SHAREHOLDERS

A. Under the IT Act

Subject to the fulfilment of conditions prescribed under the sections mentioned hereunder, the Company and its subsidiaries will be eligible, *inter-alia*, for the following specified exemptions/deductions/benefits in respect of its total income:

1. Deductions/exemptions/benefits available while computing business income

1.1. Depreciation

Under section 32 of the IT Act, the Company and its subsidiaries are entitled to claim depreciation subject to specified conditions and at the prescribed rates on assets used for the purposes of business. In case of any new plant and machinery (other than specified exclusions) acquired by the Company and its subsidiaries, the Company and its subsidiaries are entitled to a further sum equal to 20% of the actual cost of such machinery or plant subject to conditions specified in section 32 of the IT Act.

Unabsorbed depreciation, if any, for any assessment year can be carried forward and set-off against any source of income of subsequent assessment years as per section 32 of the IT Act. There is no time limit for set-off or carry forward of unabsorbed depreciation.

1.2. Investment allowance for new investment in plant and machinery exceeding ₹ 1,000 million

As per section 32AC(1), the Company and its subsidiaries are entitled to claim an investment allowance at the rate of 15% of the actual cost of new assets, subject to satisfaction of conditions specified in the section. Such conditions include investment of more than ₹ 1,000 million in the plant and machinery within 2 assessment years (i.e. after March 31, 2013 but before April 1, 2015).

As per section 32AC (1A) and (1B) of the Finance Act, 2014, applicable with effect from April 1, 2015, where an assessee, being a company, engaged in the business of manufacture or production of any article or thing, acquires and installs new assets and the amount of actual cost of such new assets acquired and installed during any previous assessment year exceeds ₹ 250 million, then, there shall be allowed a deduction of a sum equal to 15% of the actual cost of such new assets for the assessment year relevant to that previous assessment year:

Provided that no deduction under the sub-section shall be allowed for the assessment year commencing on April 1, 2015 to the assessee, which is eligible to claim deduction under sub-section (1) for the said assessment year (1B). No deduction under sub-section (1A) shall be allowed for any assessment year commencing on or after the April 1, 2018.

1.3. Expenditure on skill development project

As per section 35CCD, the Company and its subsidiaries would be entitled to a deduction of one and a half times of an amount of expenditure (not being expenditure in the nature of cost of any land or building) incurred on any skill development



project notified by the Central Board of Direct Taxes (“**CBDT**”) in accordance with guidelines as may be prescribed.

1.4. Securities Transaction Tax (“STT”)

As per section 36(1) (xv) of the IT Act, STT paid in respect of taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head “Profit and gains of business or profession”. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

1.5. Deduction for donations

The Company and its subsidiaries are entitled to a deduction under section 80G of the IT Act with respect to amounts contributed as donations to various charitable institutions and funds covered under this section, subject to the fulfillment of conditions prescribed therein. No deduction shall be allowed under section 80G of the IT Act for any sum exceeding Rs. 10,000 unless such sum is paid by any mode other than cash.

1.6. Additional deduction for employment of new workmen

As per section 80JJAA of the IT Act, the Company and its subsidiaries are entitled to a deduction of an amount equal to 30% of additional wages paid to new regular workmen employed during the previous year for 3 assessment years. The deduction is available subject to satisfaction of prescribed conditions, which include employment of more than 100 regular employees in the previous year for a period of more than 300 days.

2. Capital gains

2.1. Computation of capital gains

- (a) Capital assets are to be categorised into short term capital assets and long term capital assets based on the period of holding. All capital assets, being shares listed in a recognised stock exchange in India or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of an equity oriented fund or a zero coupon bond, held by an assessee for more than 12 months are considered to be long term capital assets, capital gains arising from the transfer of which are termed as long term capital gains (“**LTCG**”). In respect of any other capital assets, the holding period should exceed 36 months to be considered as long term capital assets.
- (b) Short term capital gains (“**STCG**”) means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of section 10 or a zero coupon bonds, held by an assessee for 12 months or less.
- (c) In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for 36 months or less.
- (d) LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under section 10(23D)) is exempt from tax as per provisions of section 10(38) of the IT Act, provided the transaction is chargeable to STT and subject to conditions specified in the section.



- (e) Income by way of LTCG exempt under section 10(38) of the IT Act is to be taken into account while determining book profits in accordance with provisions of section 115JB of the IT Act.
- (f) As per section 48 of the IT Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- (g) As per section 112 of the IT Act, LTCG not exempt under section 10(38) of the IT Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceeds 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- (h) As per section 111A of the IT Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under section 10(23D)), are subject to tax at the rate of 15.00% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- (i) STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- (j) The tax rates mentioned above stand increased by applicable rate of surcharge, education cess and secondary and higher education cess on the total income for all categories of taxpayers.
- (k) As per section 71 read with section 74 of the IT Act, short term capital loss arising during a year is allowed to be set-off against STCG as well as LTCG. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during the subsequent eight assessment years.
- (l) As per section 71 read with section 74 of the IT Act, long term capital loss arising during a year is allowed to be set-off only against LTCG. Balance loss, if any, shall be carried forward and set-off against LTCG arising during the subsequent eight assessment years.

2.2. Exemption of capital gains from income tax

- (a) Under section 54EC of the IT Act, capital gains arising from the transfer of long term capital assets (other than those exempt u/s 10(38)) shall be exempt from tax, subject to the conditions and to the extent specified therein i.e. if the capital gains are invested within a period of six months from the date of transfer, in the bonds redeemable after three years and issued by:
 - National Highway Authority of India (“NHAI”) constituted under section 3 of National Highway Authority of India Act, 1988; and
 - Rural Electrification Corporation Limited (“REC”), a company formed and registered under the Companies Act, 1956.
- (b) Where a part of the capital gains are reinvested, the exemption is available on a proportionate basis. The maximum investment in specified long term assets cannot exceed ₹ 5 million per assessee during any financial year. The Finance Act, 2014 has inserted second proviso to section 54EC (1) which provides that investment made by an assessee in long term specified assets from transfer of one or more original assets



during the financial year in which original asset(s) are transferred and in the subsequent financial year does not exceed ₹ 5 million.

- (c) Where new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer /conversion.
- (d) As per section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- (e) The characterisation of the gain /losses, arising from sale /transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

3. Deductions/exemptions/benefits available while computing income from other sources

- 3.1. Under section 10(34) of the IT Act, the Company and its subsidiaries would be eligible for an exemption in respect of income by way of dividend (interim or final) referred to in section 115-O of the IT Act, received from a domestic company.

Further, the Finance Act, 2013 has amended section 115-O of the IT Act with a view to remove the cascading effect in respect of dividends received by a domestic company from a similarly placed foreign subsidiary. Accordingly, where tax on dividend received from the foreign company is payable under section 115BBD of the IT Act by the holding domestic company, then, any dividend distributed by the holding company in the same year, to the extent of such dividend shall not be subject to dividend distribution tax under section 115-O of the IT Act.

- 3.2. In accordance with and subject to the conditions of provisions of section 10(35) of the IT Act, the Company will be eligible for an exemption in respect of the following income:

- Income received from units of mutual funds specified under section 10(23D) of the IT Act;
- Income received in respect of units from the Administrator of specified undertaking; and
- Income received in respect of units from the specified company.

4. Other deductions/exemptions/benefits

- 4.1. As per section 14A of the IT Act, the Company and its subsidiaries will not be entitled for deduction in respect of expenditure incurred by the assessee in relation to income which does not form part of total income under the IT Act.
- 4.2. As per section 72(1) of the IT Act, the Company and its subsidiaries are entitled to set-off of brought forward business loss, not being loss sustained in a speculation business, against income in subsequent years.
- 4.3. Subject to the conditions of section 32(2) read with section 72(2) of the IT Act, the Company and its subsidiaries are entitled to a set-off of brought forward unabsorbed depreciation, against income in subsequent years.
- 4.4. In accordance with and subject to the conditions of section 80G of the IT Act, the Company and its subsidiaries will be entitled for a deduction of a qualifying amount in respect of specified donations.



5. **Minimum Alternate Tax (“MAT”) credit**

MAT is payable by a Company and its subsidiaries when the income tax payable on the total income as computed under the IT Act is less than 18.5% (plus applicable surcharge + education and secondary and higher education cess) of its book profit computed as per the specified method.

Under section 115JAA (1A) of the IT Act, tax credit will be allowed of any tax paid under section 115JB of the IT Act. The eligible credit which can be carry forwarded is the difference between MAT and the tax computed as per the normal provisions of the IT Act. Such tax credit shall not be available for set-off beyond 10 years succeeding the year in which the tax credit becomes available. The Company shall be eligible to set-off the tax credit only to the extent of the difference between the tax payable under the normal provisions of the IT Act and MAT in that year.

6. **Alternate Minimum Tax (“AMT”) credit**

AMT is payable by Shree Shoes (partnership firm in which the Company holds 99% share), when the income tax payable on the total income as computed under the IT Act is less than 18.5% (plus applicable surcharge + education and secondary and higher education cess) of its adjusted total income computed as per the specified method.

Tax credit will be allowed for any tax paid under section 115JD of the IT Act. The eligible credit for carry forward is the difference between AMT and the tax computed as per the normal provisions of the IT Act. Such tax credit shall not be available for set-off beyond 10 years succeeding the year in which the tax credit becomes available. Shree Shoes shall be eligible to set-off the tax credit only to the extent of the difference between the tax payable under the normal provisions of the IT Act and AMT in that year.

7. **Tax treaty benefits**

In accordance with the provisions of section 90 of the IT Act, the Company and its subsidiaries may choose to apply the provisions of the IT Act or the provisions of a tax treaty entered into by India with other foreign countries, whichever is more beneficial. Further, subject to the provisions of the IT Act and the treaty, the Company and its subsidiaries can claim foreign tax credit in India in respect of doubly taxed income (i.e. where taxes are paid on same income in India as well as outside India).

Section 91 of the IT Act provides for unilateral relief in respect of taxes paid on incomes in foreign countries with which no DTAA exists. Under the provisions of said section, the Company and its subsidiaries shall be entitled to deduction from the income tax of sum calculated on such doubly taxed income at the Indian rate of tax or rate of tax in the foreign country, whichever is lower.

8. **Deduction and amortisation of certain expenditure**

- 8.1. Under section 35D of the IT Act, the Company and its subsidiaries are entitled to a deduction equal to 1/5th of the expenditure incurred of the nature specified in the said section, including expenditure incurred on present issue, such as underwriting commission, brokerage and other charges, as specified in the provision, by way of amortisation over a period of five successive years, beginning with the previous year in which the business commences or after the commencement of its business in connection with the extension of its industrial undertaking or in connection with setting up a new industrial unit, subject to the stipulated limits.



- 8.2. Under section 35DD of the IT Act, for any expenditure incurred wholly and exclusively for the purposes of amalgamation or demerger, the Company and its subsidiaries are eligible for deduction of an amount equal to 1/5th of such expenditure for each of the five successive years beginning with the year in which an amalgamation or demerger takes place.
- 8.3. Under section 35DDA of the IT Act, the Company and its subsidiaries are eligible for deduction in respect of payments made to its employees in connection with his/her voluntary retirement for an amount equal to 1/5th of such expenses over five successive assessment years subject to conditions specified in the section.

III. GENERAL TAX BENEFITS TO THE SHAREHOLDERS

A. Under the IT Act

1. To all shareholders

1.1. Deductions/exemptions/benefits available while computing income from other sources

- (a) **Dividends exempt under section 10(34) of the IT Act:** Under section 10(34) of the IT Act, the shareholders will be eligible for an exemption in respect of income by way of dividend (interim or final) referred to in section 115-O of the IT Act, received on shares from a domestic company.
- (b) In accordance with and subject to the conditions of provisions of section 10(35) of the IT Act, the shareholders will be eligible for an exemption in respect of the following incomes:
- Income received from units of mutual funds specified under section 10(23D) of the IT Act;
 - Income received in respect of units from the Administrator of a specified undertaking; and
 - Income received in respect of units from the specified company.

1.2. Capital gains

- (a) Under section 10(38) of the IT Act, LTCG arising out of sale of equity shares or units of equity oriented fund (shares/units would be considered as a long term capital asset, provided they are held for a period exceeding 12 months), are exempt provided that the transaction of sale of such equity shares or units is chargeable to STT. However, such income shall be taken into account while computing the book profits under section 115JB of the IT Act for corporate assesseees.
- (b) Further, as per section 111A of the IT Act, short-term capital gains on sale of equity shares or units of an equity oriented fund, where the transaction of such sales is subject to STT, shall be chargeable to income tax at a concessional rate of 15% (plus applicable surcharge and education cess).

2. To resident shareholders

In addition to the tax benefits specified in para 1 above, following are the exemptions/deductions available to resident shareholders:



2.1. **Capital gains**

(i) **Computation of capital gains**

- (a) Capital assets are to be categorised into short term capital assets and long term capital assets based on the period of holding. All capital assets, being shares held in a company or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the IT Act or a zero coupon bond, held by an assessee for more than 12 months are considered to be long term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed 36 months to be considered as long term capital assets.
- (b) STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognised stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of section 10 or a zero coupon bonds, held by an assessee for 12 months or less.
- (c) In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for 36 months or less.
- (d) As per provisions of section 112 of the IT Act, LTCG not exempt under section 10(38) of the IT Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. With effect from April 1, 2015, where the tax payable in respect of any income arising from transfer of a long term capital asset being a unit of mutual fund during April 1, 2014 to July 10, 2014 exceeds 10% of amount of capital gains before giving effect to the provisions of second proviso to section 48 of the IT Act, then, such excess shall be ignored for the purpose of computing tax payable by the assessee.
- (e) STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- (f) The tax rates mentioned above stand increased by applicable rates of surcharge, education cess and secondary and higher education cess on the total income for all categories of taxpayers.
- (g) As per provisions of section 71 read with section 74 of the IT Act, short term capital loss arising during a year is allowed to be set-off against STCG as well as LTCG. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during the subsequent eight assessment years.
- (h) As per provisions of section 71 read with section 74 of the IT Act, long term capital loss arising during a year is allowed to be set-off only against LTCG. Balance loss, if any, shall be carried forward and set-off against LTCG arising during the subsequent 8 assessment years.



(ii) **Exemption of capital gains from income tax**

- (a) As per section 54EC of the IT Act, capital gains arising from the transfer of a long term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- (b) Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed ₹ 5 million per assessee during any financial year. The Finance Act, 2014 has inserted a second proviso to section 54EC (1) which provides that investment made by an assessee in long term specified asset from transfer of one or more original assets during the financial year in which original asset(s) are transferred and in the subsequent financial year does not exceed ₹ 5 million.
- (c) Where new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer /conversion.
- (d) As per provisions of section 14A of the IT Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- (e) The characterisation of the gain/losses, arising from sale/transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- (f) In addition to the above, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family (“HUF”)
- (g) As per provisions of section 54F of the IT Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilised within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or a constructed residential house within three years from the date of transfer and subject to conditions specified therein.
- (h) As per provisions of section 56(2)(vii) of the IT Act and subject to exceptions provided in the respective proviso therein, where an individual or HUF receives shares and securities without consideration or for a consideration which is less than the aggregate fair market value of the shares and securities by an amount exceeding ₹ 50,000, the excess of fair market value of such shares and securities over the said consideration is chargeable to tax under the head “income from other sources”.

2.2. **Securities Transaction Tax**

Where the business income of an assessee includes profits and gains of business arising from transactions on which STT has been charged, such STT shall be a deductible expense from business income as per the provisions of section 36(1)(xv) of the IT Act.

- 2.3. As per the provisions of section 94(7) of the IT Act, losses arising from the sale/transfer of shares or units purchases within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be ignored to the extent dividend income on such shares or units is claimed as tax exempt.



3. **To non-resident shareholders (other than Foreign Institutional Investors and Foreign Venture Capital Investors)**

In accordance with the provisions of section 90 of the IT Act, a non-resident shareholder may choose to apply the provisions of IT Act or the provisions of a tax treaty entered into by India with other foreign countries, whichever is more beneficial (subject to furnishing of Tax Residency Certificate). Further, subject to the provisions of the IT Act and the treaty, the non-resident shareholder can claim the tax credit in respect of doubly taxed income (i.e. where taxes are paid on same income in India as well as outside India).

In addition to the tax benefits specified above, following are the specific exemptions/deductions available to a non-resident shareholder:

3.1. **Special provisions**

A non-resident Indian (i.e. an individual being a citizen of India or person of Indian origin) has an option of being governed by the provisions of Chapter XII-A of the IT Act, which *inter-alia* entitles him/her to the following benefits in respect of income from shares of an Indian company acquired, purchased or subscribed in convertible foreign exchange.

- (a) As per section 115A of the IT Act, where the total income of a non-resident (not being a company) or of a foreign company includes dividends (other than dividends referred to in section 115O of the IT Act), tax payable on such income shall be an aggregate of the amount of income tax calculated on the amount of income by way of dividends included in the total income, at the rate of 20 % (plus applicable surcharge and education cess).
- (b) As per section 115D read with section 115E of the IT Act and subject to the conditions specified therein, LTCG arising on transfer of shares in an Indian company, will be subject to income tax at the rate of 10% (plus applicable surcharge and education cess) without indexation benefit.
- (c) As per section 115F of the IT Act and subject to the conditions specified therein, gains arising on transfer of a long term capital asset being shares in an Indian company (shares would be considered as a long term capital asset provided they are held for a period exceeding 12 months) shall not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or specified savings certificates. If part of such net consideration is invested within the prescribed period of six months in any specified asset or specified savings certificate, the exemption will be allowed on a proportionate basis. The amount so exempted shall be chargeable to tax subsequently, if the specified assets or any such savings certificates are transferred or converted into money within three years from the date of their acquisition.
- (d) As per section 115G of the IT Act, non-resident Indians are not obliged to file a return of income under section 139(1) of the IT Act, if their source of income is only investment income and/or long term capital gains defined in section 115C of the IT Act, provided income tax has been deducted at source from such income as per the provisions of chapter XVII-B of the IT Act.
- (e) As per section 115H of the IT Act, where a non-resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the IT Act to the effect that the provisions of Chapter XII-A shall continue to apply to him/her in relation to such investment income



derived from the specified assets for that year and subsequent assessment years until such assets are transferred or converted into money.

- (f) As per section 115-I of the IT Act, a non-resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing his return of income for that assessment year under section 139 of the IT Act, declaring therein that the provisions of Chapter XII-A shall not apply to him/her for that assessment year and accordingly his/her total income for that assessment year will be computed in accordance with the other provisions of the IT Act.

3.2. **Capital gains**

(i) **Computation of capital gains**

- (a) As per the first proviso to section 48 of the IT Act, in case of a non-resident, in computing the capital gains arising from transfer of shares of the Company acquired in convertible foreign exchange (as per exchange control regulations) protection is provided from fluctuations in the value of the Rupee currency in terms of foreign currency in which the original investment was made. However, cost indexation benefit will not be available in such a case while computing the capital gain.
- (b) As per section 112 of the IT Act and other relevant provisions of the IT Act, LTCG arising on transfer of listed securities/units or zero coupon bond (shares/units would be considered as a long term capital asset provided they are held for a period exceeding 12 months), shall be taxed at a rate of 20% (plus applicable surcharge and education cess) after indexation as provided in the second proviso to section 48 or at 10% (plus applicable surcharge and education cess) without indexation, at the option of the shareholders. However, in view of the divergent judicial precedents on this aspect, the applicability of this section needs to be evaluated on a case to case basis.
- (c) As per section 112 of the IT Act and other relevant provisions of the IT Act, LTCG arising on transfer of unlisted securities would be taxed at a rate of 10% (plus applicable surcharge and education cess) without giving effect to the indexation.

(ii) **Exemption of capital gains from income tax**

- (a) As per section 54EC of the IT Act and subject to the conditions specified therein, longterm capital gains (not exempt under section 10(38)), can be claimed as exempt from tax to the extent such capital gains are invested in certain notified bonds (currently bonds issued by National Highways Authority of India and Rural Electrification Corporation Limited have been notified for this purpose) within six months from the date of transfer. If only part of the capital gains is so reinvested, the exemption shall be allowed proportionately. However, it is also provided under section 54EC that investments made on or after April 1, 2007 in such bonds, should not exceed ₹ 5 million during any financial year. The investment made by an assessee in the long term specified asset from capital gain arising from transfer of one or more original assets during the financial year in which original asset or assets are transferred and in the subsequent financial year should not exceed ₹ 5 million.

Further, it may be noted that if such bonds are transferred or converted into money (availing loan or advance on the security of such bonds would be considered as conversion into money for this purpose), within a period of three years from the date of their acquisition, the amount of capital gains



exempted earlier, would become chargeable to tax as longterm capital gains in the year in which the bonds are so transferred or converted into money.

- (b) Under section 54F of the IT Act and subject to the conditions specified therein, LTCG arising to an individual or HUF on transfer of shares of the Company will be exempt from capital gain tax, if the net consideration from such shares is used for purchase of residential house property within a period of one year before or two years after the date on which the transfer took place or construction of a residential house property occurs within a period of three years after the date of transfer.

3.3. **Taxability as per Double Taxation Avoidance Agreement (“DTAA”)**

- (a) The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country or any specified territory in which the non-resident has fiscal domicile.
- (b) As per the provisions of section 90(2) of the IT Act, the provisions of the DTAA would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident. However, with effect April 1, 2016, the provisions of chapter X-A relating to General Anti Avoidance Rule shall apply to assessee even if such provisions are not beneficial to him.
- (c) As per provisions of section 90(4) of the IT Act, a non-resident, shall not be entitled to claim any relief under DTAA, unless a certificate of his being a resident in any country outside India or specified territory outside India, as the case may be, has been obtained by him/her from the government of that country or specified territory. In other words, the non-resident tax payers shall be governed by the provisions of the DTAA only when they obtain a tax residency certificate from the government of their country of residence. In addition, as per the provisions of section 90(5) of the IT Act, a non-resident shall also provide prescribed documents.

4. **To mutual funds**

In addition to the tax benefits specified in para 1 above, following are the exemptions/deductions available to mutual funds:

- 4.1. In terms of section 10(23D) of the IT Act, mutual funds registered under the Securities and Exchange Board of India Act 1992 and such other mutual funds set up by public sector banks or public financial institutions authorised by the Reserve Bank of India and subject to the conditions specified therein, are eligible for exemption from income tax on their entire income, including income from investment in the shares of the Company.
- 4.2. As per section 14A, the mutual fund will not be entitled for deduction in respect of expenditure incurred by in relation to income which does not form part of total income under the IT Act.
- 4.3. As per section 94(7) of the IT Act, losses arising from the sale/transfer of shares or units purchases within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be ignored to the extent dividend income on such shares or units is claimed as tax exemption.
- 4.4. However, the mutual funds would be required to pay tax on distributed income to unit holders as per the provisions of section 115R of the IT Act. However, with effect October 1, 2014, for the purpose of determining additional income tax, the amount of distributed income shall be increased to such amount as would after reduction of additional income tax on such increased amount at the rate specified to be equal to the amount of income distributed by mutual fund.



5. To foreign institutional investors ('FIIs')

In addition to the tax benefits specified in para 1 above, following are the exemptions/deductions available to FIIs:

5.1. Dividends exempt under section 10(34) of the IT Act

As per section 10(34) of the IT Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge of 5% on the dividend distribution tax along with an education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend. However, with effect October 1, 2014, dividend tax under section 115-O of the IT Act and distribution tax under section 115 R of the IT Act will be payable on amount distributed (after grossing up). For grossing up purposes, dividend tax under section 115-O(1) of the IT Act and distribution tax under section 115 R(2) of the IT Act will be considered (impact of surcharge and education cess will be ignored for grossing up).

5.2. Computation of capital gains:

The income by way of STCG or LTCG (not exempt under section 10(38) of the IT Act) realised by FIIs on sale of such securities of the Company would be taxed at the following rates (plus applicable surcharge and education cess) as per section 115AD of the IT Act.

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT without any cost indexation	10
STCG on sale of equity shares subjected to STT	15
STCG on sale of equity shares not subjected to STT	30

5.3. Exemption of capital gains from income tax

As per section 54EC of the IT Act and subject to the conditions specified therein, LTCG (not exempt under section 10(38)), can be claimed as exempt from tax to the extent such capital gains are invested in certain notified bonds (currently bonds issued by National Highways Authority of India and Rural Electrification Corporation Limited have been notified for this purpose) within six months from the date of transfer. If only part of the capital gains is reinvested, the exemption shall be allowed proportionately. However, it is also provided under section 54EC that investments made on or after 1st April 2007 in such bonds, should not exceed ₹ 5 million during any financial year.

The Finance Act, 2014 has inserted second proviso to section 54EC (1) of the IT Act whereby the investment made by an assessee in the long term specified asset from capital gain arising from transfer of one or more original assets during the financial year in which original assets are transferred and in subsequent financial year shall not exceed ₹ 5 million.

Further, it may be noted that if such bonds are transferred or converted into money (availing loan or advance on the security of such bonds would be considered as conversion into money for this purpose), within a period of three years from the date of their acquisition, the amount of capital gains exempted earlier, would become chargeable to tax as LTCG in the year in which the bonds are so transferred or converted into money.



5.4. **Securities Transaction Tax**

As per provisions of section 36(1)(xv) of the IT Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head “profit and gains of business or profession”. Where such deduction is claimed, no further deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

5.5. **Tax treaty benefits**

- (i) In accordance with the provisions of section 90 of the IT Act, FIIs being non residents will be entitled to choose the provisions of the IT Act or the provisions of a tax treaty entered into by India with other foreign countries, whichever is more beneficial, while deciding taxability in India (subject to furnishing of Tax Residency Certificate).
- (ii) The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the DTAA, if any, between India and the country or any specified territory in which the non-resident has fiscal domicile.

As per the provisions of section 90(2) of the IT Act, the provision of the DTAA would prevail over the provisions of the IT Act to the extent they are more beneficial to the non-resident. However, with effect from April 1, 2016, the provisions of Chapter X-A relating to General Anti Avoidance Rule shall apply to the assessee even if such provisions are not beneficial to him.

- (iii) As per provisions of section 90(4) of the IT Act, a non-resident shall not be entitled to claim any relief under DTAA, unless a certificate of his being a resident in any country outside India or specified territory outside India, as the case may be, has been obtained by him from the government of that country or specified territory. In other words, the non-resident tax payers shall be entitled to be governed by the provisions of the DTAA only when they obtain a tax residency certificate from the government of their country of residence. In addition, as per the provisions of section 90(5) of the IT Act, a non-resident shall also provide prescribed documents.

6. **To venture capital companies/funds**

7. **Tax treaty benefits**

As per section 90 of the IT Act, FIIs being non-residents, who are eligible to claim treaty benefits (subject to furnishing of Tax Residency Certificate in the specified format), will be entitled to choose the provisions of the IT Act or the provisions of a tax treaty entered into by India with other foreign countries, whichever is more beneficial, while deciding taxability in India. However, with effect from April 1, 2016, the provisions of Chapter X-A relating to General Anti Avoidance Rule shall apply to the assessee even if such provisions are not beneficial to him.

- 7.1. Any income received by venture capital companies or venture capital funds set up to raise funds for investment in a venture capital undertaking registered with the Securities and Exchange Board of India, subject to conditions specified in section 10(23FB) of the IT Act, is eligible for exemption from income tax. However, the income distributed by the venture capital companies/funds to its investors would be taxable in the hands of the recipient.



- 7.2. As per section 115U of the IT Act, any income accruing or arising to or received by a person from his investment in venture capital companies/funds would be taxable in his/her hands in the same manner as if it were the income accruing/arising/received by such person had the investments been made directly in the venture capital undertaking.
- 7.3. Further, as per section 115U(5) of the IT Act, the income accruing or arising to or received by the venture capital company/funds from investments made in a venture capital undertaking if not paid or credited to a person (who has made investments in a venture capital company/fund) shall be deemed to have been credited to the account of the said person on the last day of the previous year in the same proportion in which such person would have been entitled to receive the income had it been paid in the previous year.
- 7.4. As per the provisions of section 14A of the IT Act, the venture capital companies/funds will not be entitled for deduction in respect of expenditure incurred in relation to income which does not form part of total income under the IT Act.
- 7.5. As per the provisions of section 94(7) of the IT Act, losses arising from the sale/transfer of shares or units purchased within a period of three months prior to the record date and sold/transferred within three months or nine months respectively after such date, will be ignored to the extent dividend income on such shares or units is claimed as tax exemption.

B. Under the Wealth Tax Act, 1957

Shares of the company held by the shareholder will not be treated as an asset within the meaning of section 2(ea) of Wealth Tax Act, 1957.

Notes:

1. All the above benefits are as per the provisions of the Income Tax Act, 1961, Income Tax Rules, circulars, notifications as amended by Finance Act, 2014 and the Wealth Tax Act, 1957, presently in force in India. They shall be available only to the sole/first named holder in case the shares are held by the joint holders.
2. The current IT Act is proposed to be replaced by New Direct Tax Code 2010 (DTC), likely date of which is uncertain. The tax implications on account of proposed DTC have not been examined by us.
3. In respect of non-residents, the tax rates and the consequent taxation mentioned above will be further subject to any benefits available under the relevant Double Taxation Avoidance Agreement (DTAA), if any, entered into between India and the country in which the non-resident has fiscal domicile (subject to furnishing of Tax Residency Certificate)
4. In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her participation in the IPO.
5. The above Statement of Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

For T.R.Chadha & Co.
(Firm Registration No. 006711N)
Chartered Accountants

Surender Kumar
Partner
M. No. 82982
Place: New Delhi
Date: March 02, 2015



SECTION IV – ABOUT OUR COMPANY

INDUSTRY OVERVIEW

Unless noted otherwise, the information in this section is derived from Images Multimedia Private Limited reports titled “India Retail Report 2013” and “India Retail Report 2015” as well as other industry sources and government publications. None of the Company, the Selling Shareholders, the BRLMs and any other person connected with the Offer has independently verified this information. Industry sources and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured. Industry sources and publications are also prepared based on information as of specific dates and may no longer be current or reflect current trends. Industry sources and publications may also base their information on estimates, projections, forecasts and assumptions that may prove to be incorrect. Accordingly, investors should not place undue reliance on this information.

INDIAN ECONOMY OVERVIEW

In 2014-15, the Indian economy is poised to overcome the sub-5% growth in gross domestic product (GDP) witnessed over the last two years. The growth slow-down in the last two years was broad based, affecting in particular the industrial and manufacturing sector. Inflation too declined during this period, but continued to be above the comfort zone, owing primarily to the elevated level of food inflation. Yet, the developments on the macro stabilisation front, particularly the dramatic improvement in the external economic situation with the current account deficit (CAD) declining to manageable levels after two years of worryingly high levels was the redeeming feature of 2013-14. The fiscal deficit of the Centre as a proportion of GDP also declined for the second year in a row as per the announced medium term policy stance. Reflecting the above and the expectations of a change for the better, financial markets have surged. Moderation in inflation would help ease the monetary policy stance and revive the confidence of investors, and with the global economy expected to recover moderately, particularly on account of performance in some advanced economies, the economy can look forward to better growth prospects in 2014-15 and beyond.

The following table illustrates India's real GDP growth between Fiscals 2009 and 2013 (at factor cost at constant 2004-05 prices):

Fiscal 2010	Fiscal 2011	Fiscal 2012	Fiscal 2013	Fiscal 2014
8.6%	8.9%	6.7%	4.5%	4.7%

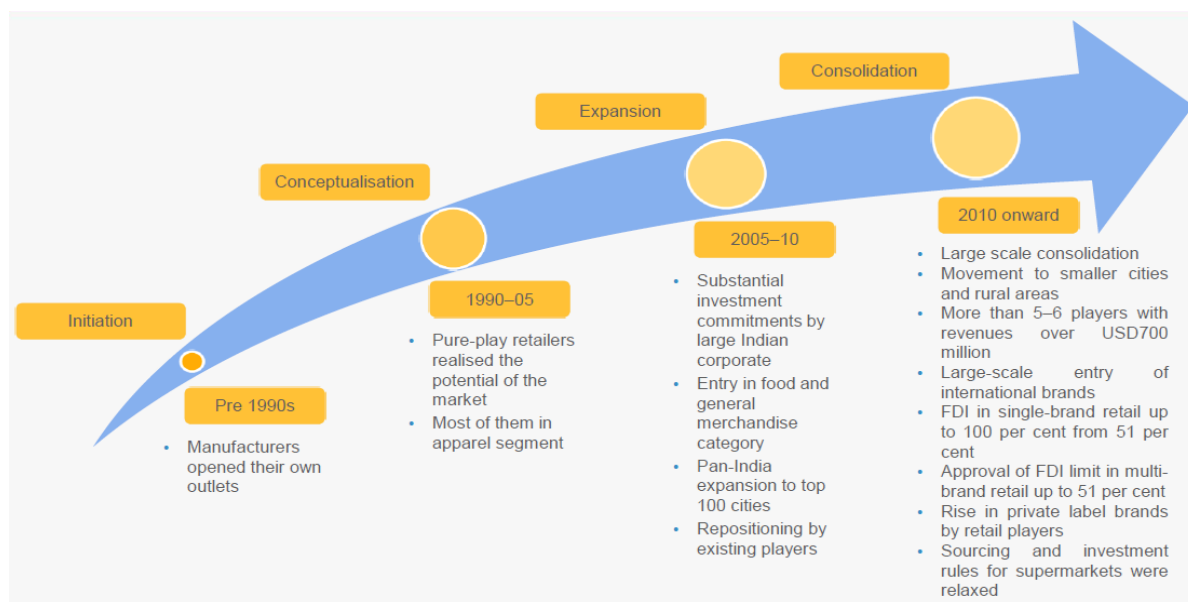
(Source: Ministry of Finance, Government of India, Economic Survey 2013–14)

INDIAN RETAIL – EVOLUTION AND GROWTH

The organised retail industry in India prior to 1995 witnessed significant growth and constituted mostly of domestic manufacturers, who had set-up company /brand outlets to sell their products. From 1995 till 2005 there was a cautious optimism in the retail sector with limited players experimenting with new formats primarily in the apparel sector due to favourable economic attractiveness.

However, in the next three years post 2005, the retail industry went into a major expansion mode an expectation of major international players entering India, and large Indian Corporate houses committing to retail. This was also the period which saw the entry of food and general merchandise categories in the retail sectors, dominated by the apparel retailers till then. However, the global economic recession and FDI restrictions on multi-brand retail from 2008 onwards saw a phase of consolidation in the industry with players focusing on cost optimisation and operational efficiencies rather than new store roll outs.

Post 2011-12, there has been a resurgence in the retail industry with private brands getting established and increasing and renewed interest by international players as well as domestic ones. The focus has also shifted into more penetration and fast pace rollouts into tier II cities/tier III. (Source: IndiaRetail Report 2015)



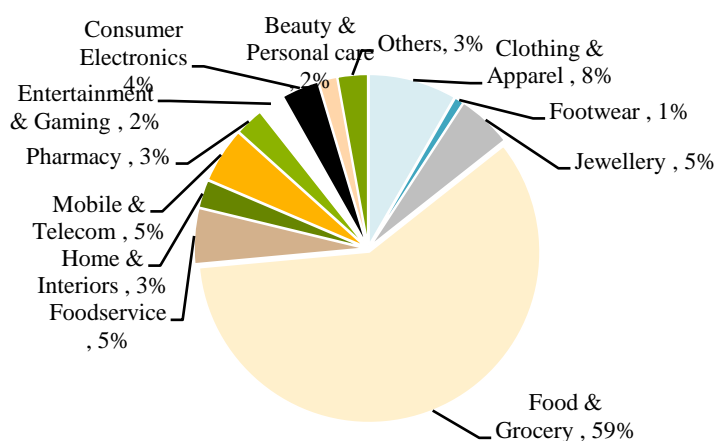
(Source: Slide No. 8, Retail, August 2014; India Brand Equity Foundation)

INDIAN RETAIL OVERVIEW

The Indian Retail market is amongst the largest and fastest growing in the world. With a population of over 1.2 billion and household size between 4 to 5 on an average, it is not difficult to see the potential attractiveness this market offers. With increasing disposable incomes, increasing business activity and expansion of retail outlets within different categories, the retail sector in India is poised to grow exponentially. Already growing at a healthy rate of 16%, the Indian retail market will grow by 29% CAGR by 2017, touching a sum of ₹ 61,563 billion in value. Growing economic factors are no doubt helping the expansion of Indian retail considerably. (Source: India Retail Report 2015)

The ₹38,934 billion Indian retail market is composed of multiple categories, which together makes up for the market size. The largest category is food and grocery with 59% share. Clothing and apparel and footwear accounts for 8% and 1% respectively of the total retail market. Others include fashion accessories, eyewear, timewear, leisure, and fitness segments.

India Retail Market – Segmentation



(Source: India Retail Report 2015)

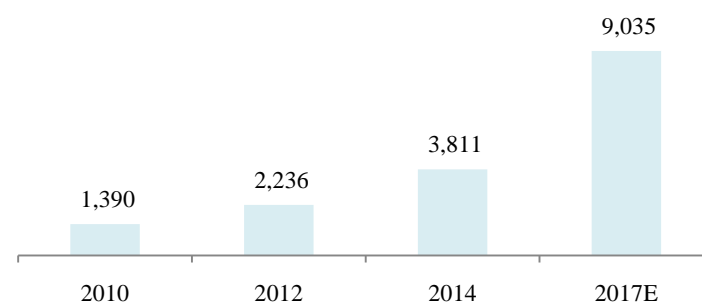
Modern or Organised Retail

The retail industry is largely unorganised though it is growing rapidly within the organised sector, also referred to as 'Modern Retail'. The modern retail market in India totaled ₹ 3,811 billion in 2014 and has been growing by 30% at an average during last 5 years and is expected to gather pace over next 2-3 years. In 2014, it accounted



for 9.8% of the total Indian retail market. Though it is a very small chunk of the total retail market, it is slowly coming into its own and is expected to be at 20% by 2020. (Source: India Retail Report 2015)

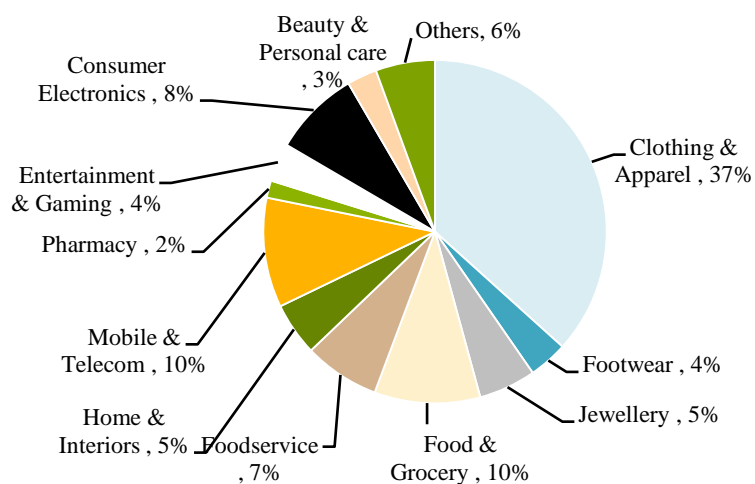
Size of Indian Organised Retail Market (In ₹ billion)



(Source: India Retail Report 2013, 15)

Share of different retail segments in modern retail has been outlined below. Unlike total retail segmentation, largest category is clothing and apparel with 37% share of the Indian modern retail market which was just 8% of total Indian retail market. Similarly, share of Footwear is also higher at 4% of the Indian modern retail market as compared to its share of 1% of the Indian total retail market. With expected rise in the share of organised modern retail in the coming years, it clearly outlines the growth of apparel and clothing and footwear segments.

India Organised Retail Market – Segmentation

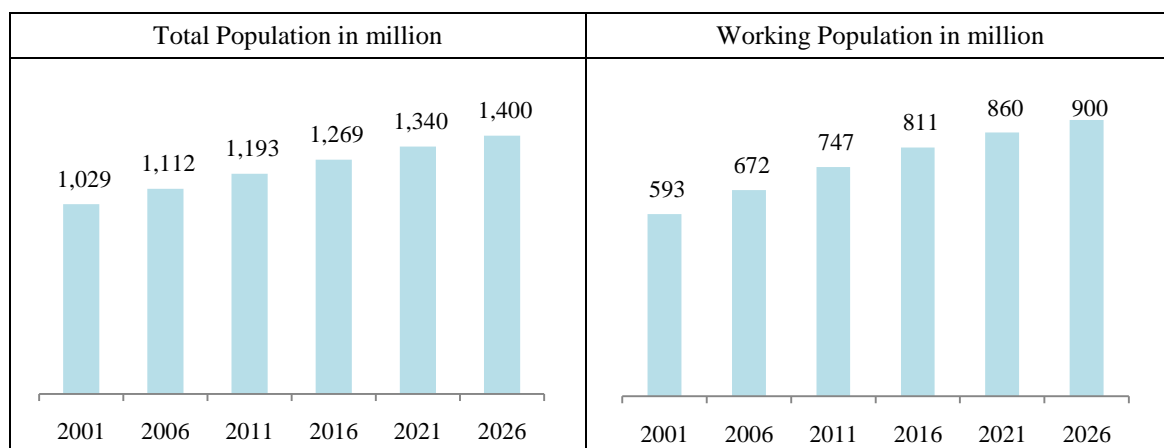


(Source: India Retail Report 2015)

KEY GROWTH DRIVERS OF INDIAN RETAIL INDUSTRY

(a) *Favorable Population Demographics*

The population of India is expected to grow to 1.4 billion by 2026. In the following decade, from 2016, India will add 89 million to its workforce. This is a big positive for India. For instance, in 2014, the median age in the country is 27 years, in China it is 37, while in Japan it is 46 years. India also has a gender advantage over China, with a higher ratio of girls to boys. This demographic dividend gives India an edge over other mentioned countries thereby benefitting many retailers. (Source: Census, CIA Word Factbook and India Retail Report 2013)



(Source: National Commission on Population)

As of 2010, 62% of its population was in the working age group (15-59 years). The biggest driver for modern retail will be the young consumers who are joining the workforce now. They are a different set from the previous generation. They will trigger the increase in average disposable household incomes and consumption levels in the economy. There is another significant set of consumers whose number is swelling annually and that is of working women. (Source: Census and India Retail Report 2013)

(b) **Rising income level and rise of a strong middle class**

The share of low-income households with low income levels has fallen over the years, while the share of high-income households is on the rise. Household income is set to rise nearly three fold between 2010 and 2020. One of the major drivers of the recent retail boom in India has been the rise of a strong middle class, more than one third of the population is likely to reach the 'aspirer' class (annual income of US\$ 7.4k – US\$ 18.5K) by 2020 compared to 20% in 2010 and 9% in 2000. At the same time, the share of low income households classified as 'strugglers' (annual income <US\$3.3k) will fall from about 50% in 2010 to 28% by 2020 (Source: India Retail Report 2013)

Additionally, as per RBI Handbook of Statistics on Indian Economy 2012-13, the rising income in India in Real GDP terms in 2012 (with base year 2004 –2005) has witnessed a CAGR of 7% from Fiscal 2007 -2013 and the same is expected to grow at a CAGR of 7.1% during Fiscal 2014-2017.(Source: GoI, RBI Handbook of Statistics on Indian Economy 2012-13 and IMF-World Economic Outlook Database, October 2013)

(c) **Urbanisation**

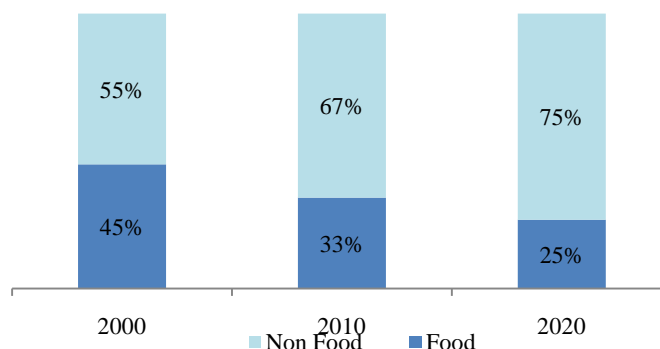
Urbanisation has been a major cause of growth in organised retail in India, which is fast picking up. In 2010, 31% of India's population lived in cities which will rise to 35% by 2020. As people move from rural areas to cities, they tend to both increase their purchases as well as spend. Urban dwellers have better access to goods and are exposed to greater consumerism. (Source: India Retail Report 2013)

(d) **Changing consumption pattern**

As income rises, so does consumption. Real private consumption expenditure grew at an average of ~8% between 2005-06 and 2011-12. Rising incomes also tend to bring about a change in the pattern of consumption-away from basic food items such as cereals, pulses, beverages, sugar, spices, vegetables, etc. towards non-food items such as footwear, clothing and bedding, fuel and light, consumer durable goods, etc. With rising income levels and affordability, demand for non-food products has increased significantly in India. Non-food expenditure, which constituted 55% of the urban household expenses in 1999-2000, has increased to 67% in 2009-10. With increasing incomes in the country's rural areas, expenditure of rural households on non-food items is also increasing. Rural consumption, by itself, may present a big opportunity for retail growth in India.(Source: India Budget 12-13)



India Consumption Expenditure Segmentation



(Source: Indian Retail Report 2013)

Nuclearisation of families to drive consumption

Households are becoming less traditional and spending more per capita, as the young lead the flock. Share of 'nuclear households' rose from 61% in 2006 to 66% in 2010. The per capita spending of nuclear families is between 20 to 50% higher than it is for traditional joint families in the same household income group. Nuclear families spend much more on clothing, housing, education and leisure activities (Source: India Retail Report 2013)

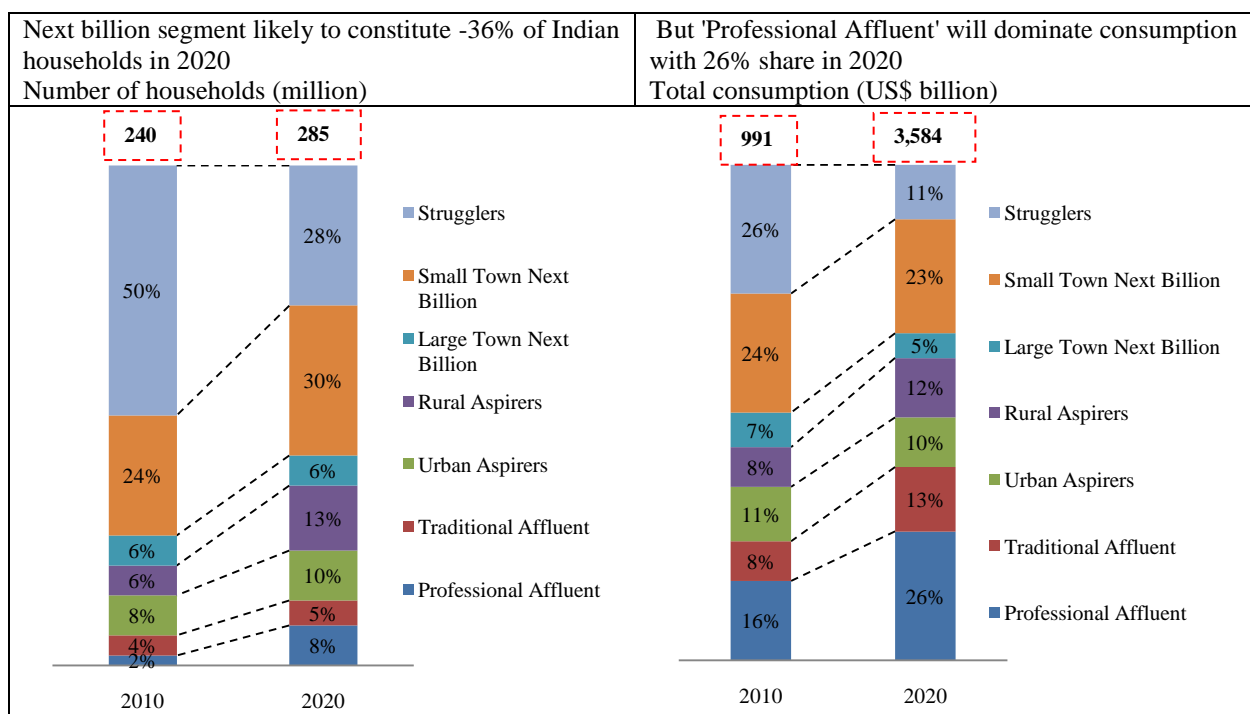
Expected evolution in the shape and size of Indian consumption expenditure

Contribution of the seven segments (shown in the graphs below) to the total consumption will change fundamentally over the next decade. As illustrated in the graphs below, currently 51% of Indian households are Strugglers. However, rising incomes in the next decade will lift many of these households into the ranks of the Next Billion. While Strugglers currently constitute the biggest segment in India in terms of the number of households, in 2020, the Next Billion are expected to constitute the largest segment, with 36% of households. Similarly, rising incomes will increase the percentage of aspirer and affluent households from 14% and 5%, respectively to 23% and 13% of households, respectively by 2020.

This demographic shift will also determine how the segments contribute to the overall consumption. Currently, Strugglers contribute the most to consumption as a segment, accounting for 26% of the overall consumption. However, in 2020, affluent will contribute the most to consumption, with the two affluent segments together accounting for 39% of the overall consumption. Among the affluent, Professional Affluent as a segment, accounting for 26% of the overall consumption, will contribute twice as much as the Traditional Affluent to the overall consumption. The Next Billion and aspirers will account for 28% and 22% of the overall consumption respectively (Source: India Retail Report 2013)



Households and consumption split by segments



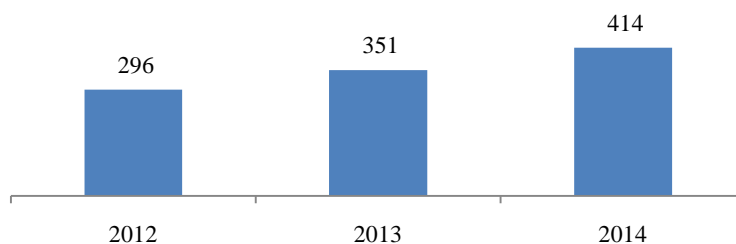
(Source: India Retail Report 2013)

Note: Consumption represented in nominal terms. Household income distribution based on 2010 prices, data represented for calendar year 2010.

(e) Increasing use of plastic money to drive spending

The total plastic money spending (credit card and debit card) grew from ₹ 1,500 billion in 2011-12 to ₹ 1,973 billion in 2012-13. In fact, the ease of payments (ability to spend without cash), due to the use of credit and debit cards, has also led to an increase in total spending.

Total number of outstanding credit cards + debit cards (in mn)



(Source: Reports on Trends and progress of Banking in India 2010-11, 12-13; RBI Database)

(f) Low retail penetration

The penetration of organised retail in India is still very low at 6 to 8%, especially when compared to developed nations such as US and UK which have retail penetration of 85% and 80%, respectively. Countries such as Malaysia (55%), Thailand (40%), Philippines (35%), and China (20%) also have substantial penetration of organised retail. However, with new policy reforms, increasing purchasing power, and changing spending pattern, we are bound to see a difference in the coming years. As per the Images Retail research, FY15 will witness a jump in the share of organised retail. (Source: India Retail Report 2013)



Evolution of retail formats in India

The first phase of modern retail was evident in late 1990's when the concept of departmental stores was popularised in the Indian market. The second phase of growth took place post 2005 with the several large players coming up in the food and grocery formats – hypermarkets, supermarkets and convenience stores. Major growth was seen during 2008 to 2010 when the concept of modern retailing gained popularity. The current phase is seen from 2010 onwards where entry of international players is on surge, several existing formats are being remodeled around the needs and expectations of new generation and rapid expansion plans are underway to tap the opportunities in the market. Further, with the possibilities of opening up of retail sector in FDI, many International players are chalking out plans to enter Indian market and create a whole new experiential shopping environment for the consumers. (Source: India Retail Report 2013)

Retail Formats and Estimates

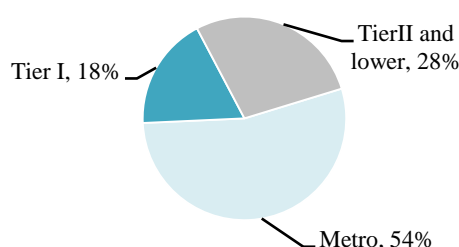
Format	Average Size (Sq. feet)	2006		2011		2016	
		No. of stores	Share in total space (%)	No. of stores	Share in total space (%)	No. of stores	Share in total space (%)
Convenience Stores	700	100	0%	400	0.3%	2,000	1%
Hypermarkets	50,000	40	10%	300	17%	1,000	25%
Discount Stores	1,000	500	2%	1,500	2%	4,000	2%
Speciality Stores / EBOs	1,500	10,000	75%	30,000	50%	50,000	37%
Departmental Stores	30,000	50	7%	600	20%	1,400	21%
Cash & Carry	70000	2	1%	30	2%	200	7%

(Source: India Retail Report 2013)

(g) Unexplored potential of Tier I and Tier II cities

While most retailers have been rushing to capture opportunities in the quickly crowding Indian metros, some have been focusing their expansion plans on non-metros, and with good reason. In the next few years, modern retail is expected to grow 50-60% annually in tier II and III cities, compared to only around 30% in the metros. It is estimated that by 2014, almost half of the malls in India would be present in tier I and lower cities, with 80% of new mall development in the next couple of years taking place in non-metros. (Source: India Retail Report 2013)

percentage share of malls by 2014



(Source: India Retail Report 2015)

The rapid growth of retail in tier I and lower cities has been one of the most surprising and interesting aspects of the Indian retail story. Several factors are driving this trend:

- The metros account for around 30% of the total consumption in India. This figure is set to decrease with the rapid dissemination of income in the country.
- The availability of quality retail spaces in the metros is lagging behind demand. This has pushed retail rentals sky-high, making it difficult for most retailers to break even in these cities. Smaller cities provide a low-cost advantage, especially in land, construction, manpower and facilities management. This makes them less investment-intensive destinations for opening stores, which leads to a faster break-even for real-estate developers and retailers both. (Source: India Retail Report 2013)



(h) ***Favorable impact of FDI Approval - A Big Step towards Liberalisation***

Till now, FDI up to 100% was allowed for cash and carry wholesale trading and export trading under the automatic route, and FDI up to 51% was allowed in single-brand retail, with prior government approvals. However, the Cabinet Committee on Economic Affairs (CCEA) recently permitted FDI up to 51% in multi-brand retailing with prior Government approval and 100% in single brand retailing thus further liberalising the sector.

This policy initiative is expected to provide further fillip to the growth of the sector. For the record, the FDI reforms in multi-brand retail are expected to pave way for the international multi-brand retailers interested to set up shop in India. Simultaneously, the revised FDI guidelines for single-brand retail will boost the presence of many international retailers in the country. Many global single-brand retail chains have entered the country forging joint ventures with local retailers over the past few years, the new guidelines will help them expand at a fast pace and would speed up plans of many other retailers, who are yet to make their presence felt in the Indian retail market. (Source: India Retail Report 2013)

The FDI inflows in single-brand retail trading during April 2000 to September 2014 stood at US\$ 159 million, according to the latest data released by Department of Industrial Policy and Promotion (DIPP). (Source: www.dipp.nic.in)

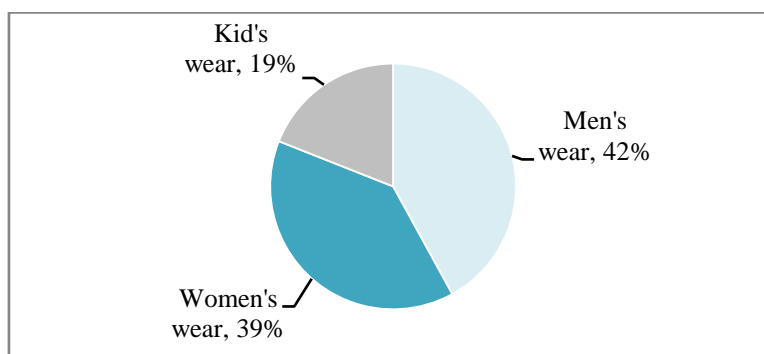
LIFESTYLE RETAILING

Fashion and Lifestyle makes up the largest portion of organised retailing, putting together segments like apparel, footwear, jewelry, watches, health and beauty services etc. and constitutes about 60% of organised retail.

Apparel Market Overview

The total apparel retail market has been growing at 20-21% and is estimated to continue with the same growth rate to be pegged at ₹ 5,648 billion in value by 2017. Modern retail is estimated at 43% of the total market and is expected to grow by a much higher growth rate. The industry estimates the category to grow at 30-40%.

Today, the total apparel and clothing market in India stands at ₹ 3,245 billion. The modern retail component out of this is ₹ 1,398 billion. The menswear segment is slightly larger currently than women's wear but by 2015 IRIS estimates that women's category would have grown larger in share than menswear. (Source: India Retail Report 2013)



(Source: India Retail Report 2013)

The apparel and clothing market, like the rest of the fashion market, is attracting many foreign luxury and mass brands as well as local large exporters. Over 30 Italian brands have already come into this segment, with many more eyeing it carefully. While the major chunk of foreign brands is from North America and Europe, China, Turkey and Japan are already making inroads. (Source: India Retail Report 2013)



Some Key Apparel Retailers in India

Brand/ Company	Number of Outlets		Retail Presence: Number of cities present in		Brand/ Company	Number of Outlets		Retail Presence: Number of cities present in	
	Till Sep 2012		Till Sep 2012			Till Sep 2012		Till Sep 2012	
Benetton	500		110		Wills Lifestyle	88		37	
Turtle	164		47		Allen Solly	140		-	
Allen Solly	77		73		Celio	34		13	
Arrow	50		48		Esprit	14		-	
Biba	87		40		Fab India	146		60	
Esprit	40		14		FCUK	15		-	
Louis Philippe	153		62		Guess	23		-	
Fida	17		10		Indigo Nation	64		35	
Lacoste	35		-		Indus League	100		-	
Lee	56		18		Jack & Jones	45		14	
Levi's	400+				Louis Philippe	153		62	
Gini & Jony	277		79		Park Avenue Men	39		13	
Marks & Spencer	25		10		Park Avenue Woman	7		-	
Van Heusen	31		28		Moustache	51		18	

(Source: India Retail Report 2013)

Positives of apparel and clothing segment

- Biggest retail segment in modern retail;
- More and more brands are eyeing the country as a viable market to enter;
- Growth in the market is among the highest;
- Apparel retail is rapidly penetrating into tier I and tier II towns; and
- Consumers are becoming more discerning in their choice of what to wear according to the occasions and are fast adopting specialised categories and western wear. (Source: India Retail Report 2013)

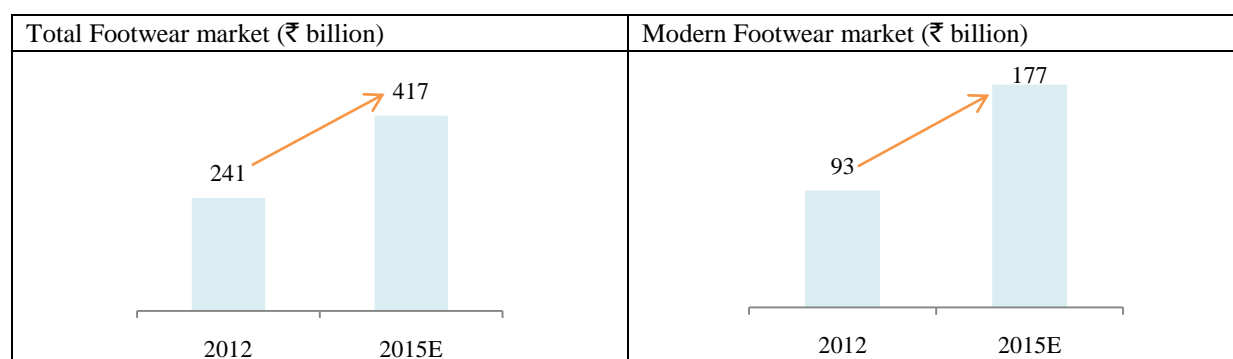
Shopping Behaviour – Apparel and Clothing

Apparel constitutes more than 6% of India's consumption expenditure today. One of the fastest growing categories, it is expected to grow four times over the next decade, with an estimated consumption expenditure of US\$ 225 billion in 2020. This growth will be driven not only by favourable demographics, but also socio-cultural and attitudinal shifts that are taking place in India.

Not surprisingly, spend on apparel increases with rising income levels. Apparel constitutes 10% of the consumption basket of affluent consumers, compared to 5% for small town Next Billion. In absolute terms, affluent consumers spend 2.5 times more than small town Next Billion on apparel. (Source: India Retail Report 2013)

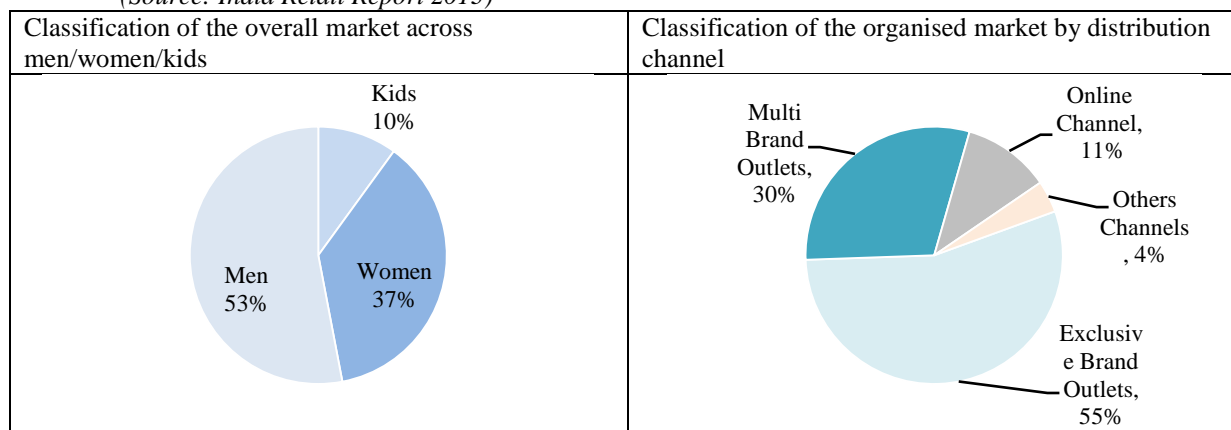
Footwear market overview

The total footwear retail market (estimated at ₹ 335 billion in 2014) has been growing at 17-18% and is expected to cross ₹ 540 billion mark by 2017. The modern footwear retail component, which is 42% of the total footwear market, is expected to grow by 21-23% year on year. Retail expansion is growing at an average 16-18% in terms of number of outlets and retail space with the same outlet growth is expected to be around 25% (Source: India Retail Report 2015)





(Source: India Retail Report 2013)



(Source: India Retail Report 2015)

Looking at segmentation in terms of occasions, casual-wear accounts for close to 60% of the market. The footwear market is still driven largely by style and looks and forms a basis for the fashion aspect rather than being driven by comfort. Footwear is seen as an accessory or fashion product that is changed or bought every season. With the advent of Italian fashion and footwear in India, this category is growing in value and volume. There is a higher recognition of craft and quality in this segment. Modern retail is capitalising on these properties and entering tier II and III cities, while some players are even making forays into the rural market. (Source: India Retail Report 2013)

Some prominent footwear retailers in India

Brand/ Company	Number of Outlets	Retail Presence: Number of cities present in
	Till Sep 2012	Till Sep 2012
Bata*	1,362	353
Metro Shoes	235	71
Reliance Footprint	101	66
Red Tape	73	38
Catwalk	37	16
Crocs	28	-
Khadim's	640	292
Sreeleathers	31	26
Touristor	26	-
Liberty Shoes	370	200
Reebok	925	325
Puma	200	60+
Adidas	650	-
Fila	40	20
Nike	350	-

* The store count is till Aug '12 and retail presence is till Jul '12

(Source: India Retail Report 2013)

Positives of footwear segment

- Higher disposable income and younger demographics are churning the growth and consumption of footwear;
- Fashion consciousness is on the rise where shoes are an integral part of fashion;
- Footwear is cheap in India and is easily affordable; and
- Footwear is bought seasonally, so it is reasonable to expect 2 to 3 pairs bought in a year.



(Source: India Retail Report 2013)

Fashion Accessories Market Overview

Fashion accessories include ties, handkerchiefs, socks, caps, belts, wallets, scarves, mufflers, fashion ornaments, hair accessories, hand bags, tie-pins and cufflinks.

The total fashion accessories retail market is worth about ₹ 155billion, growing at 18-19% and is expected to touch ₹ 253 billion by 2017. The modern retail segment accounts for about 13% of this market. While this is still a very small segment, accounting for only ½ a % of the total modern retail market of India, there is tremendous scope for growth and expansion. Belts, wallets, handbags and key chains account for 60% of this market. The segment currently boasts of only a handful of players, but is gearing towards expansion and emergence of a very competitive market in the coming 3 to 5 years. While the market is largely dominated by unorganised retail and manufacturing, branded fashion accessories are springing up in malls and branded outlets.

Positives of fashion accessories segment

- Growing consciousness and acceptance towards fashion and accessories;
- Mix-and-match culture in fashion that leads to the use of accessories;
- Increasing options available at branded outlets;
- Increasing disposable income;
- Younger demographics and hence increasing impulse purchase behavior; and
- Fast-changing fashion trends

(Source: India Retail Report 2013)



OUR BUSINESS

The information contained in this section is qualified in its entirety by, and should be read together with, the more detailed financial and other information included in this DRHP, including the information contained in “Risk Factors”, “Management’s Discussion and Analysis” and “Financial Statements” on page 11, 319 and 189 respectively. The financial figures used in this section, unless otherwise stated, have been derived from our Company’s restated financial statements. In this section “our Company” and “it” refers to SSIPL Retail Limited and “we”, “us” and “our” refers to our Company along with its subsidiary SSIPL Lifestyle Private Limited, step down subsidiary Shubh Footwear Products Private Limited and a partnership firm Shree Shoes.

Overview

We are primarily engaged in the retail, marketing and distribution of sports and lifestyle products including footwear, apparel, accessories and equipment. We specialise in the retail of a comprehensive range of sports and lifestyle brands while focussing on sports footwear. We believe that we are one of the leading companies having 19 years of experience across the verticals of manufacturing, and distribution and 16 years of organised retail expertise of internationally established sports and lifestyle brands in the Indian market. We have partnered with various leading global brands such as Nike, Puma, Lotto, Levi’s, Clarks and United Colors of Benetton across the retail and manufacturing spheres. We also retail certain domestic brands such as Mmojah and Cobblerz.

Retail Business

We are retailers of international brands in the sportswear category in India. As on December 31, 2014, we have an extensive network of 440 stores, spread across 92 cities. Our retail stores are targeted at specific market segments and carry a comprehensive range of footwear, apparel and accessories. We are the largest retail partners for Nike and Lotto in India

With over 16 years of experience in organised retailing in India, we have carved a niche for ourselves in the retail market and have helped our partner brands in establishing a strong retail presence in India. As on December 31, 2014, we operate 411 Exclusive Brand Outlets (“EBOs”) for Nike, Levi’s, Lotto, United Colors of Benetton, Clarks, and Mmojah.

We also retail various international and domestic brands through multi-brand concept stores of SSIPL Lifestyle Private Limited, our wholly owned subsidiary, viz. ShoeTree, ShoeTree Sports, and Value Station. ShoeTree retails various casual footwear brands, including Clarks, Johnston & Murphy, Puma, Carlton London and Cobblerz. ShoeTree Sports retails amongst others, brands like Nike, Lotto, Puma, and Crocs. Value Station retails Nike, Levi’s, Lotto and United Colors of Benetton.

Our retail concepts stores are focussed on providing a standard elevated shopping experience to customers and are developed after taking into account the store location, the demographic profile of consumers of that area and the store size. The range of products based on their price points, design and fashion quotient could vary from one location to another depending on the demographic factors of the store.

As on December 31, 2014, we have an aggregate retail gross floor area of approximately 453,105 sq.ft. and a network of 440 stores across India, of which 389 are EBOs of international brands namely Nike, Lotto, Levi’s, Clarks and United Colors of Benetton, 22 EBOs of Mmojah, and 29 stores are concept stores under the name of ShoeTree, ShoeTree Sports and Value Station.

We have been conferred with various awards by industry platforms for our contribution to the retail industry, elevated consumer experience and service levels and various other awards for application of technology. For details please refer to “Awards and accreditations” in the chapter titled “History and Certain Corporate Matters” on page 146.

We also distribute fitness equipments for Nike, in India. We also are the exclusive licensee for Smiley footwear in India.



Manufacturing Business

We manufacture footwear for certain international brands such as Nike, Puma, Lotto and United Colors of Benetton. We manufacture various kinds of footwear such as sports shoes and thongs, on the basis of specifications provided by the respective partner brands.

We have manufacturing facilities in Haryana, Himachal Pradesh and Uttarakhand. As at December 31, 2014, our Company operates a total of seven manufacturing facilities with a total production capacity of 4.89 million pairs of footwear and thongs per annum. Our first athletic footwear manufacturing facility in India was set up in 1995 at Kundli, Haryana and subsequently an additional manufacturing facility was set up in 2014. Further, we have set up three manufacturing facilities in Paonta Sahib, Himachal Pradesh in the year 2003, 2005 and 2010. We have also acquired a footwear manufacturing unit in Paonta Sahib, Himachal Pradesh in 2013. Another facility in Selaqui, Uttarakhand was established in 2009.

We are the largest authorised manufacturer of Nike footwear in India and have been manufacturing footwear for Nike for over 19 years. We are the largest footwear manufacturer for Puma and Lotto for the Indian market.

Our Company's total restated revenues on a consolidated basis, for the six months period ended September 30, 2014, and for the year ended March 31, 2014 and March 31, 2013 were ₹ 4,227.05 million, ₹ 7,626.99 million and ₹ 6,736.39 million respectively. Our Company's restated Profit after Tax for the six months period ended September 30, 2014, and years ended March 31, 2014 and March 31, 2013 were ₹ 37.02 million, ₹ 212.63 million, and ₹ 181.60 million respectively.

COMPETITIVE STRENGTHS

We believe that the following are our key competitive strengths, which distinguish us from other players in the industry and are decisive to our continuing success:

- **Strong portfolio of brands**

We have been associated with various international and domestic brands since 1995. These associations have given us an insight in how global brands function and has helped us understand their brand ethos and strategy in India. Our partner brands, therefore, consider our Company capable of adding value in the overall product strategy in specific and their retail strategy in general.

We are the largest retail partners for Nike and Lotto in India. We operate 411 Exclusive Brand Outlets ("EBO"s) for Nike, Levi's, Lotto, United Colors of Benetton, Clarks and Mmojah. We have the exclusive license for the manufacture distribution and sale of products under the labels Smiley Original (Happy Collection and Happy Sports) and Smileyworld.

Our ability to constantly innovate and adapt to an ever changing market place by offering a wide range of products is the cornerstone of our business. We have dedicated design centers which work with our partner brands for whom we manufacture footwear products.

- **Wide network of stores**

Our extensive network of retail stores allow us to cater to a large section of consumers, and ensures effective penetration of the products that we retail across India. As on December 31, 2014, our retail network includes 440 stores across India.

Our retail stores are generally located across the country's high street markets and malls. As on December 31, 2014, we operate 269 stores in markets, and 171 stores in malls, and are present across different tiers of the market place with 252 stores in metro (Tier-I) cities, 114 stores in Tier-II cities, and 74 stores in Tier-III cities.



- **Understanding consumer preferences**

We believe that our ability to anticipate, gauge and respond in a timely manner to changing trends and consumer demands and preferences is a key strength of our Company.

We believe that we have an extensive understanding of the sports and lifestyle products market in India. Our presence across various product categories and the fact that we cater to approximately 17,753 customers each day through our wide network of retail stores, helps us understand the dynamics of trends, fashion and consumer aspirations better.

- **Training and development**

We believe that a strong focus on training and development is important for the sustenance and growth of our business. Our Continuous Development Wing (CDW), a department dealing with the Training and development requirements, run various training and motivational programs for employees. Some of these initiatives include Retail Induction School (RIS) which is 5 day program for on-boarding and induction of our front-end employees, program on Store Managers' training, on-boarding and induction modules for our backend employees and Aspire – our program for career progression. We recognise the importance of workplace based learning as an important facet of our training and development programmes. We have a robust human resource and training team that ensures different training activities for our employees covering (a) product training, (b) technical training, and (c) soft skill development.

- **Information technology**

We believe that Information Technology is a powerful tool in operating our business and have accordingly invested in creating a robust IT system, network and processes. We are the first retail company in India to have successfully implemented Microsoft –AXAPTA, an Enterprise Resource Planning System, which works as a backbone application for our Company and provides an omni channel automation to both the back end operations as well as the front end operations. With AX Retail 2012 as the point of sale software for our front-end operations and Microsoft Dynamics AXAPTA 2012 Enterprise Resource Planning (ERP) at the backend, we have a fully integrated real-time platform available for managing the complexities of our retail business. Apart from the features of managing inventories, discounts and sales data, we have other modules such as Employee Discount Management System (EDMS), Performance Management System (PMS), CRM, Gift Vouchers and Gift Card application, Business Intelligence Tool, e-commerce, m-commerce and HRMS on this single platform.

We have been used as a case study by Microsoft for effective implementation of this platform globally and have been conferred with different awards by different industry platforms such as “**Backend Retail Solution of the Year**” in Retailer Technology Awards 2013 and “**Best Application of Technology of the Year**” by Franchise India for the year 2013.

- **Experienced Management Team**

Our Company is managed by a team of experienced and professional managers, exclusively focused on different aspects of the retail industry. We consider human capital to be one of our biggest assets which has resulted in the growth of our Company from 186 stores in 2010 to 440 stores as at December 31, 2014.

Rishab Soni, a Promoter and the Managing Director of our Company, is actively involved in the day to day management of our business. He holds a diploma in footwear designing from Ars Sutoria Institute of Design and Development, Milan, Italy with over 16 years of experience in organised retailing, manufacturing, licensing and distribution. He has been recognised to be “**Amongst 50 most Talented Retail Professionals of India**” at the Retail Asia Awards in 2014 and also has been conferred the “**Retail Leadership Award for the year 2014**” by Franchisee India. Our Senior Leadership includes Atul Madan, Group President, Praduman Raina, Vice President – Brand Development and sales. For further details pertaining to these Senior Managerial Personnel, see the section titled “**Our Management – Senior Managerial Personnel**” on page 173.



We believe we have been successful in developing our senior and middle management comprising of key executives and that the proactive approach of our management team has enabled us to foresee and respond to industry trends and competitive dynamics, comprehend our customer base better and construct strong vendor /partner relationships.

- **Presence across premium and value segments**

We have a comprehensive portfolio of product offerings in sports and lifestyle segment and also the fitness accessories segment. We believe that such a diversified product range helps us increase our penetration in the metros and expand our presence in the smaller cities across India. We believe our comprehensive range of products across genders with diverse price points for premium, mid-premium and economy segments in the sports and lifestyle industry enable us to capitalise on growth opportunities in the branded sports and fashion segment both in metros and other cities.

- **Complementing our retail stores by e-tailing and omni channel platforms**

We, through our subsidiary SSIPL Lifestyle, have commenced digital retailing through our multi-brand e-commerce portal “www.ssiponline.com” as an extension of our business. This platform facilitates a seamless shopping experience with our stores while providing access to a wide variety of products to choose from. In terms of assortment of merchandise, we hold a large collection of branded merchandise for our partner brands at our retail stores. We have introduced tablet shopping experience to our customers at some stores for Nike products. This helps us in elevation of consumer experience, increasing customer satisfaction and conversion at our retail stores. It is also a powerful tool for the consumer to choose from a wide assortment of merchandise across product categories and better awareness of product information. We plan to implement this Omni-channel platform across all brands where we operate retail stores thereby elevating consumer experience.

OUR STRATEGY

We plan to continue to strengthen our position a specialty retailer of sports and lifestyle products, and distribution of similar product categories so as to reach out to a larger consumer base. Following are some of the key focus areas that will help us achieve our goal:

- **Continue to maintain our focus on long term relationships with leading international brands**

We believe that we are perceived as a specialty retailer in the sports and fashion categories not just by our principals, but also by a host of other international and domestic brands. Our non-exclusive arrangements with various partner brands allow us to cater to multiple partners in accordance with their specific requirements. We have long associations with our partner brands and focus on maintaining and fostering such relationships based on quality of the products manufactured and also our ability to retail an wide variety of products through our vast network of stores.

- **Increase geographic penetration of our owned brands and concept stores**

We have established our own concept stores namely “ShoeTree”, “ShoeTree Sports” and “Value Station”. ShoeTree offers relevant product offering with a combination of domestic brands owned by our Company and other third party brands such as Johnston & Murphy, Puma, Carlton London and Cobblerz in the black and brown, and fashion footwear space. ShoeTree Sports is a Multi-brand sports footwear retail concept offering consumers a wide range of sports footwear and accessories across varied price points. It carries international and domestic brands in the sportswear category such as Nike, Lotto, Puma and Crocs. Value station is a multi-brand retail outlet concept store targeting value conscious customers especially in Tier-II and Tier-III cities. Through Value Station our Company offers year round deals and discounts on various brands that our Company deals in, namely Nike, Levi’s, Lotto, Cobblerz and United Colors of Benetton.

We intend to grow and increase our retail footprint through company owned and franchisee stores across India. This would enable us to increase our consumer base across all income and gender categories and become a chosen destination for all footwear and apparel requirements. We propose to strengthen brands owned by our Company viz. Mmojah and Cobblerz by enforcing effective sales and



marketing strategies on the basis of our deep understanding of the retail market and consumer preferences.

▪ **Continue to further strengthen manufacturing infrastructure**

We believe that the growth of sports and fashion retail in India will lead to an increase in our manufacturing business. Our manufacturing business allows us to exercise due control over both the manufacturing costs and the quality of the products manufactured. Manufacturing footwear for the Indian market within India is not only economical for international brands but also facilitates customisation of designs to meet the requirements of Indian consumers, besides being closer to the market. To capitalise on the huge potential in this segment, we intend to strengthen our infrastructure by adding capacity, upgrading equipment and improving internal processes of quality control and safety. In order to support our manufacturing infrastructure, we aim at identifying and recruiting the best talent available in the industry coupled with providing opportunities for growth.

▪ **Target the growing segments.**

We focus on providing a complete range of sports and lifestyle products at various price points. This business strategy and brand positioning of the products that we retail is in line with our target market. The Indian market is very different from mature markets with a rapidly growing population and a demographic profile with a very young population. We are focused on a fast growing segment of branded sportswear and lifestyle wear. We intend to consolidate our position by capitalising on the growing young population, which has increased spending capacity with increased awareness of health and fitness.

OUR BUSINESS

Our Company manufactures footwear for certain international brands such as Nike, Puma, Lotto and United Colors of Benetton and sell the same to the respective brands. Further, our Company purchases products from Nike and retails the same through its stores. All products of other brands are sold through our subsidiaries.

We are a retailer of premium international sports and lifestyle brands in India with a presence across retailing and manufacturing of sports and lifestyle products. We have entered into various agreements with our partner brands in the course of our business for manufacturing and/or retail. Some of the agreements in this regard are :

Brand name	Agreement particulars	Scope	Exclusivity	Term	Termination rights of counter-party (other than breach/insolvency)
Nike	Supply agreement dated February 01, 2011 with the Company ("Supplier") and Nike Global Trading Private Limited ("Nike Global") and Nike Trading Company B.V. ("Nike Trading").	Manufacture products for Nike Global and Nike Trading.	Non-exclusive	In effect until it is terminated by written notice.	Nike Global or Nike Trading may terminate this agreement at any time by delivering written notice of termination to Supplier.
Lotto	Manufacturing agreement dated September 28, 2011 between the Company and SSIPL Lifestyle Private Limited ("SSIPL Lifestyle") and Renewal Agreement dated May 8, 2014.	The Company shall manufacture and supply footwear brand Lotto to SSIPL Lifestyle.	Non-exclusive	Requirements have been envisaged upto March 31, 2017.	Termination by written notice of 30 (thirty) days.
Nike	Master store agreement and addendum dated May 16, 2013 with the Company and	Operate mono-brand Nike store or stores in India.	Non-exclusive	5 years from - effective date or the date on which every store attachment (under master store	



Brand name	Agreement particulars	Scope	Exclusivity	Term	Termination rights of counter-party (other than breach/insolvency)
	Nike India Private Limited (“ Licensor ”).			agreement) has either expired or been terminated, whichever is later. The term of master store agreement extends automatically so long as the term of any store attachment is in effect.	
Levi’s	Master franchise agreement dated October 7, 2014 with SSIPL Lifestyle Private Limited (“ Franchisee ”) and Levi’s Strauss (Indian) Private Limited (“ LS ”).	To operate Levi’s store using its concept and know-how for sale of Levi’s products such as Levi’s jeans and other clothing items as well as non apparel items and complimentary products such high-image clothing and clothing accessories.	Non-exclusive	Term differs for various stores	Termination in event of: Conviction of a serious offense or endangerment to public or fraud; Voluntary abandonment of franchise business or relation of any store; Failure to hold necessary license, permit, authority and registration; Change in ownership or control; Involvement in conduct which adversely affects LS’s goodwill; failure to renovate any store when due
Puma	Contract manufacturing agreement dated February 09, 2015 with the Company (“ Manufacturer ”) and Puma Sports India Private Limited (“ Puma Sports ”) with effective date of the agreement as August 20, 2014.	Manufacture, package and supply of flip flops, sandals and running shoes.	Non-exclusive	5 (five) years from effective date.	Termination by 30 (thirty) days notice in event of: Change in ownership or voting control or management; and If there is a change in law applicable to the other party and such change in law adversely affects the ability of other party to perform its obligations. Termination with immediate effect: If Manufacturer enters into a new agreement or arrangement with a competitor of Puma without Puma’s prior written approval; An act or involvement in any fraud, criminal conduct, unethical behaviour; Purpose of agreement is lost due to acts and omission of the Manufacturer.
Smiley	Smiley license agreement dated October 29, 2014 with SSIPL Lifestyle Private Limited	Grant of right and license to use the “Smiley” name and “Smiley” logo and copyrights on and in	Exclusive except for co-brandings	Valid till September 30, 2026.	Termination if any court, arbitration panel, government body, finds that the licensed products



Brand name	Agreement particulars	Scope	Exclusivity	Term	Termination rights of counter-party (other than breach/insolvency)
	(“Licensee”) and Smileyworld Limited (“Licensor”).	connection with the design, manufacture, advertising, promotion, sale and distribution of licensed products (Footwear: Vulcanised shoes, sandals, flip-flops, slip-ons and ballerinas) to retail stores in India.			manufactured are defective in any way and the Licensee fails to repair, refund the purchase price or furnish a new licensed product.
Lotto	Product supply agreement dated March 1, 2011 between the Sports Lifestyle Private Limited (“Seller”) and Sports Lifestyle Private Limited (“Purchaser”). This product supply agreement is a master store agreement applicable to multiple stores and its respective property agreement.	Seller shall buy from Purchaser fresh as well as old, out of style surplus of Lotto brand products.	Non-exclusive	9 (nine) years.	Termination by written notice in event of: Change in ownership or control; Property agreement (under master agreement) relating to store location expires or is terminated or is surrendered or Purchaser under it, is evicted from a location; Involvement in conduct which adversely affects Seller’s goodwill.
Benetton	SOR Agreement dated October 30, 2009 with Sports Station India Private Limited (“Sports Station”) and Benetton India Private Limited (“Benetton India”).	Sale of clothing and apparels and accessories manufactured or caused to be manufactured by Benetton India on a sale or return basis to Sports Station.	Non-exclusive	9 (nine) years.	Termination in event of: change in ownership, management or control; Failure in complying with any law in retail outlet or action taken by government authority renders the agreement unenforceable or makes it impossible for Benetton to perform its obligations; Permanent cessation of its business or substantial major part of it.

Other than the details set out in the table above, we enter into various agreements pertaining to retailing and manufacturing of various products for various brands.

Each of our strategic business units are detailed herein under.

RETAIL AND FRANCHISE OPERATIONS

We are primarily engaged in the retail, marketing and distribution of sports and lifestyle products including footwear, apparel, accessories and equipment. We specialise in the retail of a comprehensive range of sports and lifestyle brands while focussing on sports footwear. We are the largest retail partners for Nike and Lotto in India



As on December 31, 2014, we have an extensive network of 440 stores, spread across 92 cities. The details of the stores are as follows:

Store Model	Number	Selling Area (in square feet)
Company Owned Company Operated	346	372,224
Company Owned Franchisee Operated	50	41,279
Franchisee Owned Franchisee Operated	44	39,602
Total	440	453,105

We have 411 EBOs for Nike, Levi's, Lotto, United Colors of Benetton, Clarks and Mmojah. As on December 31, 2014, the total selling area on which our EBOs operate is 423,715 square feet. The realisation for retail sale is entirely in cash or through credit/debit cards, which is accounted for as our revenues. We also manage the largest EBO, in terms of area, of Nike in India located at Brigade Road, Bangalore.

Particulars	(Area in Square Feet)					
	September 30, 2014	FY 2014	FY 2013	FY 2012	FY 2011	FY 2010
No. of outlets	446	427	339	289	213	186
Total area	453,840	432,325	362,333	299,525	226,511	194,091

We also retail various international and domestic brands through multi-brand concept stores of SSIPL Lifestyle Private Limited, our wholly owned subsidiary, viz. ShoeTree, ShoeTree Sports and Value Station. The details of our primary concept stores consist of the following:

- **ShoeTree**– ShoeTree is a destination for the urban fashion conscious consumer looking for the latest in fashion and design whilst having an option of multiple brands to choose from. ShoeTree is a multi-brand black and brown, and fashion footwear store carrying products for both men and women with a combination of in-house as well as third party brands such as Clarks, Johnston & Murphy, Puma and Carlton London. We are present in the northern region of India with 17 stores in Delhi and other Tier I and Tier II cities.
- **ShoeTree Sports** – ShoeTree Sports is a multi-brand sports footwear retail concept offering consumers a wide range of sports footwear and accessories across varied price points. It houses various international and domestic brands such as Nike, Lotto, Puma and Crocs. We carry a blend of sports authentic and sports inspired range of products and are present in two stores.
- **Value Station**– Value Station is a multi-brand retail outlet offering year round deals and discounts on various brands that we carry such as Nike, Levi's, Lotto, United Colors of Benetton and Cobblerz. As on December 31, 2014, Value Station is present across the NCR region as well as some of the Tier II cities in the northern region with 10 stores.

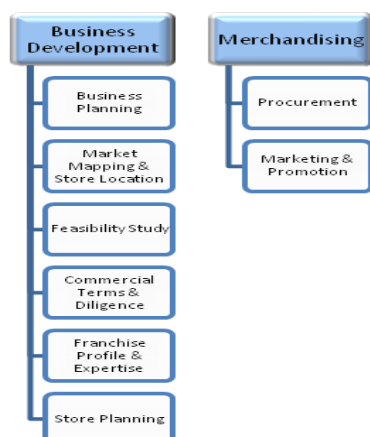
E-tailing

We have commenced digital retailing through our multi-brand e-commerce portal “www.ssiplonline.com” as an extension of our business. This platform facilitates a seamless shopping experience with our retail stores while providing access to a wide variety of products.



Key Functional Areas

Operations Flow



Business Development

Business development is one of the most important and key aspects of a retail business. This includes the opening of new stores as well as the following processes:

- ***Business planning***

Based on the requirement for brand expansion and market capitalisation business forecasts are made. Targets are then set for a particular year, which in turn determines the number of new stores to be opened. The business planning process is not static but is continuously revisited and revised while considering various factors in the business environment and other developments.

- ***Market mapping and store location***

Market mapping is undertaken to obtain insights into potential business areas and considers factors like target customer profile and presence of competition. While identifying a retail market place for a brand, we consider a detailed demographic outlook of the location of the store and also consider other factors like population size, literacy ratio, customer profile, purchasing habits, major upcoming developments in next three to five years and government regulations. Analysis of competition present is undertaken in terms of business of other existing brands in the market, average footfalls on weekdays and weekends, preferential price-points, average transaction value and merchandise mix etc. prior to identifying and selecting a store location.

- ***Feasibility study and profitability analysis***

Once a suitable property for a brand is identified, we undertake feasibility studies of the store based on factors such as rent, deposit, capital expenditure, expected monthly operating expenses like staff, electricity and average expected business in the first three years of operation. Our strategy with regard to identification of location is to look at each store as an independent profit centre.

- ***Discussion on commercial terms and diligence***

Based on profitability studies and prevailing market rental rates, we negotiate with the lessors for competitive commercial terms. In case of malls, we ensure our rentals commence after majority of retailers are open and anchor tenants are functional to drive substantial number of footfalls to the mall as well as the store. We ensure that thorough scrutiny of documents viz. agreements, certificates, property tax receipts etc. is done by our legal team before finalising a store.



- ***Franchisee profile and expertise (applicable for franchisee operated stores)***

In a franchise model, a preference is given to people with a background in retailing similar products of international brands. A franchisees business expertise and understanding of local market helps us to capitalise on the full potential of the market optimise results and grow faster. Moreover, a franchisee is required to be financially sound and willing to invest when required so in the business.

- ***Store planning, layout and possession for fit-outs***

We have an in-house team of architects and site engineers who are responsible for opening new stores and for the upkeep of the existing stores across India. The team creates and maintains a pleasant retail environment that is conducive to the end-consumers and the sales team. Our architects control the entire process of store fit-outs right from the pre-planning stage. Pursuant to completion, the store is handed over to a sales and operations team.

Merchandising and Forecasting

We believe that merchandising forms the back bone of any retail set up, and to that end we have a team of merchandisers. Due to our experience and the scale of our operations, we work closely with our partner brands in selecting the merchandise. The feedback is based on our experience, end-consumer and sales feedback, market intelligence in terms of styling, price point and demand. Factors like analysis of sell-thrust, number of lots/styles, color, size, gender ratio and price points form the basis of pre-buying sessions. The aforesaid criteria are analysed by our sales team from different regions to arrive at a consensus between the business plan and the buy plan. On reaching a consensus, we meet the partner brand vendor for the 'Line Presentation', which forms the final input for deciding the purchases. From the entire line presented by a brand, the merchandisers and the sales team grade all the styles which are aggregated and the final order is made. Each product category (i.e. footwear, apparels and accessories) is treated as a separate Business Unit (BU), and has a specialist merchandiser responsible for its performance and driving its growth.

- ***The buying process***

The buying process starts eight to nine months ahead of an upcoming season. The buying process is based on the purchase budget for the season turn based on the opening stock estimate, the sales and liquidation plan for the period or based on historical data analysis of each store's sales trend. This exercise is undertaken with the objective of driving sales targets and the planned growth for the stores.

- ***Line presentation***

We work with our partner brands and have sessions with our merchandising team before the final line presentation. During such sessions, we assess the line offering on attributes like gender, category, product types, based on the historical sell thrust and the forecasted trends, and advise the brand accordingly. These feedback sessions are aimed at strengthening the product offering of the brand to include products which we think can help achieve the targeted sales numbers, but have not been included in the line. At the same time, we advise the brand on exclusion of certain products which are showing poor sales.

During the final line presentation, our sales team and representatives from our key stores, have a firsthand look at the products that the partner brand has to offer for the season and provide their inputs.

- ***Ordering process***

Post the line presentation stage, the merchandising and the sales teams have a joint session to share their views on the partner brand's product offering wherein, the sales team provides their feedback and grading on each and every product. Key members of the sales team are given store-wise budgets (which are broken down further, on the basis of gender and category). Over a 10-15 day cycle, the sales and the merchandising teams work together towards making store-wise buys. Simultaneously, the merchandising team also starts making buys for the "yet to open" stores, and other smaller stores. Once the buys for all the existing and the planned stores are done, the total buy is compiled and finally handed over to the brand or uploaded on the brands' websites.



- **Monthly allocations**

Closer to the season (i.e. 30-40 days prior), the store-wise monthly allocations are done for each individual store, on the basis of the buy done for the store at the time of the seasonal line presentation. At this point of time, if there is any store which is over-performing or under-performing as against the sale forecast done at the time of the buy, the allocation of such store is adjusted accordingly. This also allows the merchandising team control the inventory by bringing forward or postponing dispatches.

- **Other key functions**

While buying and allocations remain the prime functions of the merchandising team, the other functions include:

Store classifications and differentiation: In an attempt to differentiate amongst stores, they are classified into four to five key groups on the basis of their customer profile, business and category drivers. Such classifications help in planning the assortment and the key look of the store.

New stores' planning: When a new store is planned to be opened, the first step is to fix the door classification. Subsequently, the merchandise and model stocking of the store is planned, on the basis of the door classification and business expectation.

Payment terms: At the retail stores, sales are made on cash basis as well as through credit/debit cards. The cash is collected at the stores and deposited in our bank account.

Liquidation and inventory control: The merchandising team constantly monitors the “inactive stock” and rolls out a list every month, in which discounts are offered through select stores. At the same time, we keep a close watch on the average discount given, the total liquidation and excess inventory pile up. Accordingly, the discount structure may be changed from time to time.

End of season sale planning: The end of season sale (“EOSS”) is the largest avenue available to liquidate old seasonstocks. The planning for the EOSS begins at least 30-45 days in advance. Based on the liquidation budget, the quantum of stock to be put on discount, and the discount structure is planned. The sell throughs and the budget utilised are monitored closely every three to four days and discount structures are adjusted accordingly.

Pilferage control measures: We believe we have robust internal and external controls systems in place to tackle issues like pilferage control, resource utilisation, efficiency and wastage. Some of the pilferage control measures undertaken by us include corporate audits, monthly stock counting and recaps prepared by store teams and tracking of stock movement. Moreover, a standard procedure comprising of a series of activities is clearly laid out to keep the inventory at appropriate levels in all the stores along with a shortage recovery mechanism in place.

- **Marketing and selling arrangements**

Our sales strategy is focused on understanding key drivers of consumer behaviour and associating the product offering with such consumer behaviour. As on December 31, 2014, we have a sales team of 99 personnel at the backend and over 2025 sales members at our retail stores. The sales team monitors the trend in the retail space and co-ordinates the same with our merchandising team. Our sales team also provides its inputs in the decision pertaining to the kind of product to be procured for a specific retail store.

While major marketing initiatives are undertaken by the respective brands, our marketing programs are designed on store specific promotion activities which include cross promotions, local advertising, branding and tie ups with banks for their credit/debit card holders. Our customer engagement and loyalty program aims at value creation for different categories of customers. It is a 3-pronged strategy designed to engage, enchant and excite customers aiming to attract and retain them.



MANUFACTURING

Our first athletic footwear manufacturing facility was setup at Kundli, Haryana in 1995 and subsequently an additional facility was added in 2014. As our business expanded, we commissioned three manufacturing facilities at Paonta Sahib, Himachal Pradesh in 2003, 2005 and 2010. We also have one manufacturing facility at Selaqui, Uttarakhand. In 2013, we acquired a footwear manufacturing unit in Paonta Sahib, Himachal Pradesh. Currently, we have seven operational manufacturing facilities, two at Kundli, Haryana, one at Selaqui, Uttarakhand and four at Paonta Sahib, Himachal Pradesh. Three facilities in Himachal Pradesh and a facility at Uttarakhand are in the tax-holiday zone and enjoy certain income tax and excise duty exemption for the first 10 years of its operations. We undertake manufacturing of footwear for international brands viz. Nike, Lotto and Puma at our manufacturing facilities. The aggregate capacity as on December 31, 2014, for manufacture of footwear across our factories is 4.89 million pairs per annum.

Our seven manufacturing facilities have a well-designed layout to ensure optimal work flow, high levels of hygiene and as well as efficient energy use. At every stage of product evolution, we ensure design, stringent quality controls and round-the-clock production employing modern technology. The following machines are used in our manufacturing facilities:

- (a) outsole moulding presses;
- (b) upper stitching lines;
- (c) kneaders and splitting;
- (d) EVA and rubber calender machines;
- (e) stock lifting conveyers;
- (f) embroidery machine set up;
- (g) phylon press;
- (h) IM-EVA presses;
- (i) outsole/midsole roughing grinding machines;
- (j) printing facility; and
- (k) in-house high frequency facility.

The manufacturing facilities have 16 footwear assembly lines as well as production facilities for uppers and soles. The equipment's in the factories include amongst others outsole moulding presses, upper stitching lines, kneaders, splitting and EVA and rubber calendar machines, stock lifting conveyers, embroidery machine set up, phylon press, IM-EVA presses, boilers and diesel generator sets. In addition, we have outsole/midsole roughing grinding machines, printing facility and in-house high frequency facility. We employ approximately 3,903 personnel as on December 31, 2014 at our manufacturing facilities.

The details of the installed capacity and utilisation capacity of our manufacturing facilities and related details are as follows.

Particular	As at March 31, 2014		As at March 31, 2013		As at March 31, 2012	
	Capacity	Utilisation	Capacity	Utilisation	Capacity	Utilisation
Shoes	3,990,000	2,396,027	2,280,000	1642710	2,280,000	1,984,603
Thongs	900,000	593,586	900,000	701069	900,000	387,852
Total	4,890,000	2,989,613	3,180,000	2,343,779	3,180,000	2,372,455

Note: (a) The capacity depends on the structure and complexity involved in the structure of shoes/thong.
(b) Annual capacity including Shree Shoes.

The purchase orders for manufacture and supply of products by the international brands i.e. Nike, Lotto and Puma are governed by the terms of the agreements entered into by our Company with the respective partner brands/licensees. These agreements require us to ensure maintenance of standards set by our partner brands and comply with applicable law.

PRODUCTION PROCESS

■ Design and development center

We have three in-house design and development centres viz. at our Kundli manufacturing facility for Nike, Lotto and Puma. Our design centres work with our partner brands where such partner brand provides us with a sample of the product or a picture of the same and requires us to re-engineer the



product while customising it in terms of range, choice of fabric, colour, design, and pattern. In the alternative the partner brand may approve a concept and require our design centre to undertake the complete designing and development of such concept. On the prototype being finalised, the same is required to be approved by the partner brand pursuant to which it is sent for commercialisation.

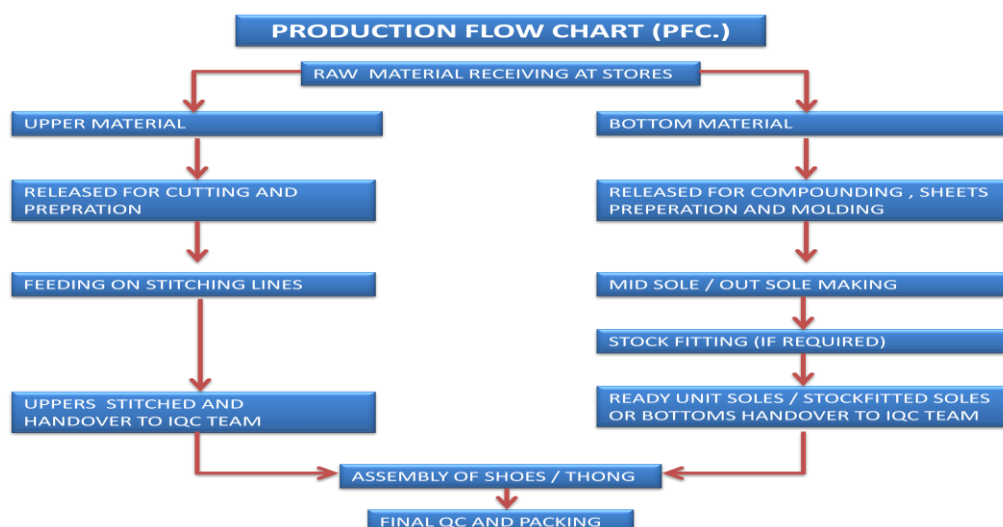
- **Planning**

Based on the approved designs and prototypes, orders are placed by our partner brands for products. These orders are confirmed in four to six months before the delivery of product is expected. As soon as an order is received, the planning department checks the availability of manufacturing capacity, seeks confirmation from the development center and intimates the finance department for arranging working capital.

- **Raw Materials Sourcing**

Our Company sources various raw materials depending on the product requirements of our partner brands. We source the raw materials from our vendors located in India, China, Taiwan, Korea and Vietnam. Some of the raw material that are procured by us are polyurethane (PU) synthetic, laminated mesh and lining, ethyle venyle acetate (EVA), Natural and synthetic rubber.

- **Manufacturing process**



The manufacturing process can be broadly divided into four stages viz. (i) upper, (ii) bottom - (mid and out sole), (iii) assembling, and (iv) finishing and packing.

- (i) **Upper**

Upper consists of various processes including cutting, preparation (printing, skiving, welding, marking) and stitching which results in the upper portion of the athletic shoe. The upper sole is made of synthetic material or leather or a combination of both. Key machines used for manufacturing upper soles are cutting press with dies, high frequency machines, skiving machines, fusing machines and various types of stitching machines.

- (ii) **Bottom - Mid and out sole**

The middle and out soles are manufactured in the rubber room with machines like kneader, rolling mill, EVA, rubber and phylon moulding presses, cutting, sloping and buffing machines, heat tunnel and sole pressing machines. Key raw materials used are natural rubber, synthetic rubber, EVA resin, silica, calcium carbonate, zinc oxide, blowing agents, sulphur and pigments.



(iii) **Assembling**

Assembling of footwear is primarily carried out at the manufacturing facilities at Paonta Sahib, Himachal Pradesh and Selaqui, Uttarakhand and involves pasting of the upper sole and middle and out sole under special conditions. Assembly is broadly divided into 4 categories viz. upper and sole preparation, lasting, upper sole cementing, and attaching. These processes use a combination of mechanised and human skill to achieve the desired standards.

(iv) **Finishing and packaging**

Upon completion of the manufacturing process, the footwear undergoes finishing and is thereafter packaged. The finishing process involves labelling, tagging, removal of loose and unwanted threads. We consider the quality of our final product very important and hence care is taken to ensure that the footwear that is dispatched to the warehouse has undergone in-house quality checks. We are also very careful in ensuring that the pairs of footwear are packaged in a manner that will protect them from any wear or tear. Our packing department takes into consideration all the above factors and makes the product ready for retailing.

▪ **Dispatch**

The finished goods are dispatched to our partner brands at their respective warehouses.

▪ **Waste disposal**

Waste produced at our manufacturing facilities is regularly monitored and controlled. Hazardous wastes are disposed off through an approved and registered third party entity. Besides this, we have initiated the installation of localised fume extraction, fresh air systems in printing and finishing section, and wet scrubbers to clean air emissions from moulding section.

HUMAN RESOURCE MANAGEMENT AND DEVELOPMENT

The human resource (HR) department is responsible for strategising and implementing policies and procedures related to 'end-to-end employee lifecycle' via processes like talent acquisition and talent management, performance management system (PMS), employee engagement and employee relations, reward and recognition and career planning.

The details of our employees working in the retail and the manufacturing is as follows:

Segment	December 31, 2014
<i>Retail</i>	
Front-end	2,025
Back-end	332
<i>Manufacturing</i>	
Staff	613
Worker	3,290

TRAINING

Our Company recognises that there is no single solution which will meet everyone's learning and development needs or preferred learning style; which is why we offer a wide range of activities to address professional, technical and soft skill needs and strongly advocate a "blended" approach to learning such as workplace learning, workshops, demonstrations and courses. We provide training modules to our employees focussing on business, merchandising, people management, people development, people productivity, inventory control and management, inventory control and management, store management and operations, and customer relationship management.

Our workplace based learning involves among other things product training which include modules like Region Management program, Store Management program, Product Line Management Program, Selling skills amongst others, so as to develop skills essential in our business. Additionally, we have various other training modules with a focus on technical training and soft skill development. Recognising the importance of a good shopping



experience, we emphasise on the development of soft skills of our front end staff so as to enable them to engage with the consumers. Our Company has training programs in which our sales staff is trained in respect of their soft skills.

INFORMATION TECHNOLOGY (IT)

We believe that IT is a powerful tool in operating our business and have accordingly created a robust IT system, network and processes. We are the first retail company in India to have successfully implemented the pinnacle IT solution from Microsoft (AXAPTA) which is their module for the retail industry globally. With AX Retail 2012 as the point of sale software for front end operations and Microsoft Dynamics Axapta 2012 Enterprise Resource Planning (ERP) for the backend operations, we have a fully integrated real-time platform for managing the complexities of our business. Apart from the managing inventories, discounts and sales data, we also have integrated various other modules such as Employee Discount Management System (EDMS), Performance Management System (PMS), customer relationship management, Gift Vouchers and Gift Card application, Business Intelligence Tool, E-commerce, M-commerce and HRMS on this single platform.

We have also launched our omni-channel application across Nike stores in the form of tablet shopping with complete integration with AXAPTA which provides for a seamless shopping experience for our customers providing them the convenience of online shopping in the stores itself, by allowing the consumers to browse product by category/occasion, create looks.

For the retail business, we have implemented other IT applications such as Document Management System (DMS) and GPRS based Store Visit Reports application. Our IT infrastructure has a Live Network Monitoring System for a robust MPLS Network connecting over 380 sites with high end security and WAN Gateway System. For the manufacturing business, we have implemented a complete ERP, integrated across planning, production, finance and HR modules. We are currently working on the Navision 9.2 platform from Microsoft.

We have been used as a case study by Microsoft for effective implementation of this platform across different regions of the globe and have also been conferred with different awards by different industry platforms such as “Backend Retail Solution of the Year” in Retailer Technology Awards 2013 and “Best Application of Technology of the Year” by Franchise India for the year 2013.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

Our company institutionalised its Corporate Social Responsibility initiatives through the incorporation of the “SSIPL Foundation” in July 2012. This further strengthened our pledge towards our mission – “to contribute to the benefit of society at large”. Our Company’s CSR activities help to integrate economic, environmental and social imperatives along with addressing shareholder expectations. It is also our Company’s commitment to contribute to sustainable economic development, working with employees, their families, the local community, and the society in general to improve their quality of life.

SSIPL Retail Limited, SSIPL Lifestyle Private Limited and Shubh Footwear are the members of SSIPL Foundation. The Board of Directors of SSIPL Foundation comprises of Rishab Soni, Amit Mathur, Atul Madan and Pradeep Kuckreja.

The objects of SSIPL Foundation, amongst other things, allow it to (a) promote sports among all ages and sections of the society, (b) provide footwear to people who have no access to proper footwear; (c) conduct education in public health care, sanitation, cleanliness, and (d) develop centres of excellence to promote and provide vocational training to the underprivileged and deserving.

Since the incorporation of the foundation, it has identified and partnered with NGOs such as Pall Can Care, Heart Care Foundation of India, Shri Niwas Sewarth Nyasa and Guru Vishram Vridhashram to which it supports by giving donations in cash, kind, administrative support and through community service.

COMPETITION

We believe that we are one of the few companies with a comprehensive business model encompassing product development, manufacturing, distribution and retailing across India. We do not compete on our total value business proposition with any particular company, but we do compete with various other brands present in the sportswear and lifestyle segments.



The Indian sportswear market is primarily dominated by global brands such as Nike, Adidas, Reebok and Puma. Nike principally competes with Adidas and Reebok in India just as it does globally. The brands that we retail are also sold in India through national retail chains and multi-brand outlets across India. We also compete with other mono-brand retailers of the brands that we carry.

In manufacturing, we compete with other domestic manufacturers of international sportswear brands in India such as Sarup Industries and the Lakhani Group. We also face competition from international manufacturers of athletic footwear that sell or supply their products to global brands operating in India.

Within apparel, our principal competitors are lifestyle retail brands such as Calvin Klein, Jack and Jones, Lee, Pepe, Van Heusen, Mango, Zara, and Guess distributed by VF Arvind, Madura Garments, Major Brands, Bestseller, and Inditex. In the footwear segment, we compete for market share with manufacturers and sellers of other casual and sports footwear brands such as Woodland, Bata, Relaxo, and Metro shoes.

INTELLECTUAL PROPERTY

The trademark for the logo of our Company - “”, has been registered under class 16 and under class 25 in the name of Sports Station (now merged with SSIPL Lifestyle, its holding company) under the Trade Marks Act. We entered into assignment agreements with Sports Station dated August 7, 2006 and May 24, 2006 whereby the said trade marks were assigned to our Company (then known as Moja Shoes). Further, on September 10, 2008, our Company filed an application for registering the aforesaid assignment agreements with the trademark registry. Our Company has also made an application dated September 10, 2008 intimating the Trademark Registry of the change in our name from Moja Shoes Private Limited to SSIPL Retail Private Limited and subsequently to our present name i.e. SSIPL Retail Limited. By a deed of assignment dated March 10, 2014, the trademarks of “Mmojah-Badte Kadam” was assigned to SSIPL Lifestyle. We believe that trademarks are important assets of our business. Some of our trademarks have been opposed under certain classes. The registered trademarks are valid for a period of 10 years from the date of application or renewal, as the case may be.

We have made applications for registration of certain trademarks to the concerned authorities. For further information on our trademarks, please see the section titled “**Government and Other Approvals - Trademarks**” on page 382.

PROPERTY

Our Company’s registered and corporate office is situated at Mohan Co-operative Industrial Estate, Mathura Road, New Delhi. The aforesaid property has been taken on lease by our Company. We have entered into lease deeds dated December 3, 2012 with Pradeep Kuckreja for the aforementioned location for a period of four years and seven months from November 1, 2012. Majority of our retail stores operate out of premises that are leased from various parties all over the country.

The details of the properties (other than the aforesaid stores taken on lease by us) owned and taken on lease by our Company are mentioned below:

Details of properties owned by us:

Address of Property	Use of property
Village Sersa, Tehsil and District Sonapat, Haryana	Manufacturing
Mauja Bhagani, Tehsil Paonta Sahib, District Sirmour, Himachal Pradesh	Manufacturing
Village Bangran, Tehsil Paonta Sahib, District Sirmour, Himachal Pradesh	Manufacturing

Details of properties taken on lease by our Company:

Address of Property	Term of lease	Use of property
B1/F-4, Mohan Co-operative Industrial Estate, Mathura Road, New Delhi	Term expires on April 30, 2016	Registered office of the Company
P5/4 UPSIDC Industrial Area Kh no. 292, Sela Qui, Western Doon, Dehradun, Uttarakhand	Term expires on October 14, 2023	Manufacturing



Address of Property	Term of lease	Use of property
B-11/13, Mohan Co-operative Industrial Area, Mathura Road, Delhi	Term expires on November 14, 2021	Warehouse
Plot No.-316, Sector-57,Phase-4, Kundli, Sonapat, Haryana	Term expires on December 25, 2022	Manufacturing
Khasra no. 87/74 at Village Ajiwala , Tehsil Paonta Sahib, Simaur, Himachal Pradesh	Term expires on October 14, 2020	Manufacturing

INSURANCE

We have obtained various insurance policies for covering our retail and manufacturing business. We have undertaken various insurance policies including but not limited to burglary insurance, employee fidelity guarantee insurance, fire and special perils insurance, commercial general liability insurance for liability against bodily injury and property damage, directors and officers liability insurance, marine cargo open insurance and money insurance against loss caused due to damage to electronic equipment and portable equipment and machinery breakdown and business interruption insurance. We have also taken health insurance for our employees. In respect of the risks pertaining to insurance, please refer to the Risk factor on Insurance under the section “**Risk Factors**” on page 11.



REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India and other regulatory bodies that are applicable to our business. The information detailed below has been obtained from the various legislations, including rules and regulations promulgated by regulatory bodies, and the bye laws of the respective local authorities that are available in the public domain. The regulations set out below may not be exhaustive and are merely intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. For details of government approvals obtained by our Company in compliance with these regulations, see section titled “Government and other Approvals” beginning on page 144 of this DRHP.

We are engaged in the business of retailing, manufacturing, licensing, distribution and franchising of lifestyle and sportswear merchandise. Our business is governed by various central and state legislations that regulate the substantive and procedural aspects of our business. We are required to obtain and regularly renew certain licenses/registrations and /or permissions required statutorily under the provisions of various central and state government regulations, rules, bye laws, acts and policies.

Given below is a brief description of the certain relevant legislations that are currently applicable to the business carried on by us.

A. **Labour Laws and Regulations**

Depending upon the nature of the activity undertaken by our Company, applicable labour laws and regulations include the following:

Employees (Provident Fund and Miscellaneous Provisions) Act, 1952 (“EPF Act”)

The EPF Act applies to factories employing over 20 employees and such other establishments and industrial undertakings as notified by the Government of India from time to time. It requires all such factories, establishments and industrial undertakings be registered with the relevant state provident fund commissioner. The funds constituted under the EPF Act consist of contributions from both the employer and the employees, in the manner specified in the EPF Act which is 10 % of basic wages and dearness and other allowances payable to employees. The EPF Act also requires the employer to maintain registers and submit monthly returns to the state provident fund commissioner.

Employees State Insurance Act, 1948 (“ESI Act”)

The ESI Act requires registration of all factories and establishments to which it applies, It provides for the Central Government to set up an Employee State Insurance Corporation (“ESIC”) and to administer the Scheme. All contributions paid under the ESI Act and all other moneys received on behalf of the ESIC are paid into a fund called the Employees' State Insurance Fund which is held and administered by the ESIC. The ESI Act requires all employees to be insured in the manner provided by the Act. The object of the ESI Act is to secure sickness, maternity, disablement and medical benefits to employees of factories and establishments and dependant' benefits to the dependants of such employees.

The Factories Act, 1948, as amended (“Factories Act”)

The Factories Act seeks to regulate the work conditions of the workers employed in factories and makes provisions for the health, safety and welfare of such workers. The Factories Act makes it mandatory for every factory to obtain registration with the prescribed authorities designated under the Factories Act. The term “factory” as defined under the Factories Act, means any premises which employs or has employed on any day in the previous 12 months, 10 or more workers and in which any manufacturing process is carried on with the aid of power, or any premises wherein 20 or more workmen are employed at any day during the preceding 12 months and in which any manufacturing process is carried on without the aid of power.

The Factories Act provides that the “occupier” of a factory (defined as the person who has ultimate control over the affairs of the factory and in the case of a company, any one of the directors) shall ensure the health, safety and welfare of all workers while they are at work in the factory, especially in



respect of safety and proper maintenance of the factory such that it does not pose health risks, the safe use, handling, storage and transport of factory articles and substances, provision of adequate instruction, training and supervision to ensure workers health and safety, cleanliness and safe working conditions.

If there is a contravention of any of the provisions of the Factories Act or the rules framed thereunder, the occupier and manager of the factory may be punished with imprisonment for a term up to two years or with a fine up to ₹ 100,000 or with both, and in case of contravention continuing after conviction, with a fine of up to ₹ 1,000 per day of contravention. In case of a contravention which results in an accident causing death or serious bodily injury, the fine shall not be less than ₹ 25,000 in the case of death, and ₹ 5,000 in the case of an serious bodily injury.

The Industrial Disputes Act, 1947 as amended (“Industrial Disputes Act”)

The Industrial Disputes Act provides the procedure for investigation and settlement of industrial disputes. When a dispute exists or is apprehended, the appropriate Government may refer such dispute to a labour court, tribunal or arbitrator, in order to prevent the occurrence or continuance of the dispute, or a strike or lock-out. The labour courts and tribunals may grant appropriate relief including ordering modification of contracts of employment or reinstatement of workmen. The Industrial Disputes (Amendment) Act, 2010 (“**Industrial Disputes Amendment Act**”) which came into force on September 15, 2010 provides amongst other things a direct access for workmen to approach labour courts or tribunals in case of individual disputes. The Industrial Disputes Amendment Act provides for constitution of grievance settlement machinery in any establishment having 20 or more workmen.

Workmen’s Compensation Act, 1923 (“Workmen’s Compensation Act”)

The Workmen’s Compensation Act aims at providing financial protection to workmen and their dependants in case of accidental injury by means of payment of compensation by the employers. The compensation is also payable for some occupational diseases contracted by workmen during the course of their employment. The Workmen’s Compensation Act prescribes that if personal injury is caused to a workman by accident during employment, his employer would be liable to pay him compensation. However, no compensation is required to be paid if the injury did not disable the workman for three days or the workman was at the time of injury under the influence of drugs or alcohol, or wilfully disobeyed safety rules. Where death or permanent total disablement to the workman is caused from the injury during the course of his employment, such workman or his dependents as the case may be are liable to be paid compensation.

Maternity Benefit Act, 1961 (“Maternity Benefit Act”)

The Maternity Benefit Act was enacted to regulate the employment of women in certain establishments for certain periods before and after child birth and to provide for maternity benefit and certain other benefits. The Maternity Benefit Act is applicable to every factory, mine or plantation, and to every shop and establishment wherein 10 or more workers are employed. Any woman who has worked for at least 80 days in the 12 months immediately preceding her expected date of delivery is entitled to receive maternity benefits under the Maternity Benefit Act. The maximum period for which a woman shall be entitled to maternity benefit is 12 weeks, of which not more than 6 weeks shall precede the date of her expected delivery. For this period of absence, a woman must be paid maternity benefit at the rate of the average daily wage. Women entitled to maternity benefit are also entitled to medical bonus of ₹ 250. Contravention of the Maternity Benefit Act is punishable by imprisonment up to one year or a fine up to ₹ 5,000 or both.

Minimum Wages Act, 1948 (“Minimum Wages Act”)

The Minimum Wages Act empowers State Governments to stipulate the minimum wages applicable to a particular industry. The minimum wages generally consist of a basic rate of wages, cash value of supplies of essential commodities at concession rates and a special allowance, the aggregate of which reflects the cost of living index as notified in the Official Gazette.



Payment of Gratuity Act, 1972 (“The Gratuity Act”)

The Gratuity Act provides for a scheme for the payment of gratuity to employees engaged in factories, mines, oilfields, plantations, ports, railway companies, and shops and other establishments wherein ten or more persons are employed, or were employed in the preceding twelve months. The Gratuity Act enforces the payment of gratuity, being a reward for long service, as a statutory benefit on the termination of employment of any employee who has rendered continuous service for not less than five years. The central or state government may exempt any employer from the application of the provisions of the Gratuity Act, if the gratuity or pensionary benefits paid or payable by such employer are more favourable than the benefits provided under the Gratuity Act. The Gratuity Act was amended in 2010 vide the Gratuity (Amendment) Act, 2010, to increase the amount of maximum gratuity payable from ₹ 350,000 to ₹ 1,000,000.

Child Labour (Prohibition and Abolition) Act, 1986 (the “Child Labour Act”)

The Child Labour Act prohibits employment of children below 14 years of age in certain occupations and processes and provides for regulation of employment of children in all other occupations and processes. Under the Child Labour Act, the employment of child labour in the building and construction industry is prohibited

The Payment of Bonus Act, 1965, (the “Bonus Act”)

Pursuant to the Bonus Act, an employee in a factory or in any establishment where 20 or more persons are employed on any day during an accounting year, who has worked for at least 30 working days in a year is eligible to be paid bonus on the basis of profits, production or productivity. The Bonus Act also provides for the Government of India to make rules regarding preparation of registers, records, and other documents provided and grants powers to be exercised by the inspectors appointed under the Bonus Act. Contravention of the provisions of the Bonus Act by a company is punishable by imprisonment for up to six months or a fine of up to ₹ 1,000 or both, against persons in charge of, and responsible to our Company for, the conduct of the business of our Company at the time of contravention.

B. Environmental laws applicable to our Company

The Water (Prevention and Control of Pollution) Act, 1981 (“Water Act”) and Water (Prevention and Control of Pollution) Cess Act, 1977 (“Water Cess Act”)

The Water Act prohibits the use of any stream or well for disposal of polluting matter, in violation of standards set down by the State Pollution Control Board (“SPCB”). The Water Act also provides that the consent of the SPCB must be obtained prior to opening of any new outlets or discharges, which is likely to discharge sewage or effluent. In addition, the Water Cess Act requires a person running any industry to pay a cess. The person in charge is to affix meters of prescribed standards to measure and record the quantity of water consumed. Furthermore, a monthly return showing the amount of water consumed in the previous month must also be submitted.

Air (Prevention and Control of Pollution) Act, 1981 (“Air Act”)

The Air Act prescribes rules for the prevention, control and abatement of air pollution and establishes Central and State Boards for the Prevention and Control of Air Pollution for the aforesaid purposes. In accordance with the provisions of the Air Act, any individual, industry or institution responsible for emitting smoke or gases by way of use of fuel or chemical reactions must apply in a prescribed form and obtain consent from the state pollution control board prior to commencing any activity. The State Boards for the Prevention and Control of Air Pollution is required to grant consent within four months of receipt of the application. The consent may contain conditions relating to specifications of pollution control equipment to be installed.



The Environment Protection Act 1986 (“Environment Protection Act”)

The purpose of the Environment Protection Act is to act as an “umbrella” legislation designed to provide a frame work for co-ordination of the activities of various central and state authorities established under previous laws. The Environment Protection Act authorises the central government to protect and improve environmental quality, control and reduce pollution from all sources, and prohibit or restrict the setting and /or operation of any industrial facility on environmental grounds. The Environment Protection Act prohibits persons carrying on business, operation or process from discharging or emitting any environmental pollutant in excess of such standards as may be prescribed. Where the discharge of any environmental pollutant in excess of the prescribed standards occurs or is apprehended to occur due to any accident or other unforeseen act, the person responsible for such discharge and the person in charge of the place at which such discharge occurs or is apprehended to occur is (a) bound to prevent or mitigate the environmental pollution caused as a result of such discharge and should intimate the fact of such occurrence or apprehension of such occurrence; and (b) be bound, if called upon, to render all assistance, to such authorities or agencies as may be prescribed.

The Hazardous Waste (Management and Handling) Rules, 1989 (“Hazardous Waste Rules”)

The objective of Hazardous Waste Rules is to control the generation, collection, treatment, import, storage, and handling of hazardous waste. These rules define a “facility” as any location wherein the processes incidental to the waste generation, collection, reception, treatment, storage and disposal are carried out. A person who owns or operates a facility for collection, reception, treatment, storage or disposal of hazardous wastes is referred to as the “operator of the facility” under these Rules.

C. Laws relating to transfer of property

Transfer of Property Act, 1882 (“T.P Act”)

The transfer of property, including immovable property, between living persons, as opposed to the transfer of property by operation of law, is governed by the T.P. Act. The T.P. Act establishes the general principles relating to the transfer of property, including among other things, identifying the categories of property that are capable of being transferred, the persons competent to transfer property, the validity of restrictions and conditions imposed on the transfer and the creation of contingent and vested interest in the property. Transfer of property is subject to stamping and registration under the specific statutes enacted for the purposes which have been dealt with hereinafter.

The T.P. Act recognises, among others, the following forms in which an interest in an immovable property may be transferred:

- Sale: The transfer of ownership in property for a price, paid or promised to be paid.
- Mortgage: The transfer of an interest in property for the purpose of securing the payment of a loan, existing or future debt, or performance of an engagement which gives rise to a pecuniary liability. The T.P. Act recognises several forms of mortgages over a property.
- Charges: Transactions including the creation of security over property for payment of money to another which are not classifiable as a mortgage. Charges can be created either by operation of law, e.g. decree of the court attaching to specified immovable property, or by an act of the parties.
- Leases: The transfer of a right to enjoy property for consideration paid or rendered periodically or on specified occasions.

Further, it may be noted that with regards to the transfer of any interest in a property, the transferor transfers such interest, including any incidents, in the property, which he is capable of passing and under the law, he cannot transfer a better title than he himself possesses.



Registration Act, 1908 (“Registration Act”)

The Registration Act was enacted with the object of providing public notice of the execution of documents affecting transfer of interest in immovable property. The purpose of the Registration Act is the conservation of evidence, assurances, title, publication of documents and prevention of fraud. The Registration Act provides the procedure for registering an instrument. section 17 of the Registration Act identifies documents for which registration is compulsory and includes, among other things, any non-testamentary instrument which purports or operates to create, declare, assign, limit or extinguish, whether at present or in the future, any right, title or interest, whether vested or contingent, in immovable property of the value of ₹ 100 or more, and a lease of immovable property for any term exceeding one year or reserving a yearly rent. A document will not affect the property comprised in it, nor be treated as evidence of any transaction affecting such property (except as evidence of a contract in a suit for specific performance or as evidence of part performance under the T.P. Act or as collateral), unless it has been registered. The process of registration of a document involves submission of the document to be registered at the office of the Registrar or Sub-Registrar in the relevant district where the property is situated along with the payment of appropriate amount of fees and stamp duty, however, the amount of the fees under the Registration Act for the purpose of registration, varies from state to state.

The Indian Stamp Act, 1899 (“Stamp Act”)

Stamp duty in relation to certain specified categories of instruments as specified under Entry 91 of the Union list, is governed by the provisions of the Stamp Act which is enacted by the Central Government. All others instruments are required to be stamped, as per the rates prescribed by the respective State Governments. Stamp duty is required to be paid on all the documents that are registered and as stated above the percentage of stamp duty payable varies from one state to another. Certain states in India have enacted their own legislation in relation to stamp duty while the other states have adopted and amended the Stamp Act, as per the rates applicable in that state. On such instruments stamp duty is payable at the rates specified in Schedule I of the Stamp Act.

Instruments chargeable to duty under the Stamp Act which are not duly stamped are incapable of being admitted in court as evidence of the transaction contained therein. The Stamp Act also provides for impounding of instruments which are not sufficiently stamped or not stamped at all. Unstamped and deficiently stamped instruments can be impounded by the authority and validated by payment of penalty. The amount of penalty payable on such instruments may vary from state to state.

D. Laws relating to Intellectual Property:

Trademarks Act, 1999 (“Trademarks Act”)

In India, the law relating to trademarks requires the proprietor of a trademark to register the mark, as per the provisions of the Trademarks Act. It is pertinent to note that the registration if and when granted is for a period of 10 years and can be renewed from time to time. The registration of a trademark confers on the proprietor of the trade mark, the exclusive right to use the mark in relation to the goods and services in respect of which the mark is registered. section 18 of the Trademarks Act requires that any person claiming to be the proprietor of a trade mark used or proposed to be used by him, must apply for registration in writing to the registrar of trademarks.

We use certain brand names which require registration and renewal under the Trademarks Act from time to time.

The Copyright Act, 1957 (“Copyright Act”)

The Copyright Act grants protection to the authors of literary, artistic, dramatic, musical, photographic, cinematographic or sound recording works. Various rights including ownership and economic rights are conferred on the author. These include the right to reproduce the work in any form, issue copies of it to the public, perform it, and offer it for sale and hire. The penalty for general infringement of copyright is imprisonment of maximum three years and a fine of up to ₹ 200,000.



E. Other Applicable Laws

Legal Metrology Act, 2009 (“Legal Meteorology Act”)

The Legal Metrology Act came into effect from April 1, 2011 replacing the Standard Weights and Measure, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. Under the Legal Metrology Act, all the manufacturers of packaged merchandise are required to obtain a license from Controller, Legal Metrology, Government of India. Further, all manufacturers are required to nominate a director who would be held responsible for any act resulting in violation of provisions of the Legal Metrology Act. The Legal Metrology Act provides for the appointment by the Central Government of various test centres to be referred as Government Approved Test Centres for verification of weights and measures. Further, the Government has also notified the various rules made under the Legal Metrology Act **(i)** The Legal Metrology (Packaged Commodities) Rules, 2011 **(ii)** The Legal Metrology (General) Rules, 2011; **(iii)** The Legal Metrology (National Standards) Rules, 2011; the legal Metrology (Numeration) Rules, 2011; The Legal Metrology (Approval of Models) Rules, 2011; and the Indian Institute of Legal Metrology Rules, 2011.

Shops and Establishments legislations in various states

Our Company is governed by the various shops and establishments legislations, as applicable, in the states where it has mono-brand stores. These legislations regulate the conditions of work and employment in shops and commercial establishments and generally prescribe obligations in respect of *inter alia* registration, opening and closing hours, daily and weekly working hours, holidays, leave, health and safety measures and wages for overtime work.

F. Foreign Investment Regulations

Regulatory Framework on Foreign Investments in Retail Trading

Foreign investment in India is governed by the provisions of Foreign Exchange Management Act (“FEMA”), along with the rules, regulations and notification made by the Reserve Bank of India thereunder, and the policy described by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”). DIPP has issued the consolidated FDI policy, (the “**FDI Policy**”), which has been brought into effect from April 17, 2014.

Single Brand Retail Trading

Under paragraph 6.2.16.3 of the FDI Policy, foreign direct investment (“**FDI**”) up to 100% is permitted in single brand product retail trading subject to compliance with certain specified conditions. Under this permitted limit, FDI only up to 49% by automatic route is allowed and FDI beyond 49% by the government approval route is allowed.

Multi Brand Retail Trading

Under paragraph 6.2.16.4 of the FDI policy, FDI up to 51% is permitted in multi brand retail trading, under the government approval route, subject to compliance with certain specified conditions.



HISTORY AND CERTAIN CORPORATE MATTERS

Brief Corporate History of our Company

Our Company was originally incorporated as a private limited company on October 05, 1994 as “Moja Shoes Private Limited” under the Companies Act, 1956 with the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, the name of our Company was changed to “SSIPL Retail Private Limited” with effect from August 25, 2006 pursuant to a fresh certificate of incorporation dated August 25, 2006 issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana. Subsequently, pursuant to a change in status of our Company to a public limited company by a special resolution of the shareholders passed at the EGM held on May 26, 2008, the name of our Company was changed to “SSIPL Retail Limited” and a fresh certificate of incorporation was issued by the Registrar of Companies, National Capital Territory of Delhi and Haryana on June 19, 2008.

Amalgamation

Our Company through board resolution dated December 18, 2006 approved a scheme of arrangement (“**Scheme of Arrangement**”) for the merger of Sierra Industrial Enterprises Private Limited, a company incorporated on June 20, 1988, engaged in the business of trading, licensing and distribution of various branded footwear, boots and other footwear in India and Revere Pentland Private Limited, a company incorporated on June 20, 1997, engaged in the business of manufacturing footwear including boots, footwear, slippers, sandals and other athletic /sports footwear for the various reputed brands in India with our Company and demerger of the non-retail and retail business of sale /marketing /distribution Nike merchandise from Sports Station (India) Private Limited into our Company. Further, in terms of the Scheme of Arrangement, the retail business of sale / marketing / distribution Levi's merchandise was demerged from KNS Trading Private Limited, a company incorporated on April 17, 2014, and merged into our Company. SIEPL, RPPL, demerged retail business of Sports Station and KNS, are collectively referred to as “**Merged Entities**”.

The Delhi High Court by its order dated May 08, 2007, approved the Scheme of Arrangement under sections 391 to 394 and other relevant provisions of the Companies Act, 1956. The Scheme of Arrangement became operational retrospectively with effect from April 01, 2006. Thereafter, a certified copy of the order of the Delhi High Court sanctioning the Scheme of Arrangement was filed with the RoC on August 01, 2007.

The Scheme of Arrangement provided for the under-mentioned share exchange ratio for allotment to the equity shareholders whose names were recorded as members in the register of members of the Merged Entities (“**Swap Ratio**”). The Scheme of Arrangement was designed to consolidate the manufacturing, licensing, distribution, trading (including retail trading “Nike Brand” products through retail outlets) and consulting activities of group companies into the Company and consolidating all retailing business of group companies (except retail trading of “Nike Brand” products) into Sports Station.

Swap Ratio	No. of Equity Shares to be issued
One Equity Share of SSIPL to be issued for every 0.10 equity share of SIEPL.	1,815,469 Equity Shares
One Equity Share of SSIPL to be issued for every 0.32 equity share of RPPL	2,246,064 Equity Shares
One Equity Share of SSIPL to be issued for every 0.44 equity share of Sports.	3,627,116 Equity Shares

Subsequent to the Effective Date, on September 03, 2007 and in accordance with the Swap Ratio, the equity shareholders of the Merged Entities were allotted proportionate Equity Shares.

The authorised share capital of our Company was increased from ₹55,000,000 to ₹135,000,000. Further, the authorised equity share capital of our Company was reorganised by reducing the face value of each equity share from ₹10 to ₹5 as a consequence of which the authorised equity share capital of our Company changed from ₹135,000,000 divided into 13,500,000 Equity Shares to ₹135,000,000 divided into 27,000,000 equity shares of ₹ 5 each.

On the Effective Date, SIEPL and RPPL were dissolved without being wound up and the board of directors and committees thereof were dissolved without any further act, instrument or deed.



Acquisition of SSIPL Lifestyle Private Limited

SSIPL Lifestyle Private Limited was originally incorporated as SSIPL Beauty Products Private Limited on July 19, 2007 under the provisions of the Companies Act, 1956. Consequently, the name was changed to its present name and a fresh certificate of incorporation dated January 24, 2011 was issued by the RoC.

On January 14, 2011, our Company acquired 51% of the total equity shares of SSIPL Lifestyle. Subsequently, on March 10, 2011 and March 12, 2013, our Company acquired the remaining equity shares of SSIPL Lifestyle thereby making it a wholly owned subsidiary of our Company.

Acquisition of Sports Station (India) Private Limited

Sports Station (India) Private Limited was incorporated on August 19, 1998 under the provisions of the Companies Act, 1956 and was engaged in the business of retailing various international and national brands in India.

On August 29, 2011 and September 04, 2011, SSIPL Lifestyle acquired a total of 2,309,743 equity shares of Sports Station at a price of ₹ 11 per equity share which represented 99.99% of the paid-up equity shares of Sports Station. Further, on October 28, 2011, SSIPL Lifestyle acquired 18 equity shares at a price of ₹ 11 per equity share and beneficial ownership in the balance one equity share, thereby making Sports Station a wholly owned subsidiary of SSIPL Lifestyle and a step-down subsidiary of our Company.

Amalgamation of Sports Station into SSIPL Lifestyle

Subsequent to the acquisition of Sports Station by SSIPL Lifestyle, the management of our Company felt the need to simplify the three tier corporate structure to bring the businesses of retail and distribution under one ambit. As a result, a petition dated July 13, 2012 was filed before the Delhi High Court to seek sanction of a scheme for merger (“**Scheme of Arrangement 2**”) of Sports Station into SSIPL Lifestyle. Sports Station is referred to as “**Merged Entities**”.

The Delhi High Court by its order dated November 16, 2012, approved the Scheme of Arrangement under sections 391 to 394 and other relevant provisions of the Companies Act, 1956. The Scheme of Arrangement became operational retrospectively with effect from April 01, 2012. Thereafter, a certified copy of the order of the Delhi High Court sanctioning the Scheme of Arrangement was filed with the RoC on December 29, 2012.

Subsequent to the effective date, the authorised share capital of the SSIPL Lifestyle was increased from ₹100,000,000 to ₹125,000,000 divided into 12,500,000 Equity Shares of ₹10 each with paid up share capital of 8,317,190 equity shares of ₹ 10 each. On the Effective Date, Sports Station was dissolved without being wound up and the board of directors and committees thereof were dissolved without any further act, instrument or deed.

The registered office of our Company has been changed on various occasions and the details of the same are set out below:

Description	Reason for Change
The registered office of our Company was originally located at D-2/2473, Vasant Kunj, New Delhi 110 070. Pursuant to a resolution of our Board dated November 15, 1994, it was shifted to D-2/2265, Vasant Kunj, New Delhi 110 070, with effect from November 15, 1994	To enable greater operational efficiency
Pursuant to a resolution of our Board dated April 14, 1997, the registered office was shifted to F/4B, Street Number 16, Laxmi Nagar, New Delhi 110 092 with effect from April 15, 1997	To enable greater operational efficiency
Pursuant to a resolution of our Board dated October 01, 1998, the registered office was shifted to B- 554, Sarita Vihar, New Delhi 110 044 with effect from December 08, 1998	To enable greater operational efficiency
Pursuant to a resolution of our Board dated July 15, 1999, the registered office was shifted to 99, Siddhartha Enclave, Ashram, New Delhi 110 014 with effect from August 01, 1999	To enable greater operational efficiency
Pursuant to a resolution of our Board dated October 28, 2002, the registered office was shifted to Shakti Complex, Samayapur, near GT Karnal Road, Karnal bypass, New Delhi 110 042 with effect from November 01, 2002	To enable greater operational efficiency
Pursuant to a resolution of our Board dated July 14, 2006, the registered office was shifted to its present office at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044 with effect from August 01, 2006	To enable greater operational efficiency



Key Events and Milestones

Year	Description
1995	<ul style="list-style-type: none"> Our first footwear manufacturing facility was setup at Kundli, Sonapat, Haryana. Sierra Industrial Enterprise Private Limited (our group company at that time) launched the 'Nike' brand in India as licensee.
1998	Commencement of retailing products of Nike by our Company.
2000	Commencement of our relationship with Levi's.
2003	Establishment of our second footwear manufacturing unit at Paonta Sahib, Himachal Pradesh.
2005	<ul style="list-style-type: none"> Establishment of our third footwear manufacturing unit at Paonta Sahib, Himachal Pradesh. Commencement of manufacturing of footwear products for brand Lotto.
2007	<ul style="list-style-type: none"> Merger of SIEPL and RPPL into our Company; Demerger of non-retail and retail business of Nike merchandise from Sports Station into our Company
2009	Establishment of our fourth footwear manufacturing unit at Selaqui, Dehradun, Uttarakhand.
2010	Establishment of our fifth footwear manufacturing unit at Paonta Sahib, Himachal Pradesh.
2011	<ul style="list-style-type: none"> Acquisition by SSIPL Lifestyle of Sports Station which is engaged in the business of retailing products of Levi's and UCB and operating concept stores and multi brand outlets under the name of ShoeTree and Value Station. Launch of in-house brand Sierra. Commencement of manufacturing for Puma.
2012	<ul style="list-style-type: none"> Our Company was appointed as authorised distributor for "Nike Equipment" for the territory of India. Sports Station (India) Private limited, the step-down subsidiary of our Company, merged with SSIPL Lifestyle Private Limited, the wholly owned subsidiary of our Company.
2013	<ul style="list-style-type: none"> Our Company along with its subsidiary, opened its 400th retail store. Launch of the mass market masthead brand "Mmojah" by our subsidiary, SSIPL Lifestyle. Our Company, through its subsidiary SSIPL Lifestyle, entered into joint venture agreement for the development of private labels for sports and lifestyle products and their distribution through Shubh Footwear Products Private Limited.
2014	<ul style="list-style-type: none"> Our company, through its subsidiary SSIPL Lifestyle, entered into "Exclusive Brand Outlet Operations Agreement for the purpose of opening of exclusive retail stores under name and style of "Clarks". Our Company, through its subsidiary SSIPL Lifestyle, entered into "Licence Agreement" for the purpose of manufacturing, distributing and sale of licenced products for each of brand Smiley. Launch of new concept store "Shoe Tree Sports" by our subsidiary, SSIPL Lifestyle Private Limited.

Awards and Accreditations

We have received the following awards and recognitions for achieving and maintaining high standards in various aspects of our business.

- Company was awarded for retail excellence "Retailer of the year–Fashion & Lifestyle" at the Asia Retail Congress held on February 13, 2015.
- Our Company was awarded in the category "Backend Retail Solution of the year" in Retailer Technology Awards – 2013, hosted by Franchise India;
- Our Company was awarded in the category "The Best Application of Technology of the Year" at Retailer customer service awards 2013 hosted by Franchise India;
- Our Company was awarded the most admired regional footwear retailer of the year (North – Shoetree) – at India Fashion Forum 2013 by Images Retail;
- Our Company was awarded the most admired national footwear retail chain (Mono brand - Nike) - at India Fashion Forum 2013 by Images Retail;
- Our Company was awarded in the category "Regional Retailer of the year – North" at Star Retailers Awards 2013 hosted by Franchise India;
- Our Company was recognised for its "Excellence and contribution in the business of fashion" at 14th Annual Images Fashion Awards 2014 hosted by Images Retail;
- Rishab Soni, Managing Director of our Company was awarded as one of the top 50 talented Professionals in India by CMO- Asia Regional Congress;



- Our Company was awarded with top 100 CISO Awards 2014 by CISO Platform;
- Our Company was also honoured with Award of Excellence by Infosec Maestros Awards 2014;
- Our Company was awarded with Best Business Partner by United Colors of Benetton in Year, 2013; and
- Our Company was awarded with most admired Franchisee Retailer of International Brands-Awards for retail excellence by ABP News in 2014.

Main Objects

The main objects of our Company as contained in our Memorandum of Association are as follows:

- “1. *To carry on the business as manufacturers, makers, buyers, sellers, producers, job workers, traders, distributors, licensors, licensees, Franchisor, Franchisee, stockists, importers, exporters, wholesalers, retailers, dealers, agents of all types of boots, shoes, slippers, sandals, athletic and sports shoes whether made of rubber, canvas, PVC, plastic, or any man made fiber, all kinds of fibrous material including high and low density polyethylene, polypropylene, resin, chemical, leather or any other material and sports wear and sports apparel and things and all kinds of articles or things made of plastic, rubber and allied material including socks, laces, buckles, leggings, boot polishes, purses, bags, boxes, belts and sportswear and to manufacture, process, buy, sell, import and export or otherwise deal in all or any such products, the raw materials, stores, packing material, by products and allied commodities.*
2. *To carry on the business as manufactures, makers, buyers, sellers, producers, job workers, traders, distributors, stockiest, importers, exporters, wholesaler, retailers, dealers, agents and designers or otherwise deal in all kinds of apparels including men, women and kids wear and accessories of all kinds, nature and description whether made of natural, synthetic or processed or whether man made or occurring naturally or partly of any other natural, synthetic or blended material related thereto.”*
3. *To carry on anywhere in India or abroad the business as manufacturers, makers, producers, job-workers, traders, distributors, stockists, importers, exporters, wholesalers, retailers, dealers merchants and agents in all types of leather goods consumers items, handicrafts, all types of plastic P.V.C. and rubbers goods industrial gases and chemicals, all types of electrical gadgets including computer hardware and software.*
4. *To invent, design, manufacture, utilise, sell, distribute and deal in any machinery, moulds, dies, jigs, fixtures and other gadgets and aids for the production of any of the above-stated items, and for these purposes to enter into any local or foreign technical or other collaboration and to offer any technical or other consultancy services in general and to these intending to establish any business or install any machinery of the type being dealt in by our Company.*
5. *To act as an export house and carry on any activity connected therewith.*
6. *To carry on the business as manufacturers, buyers, sellers, importers, exporters, tanner, leather dressers and designers or otherwise deal in all kinds of leathers, hides, skin footwear, sportswear, and accessories of all kinds, nature and description such as industrial boots, safety boots, military boots/shoes, sandals, moccasins, slippers, chapels, shoe uppers clogs, laces buckles, leggings, purses, bags, and belts of all kinds, nature and description whether made of leather or partly or leather and partly of any other material whether natural, synthetic or processed or whether man made or occurring naturally or partly of any other natural, synthetic or blended material related thereto.*
7. *To carry out consulting, managerial and supervisory services regarding, pricing of products, introduction of new products in the market and marketing the same, opening of branches and stores, appointment of distributors, advising on obtaining appropriate insurance policies, manner of transportation of goods, development of exports, laying down policy credit terms, specification of materials, development of vendors and incidental services.*



8. *To carry on the business as manufactures, makers, buyers, sellers, producers, job workers, traders, distributors, stockiest, importers, exporters, wholesaler, retailers, dealers, agents and designers or otherwise deal in all kinds of skin care products, cosmetics and toiletries of all kinds, nature and description whether made of natural or processed or whether man made or occurring naturally or partly of any other natural or blended material related thereto.”*

Amendments to our Memorandum of Association

Date	Nature of Amendment
January 06, 1995	Increase in the authorised share capital of our Company from ₹5,000,000 divided into 500,000 Equity Shares to ₹50,000,000 divided into 5,000,000 Equity Shares.
April 25, 2006	Increase in the authorised share capital of our Company from ₹50,000,000 divided into 5,000,000 Equity Shares to ₹55,000,000 divided into 5,500,000 Equity Shares.
August 25, 2006	Change in the name of our Company from “Moja Shoes Private Limited” to “SSIPL Retail Private Limited”.
May 8, 2007	Pursuant to the Scheme of Arrangement, increase in the authorised share capital of our Company from ₹55,000,000 divided into 5,500,000 Equity Shares to ₹95,000,000 divided into 9,500,000 Equity Shares.
June 22, 2007	Increase in the authorised share capital of our Company from ₹ 95,000,000 divided into 9,500,000 Equity Shares to ₹135,000,000 divided into 13,500,000 Equity Shares.
June 22, 2007	Increase in the authorised share capital of our Company from ₹ 95,000,000 divided into 9,500,000 Equity Shares to ₹ 403,000,000 divided into 13,500,000 Equity Shares, 17,300,000 optionally convertible or redeemable cumulative preference shares of ₹ 10 each and 9,500,000 compulsorily convertible, non redeemable, cumulative preference shares of ₹ 10 each.
The Main objects of our Company were substituted with the objects 1 to 7 mentioned above under the heading “Main Objects” in this section “ History and Other Corporate Matters ”.	
The following clauses were added after clause 23 of Clause III (B) of the MOA of our Company:	
24.	<i>To carry out consulting, managerial and supervisory services regarding recruitment of managers, staff and workers, structure of salary and wages, management of work study, job description and job evaluation, evaluation of work load, Making business policies and assisting in strategic matters regarding organisation development, growth and diversification, organisation structure and human resources, day to day running of the stores, business promotion initiatives and advising on routine business advertisement through handbills, newspaper, television, billboards, radio, neon signs etc.</i>
25.	<i>To carry out consulting, managerial and supervisory services regarding credit period for sales, offering of cash and other discounts, and other incentives, budgeting the areas impacting the profitability including revenue budget, expenditure budget, holding of inventories and storage, management information system, value analysis and cost control, debtors and creditors management to control working capital requirements.</i>
September 03, 2007	Pursuant to the Scheme of Arrangement, the authorised equity share capital of our Company was reorganised from ₹135,000,000 divided into 13,500,000 Equity Shares, to ₹135,000,000 divided into 27,000,000 equity shares of ₹5 each.
May 26, 2008	(a) The following object clause was added to the existing main objects of our Company: “8. <i>To carry on the business as manufactures, makers, buyers, sellers, producers, job workers, traders, distributors, stockiest, importers, exporters, wholesaler, retailers, dealers, agents and designers or otherwise deal in all kinds of skin care products, cosmetics and toiletries of all kinds, nature and description whether made of natural or processed or whether man made or occurring naturally or partly of any other natural or blended material related thereto.”</i> (b) Consolidation of the authorised equity share capital of our Company from ₹135,000,000 divided into 27,000,000 equity shares of ₹5 each to ₹135,000,000 divided into 13,500,000 Equity Shares of ₹10 each. (c) Change in the status of our Company from a private limited company to a public limited company and our consequent change of name from “SSIPL Retail Private Limited” to “SSIPL Retail Limited”.
April 04, 2011	Increase in the authorised share capital from ₹403,000,000 to ₹428,000,000 divided into 16,000,000 Equity Shares and 26,800,000 preference shares of ₹10 each.
November 30, 2011	Authorised share capital was reclassified from an aggregate of ₹ 428,000,000 divided into 16,000,000 Equity Shares and 26,800,000 preference shares of ₹ 10 each to an aggregate of ₹ 428,000,000 divided into 21,850,784 Equity Shares and 20,949,216 preference shares of ₹ 10 each.
January 27, 2015	Authorised share capital was reclassified from an aggregate of ₹ 428,000,000 divided into 21,850,784 Equity Shares and 20,949,216 preference shares of ₹ 10 each to an aggregate of ₹ 428,000,000 divided into 42,800,000 Equity Shares.

For details regarding the description of our activities, the growth of our Company, exports, technological and managerial competence, the standing of our Company with reference to the prominent competitors with reference to its products, management, major suppliers and customers, segment, capacity/facility creation, location of manufacturing facilities, marketing and competition, see section on “**Our Business**” and “**Our Management**” on pages 121 and 156, respectively.



Injunction or restraining order

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

Defaults or rescheduling of borrowings with financial institutions/banks

There has not been any rescheduling of any outstanding loans granted by financial institutions/banks at anytime preceding the date of this Draft Red Herring Prospectus.

Strikes or labor unrest

Except as disclosed below in this Draft Red Herring Prospectus under section titled “*Outstanding Litigation and Material Developments-Litigation against our Company- Labour Matters*” and as mentioned under the section titled “*Risk Factors*” there have been no strikes or labour unrests in our Company at anytime preceding the date of this Draft Red Herring Prospectus.

Changes in the activities of our Company during the last five years

Except as mentioned in the section titled “*Our Promoters, Promoter Group and Group Entities*” there have been no change in activities of the Company during the last five years.

Capital raising through equity and debt

Except as mentioned in the section titled “*Capital Structure*” and “*Financial Indebtedness*” on page 64 and 339 respectively, our Company has not raised any capital through equity or debt.

Time and cost overrun

There have been no time and cost overruns with respect to any projects undertaken by our Company.

Our holding company

Our Company does not have any holding company within the meaning of Companies Act.

Our Subsidiaries

As on date of this Draft Red Herring Prospectus, our Company has two subsidiaries, details of which are set out below:

SSIPL Lifestyle Private Limited

SSIPL Lifestyle Private Limited was originally incorporated as SSIPL Beauty Products Private Limited on July 19, 2007 (bearing CIN: U85190DL2007PTC166053) under the Companies Act, 1956. Consequently the name was changed to its present name and a fresh certificate of incorporation dated January 24, 2011 was issued by the RoC. The registered office of SSIPL Lifestyle is located at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044. The authorised share capital of SSIPL Lifestyle is ₹125,000,000 divided into 12,500,000 equity shares of ₹10 each. The present paid up capital of SSIPL Lifestyle is ₹83,171,900 divided into 8,317,190 equity shares of ₹10 each. SSIPL Lifestyle is engaged in the business of retailing of sports and lifestyle products.



Shareholding Pattern

As on the date of this Draft Red Herring Prospectus, the shareholding pattern of SSIPL Lifestyle Private Limited is set out below:

Sr.No.	Name of shareholder	Number of shares	% shareholding
1	SSIPL Retail Limited	8,317,184	99.99%
2	Rishab Soni HUF*	1	0.00#
3	Kiran Soni*	1	0.00#
4	Swati Aggarwal*	1	0.00#
5	Kishor Thakur*	1	0.00#
6	Narender Hinwar*	1	0.00#
7	Vipin Sirohi*	1	0.00#
TOTAL		8,317,190	100.00

* as nominee of SSIPL Retail Limited

negligible

Financial performance

Financial results of SSIPL Lifestyle for the six months period ended September 30, 2014, and the last three Fiscal are set out below:

Particulars	For the six moth period ended September 30, 2014	(In ₹ million except Earnings per share and Net Asset Value)		
		Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	866.00	1,815.82	1,759.74	339.46
Profit after tax	0.79	(11.56)	36.54	2.00
Equity Share Capital	70.10	70.10	70.10	70.10
Reserves (excluding revaluation reserve)	27.42	27.06	38.62	2.08
Earnings per share (value in ₹)	0.11	(1.65)	5.21	0.48
Net Asset value per share (value in ₹)	13.91	13.86	15.51	10.30

* Profit after tax includes deferred tax assets of ₹14.61 million in FY-14, Profit after tax includes deferred tax assets of ₹43.35 million in Fiscal 2013 and 1.3 million in Fiscal 2012. There is no accumulated profit/(losses) of SSIPL Lifestyle not accounted for by our Company.

Shubh Footwear Products Private Limited

Shubh Footwear Products Private Limited was originally incorporated on August 22, 2005 (bearing CIN: U19201DL2005PTC139864) under the Companies Act, 1956, for the purpose of developing private labels for Footwear, Sportswear and other accessories sourced directly or indirectly through our company ("Shubh Footwear") and sold under such labels through various channels, directly or indirectly, to SSIPL Lifestyle Private Limited or other third parties for further retail sale through the Shubh Footwear. Our Company entered into a joint venture agreement with Udit Daluja, Asheesh Kher, our joint venture partners and Shubh Footwear Products Private Limited ("JVC") on October 01, 2013

The registered office of Shubh Footwear is located at B1/F4, Mohan Cooperative Industrial Area, Main Mathura Road, New Delhi 110 044. The authorised share capital of Shubh Footwear is 1,000,000 divided into 100,000 equity shares of ₹10 each. The present paid up capital of Shubh Footwear is ₹ 199,000 divided into 19,900 equity shares of ₹10 each.

Shareholding Pattern

As on the date of this Draft Red Herring Prospectus, the shareholding pattern of Shubh Footwear Products Private Limited is set out below:

Sr.No.	Name of shareholder	Number of shares	% shareholding
1	SSIPL Lifestyle Private Limited	9,996	50.23
2	Rishab Soni HUF*	1	0.01
3	Vipin Kumar Sirohi*	1	0.01
4	Narender Singh Hinwar*	1	0.01



Sr.No.	Name of shareholder	Number of shares	% shareholding
5	Nandita Soni*	1	0.01
6	Udit Daluja	5,920	29.75
7	Asheesh Kher	3,980	20.00
TOTAL		19,900	100.00

* as nominee of SS IPL Lifestyle Private Limited

Financial results of Shubh Footwear Products Private Limited for the six months period ended September 30, 2014, and the last three Fiscals are set out below:

Particulars	For the six moth period ended September 30, 2014	(In ₹ million except earnings per share and Net Asset Value)		
		Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	26.36	26.84	0.00	0.00
Profit after tax	1.75	2.10	0.00	0.00
Equity Share Capital	0.20	0.20	0.10	0.10
Reserves (excluding revaluation reserve)	3.85	2.10	0.00	0.00
Earnings per share (value in ₹)	88.18	142.14	0.00	0.00
Net Asset value per share (value in ₹)	203.70	115.53	10.00	10.00

Partnership Venture

Shree Shoes

Our Company, has entered into Partnership Agreement with M/s Shree Shoes on August 01, 2013 to acquire Shree Shoes from the existing partners, who are retiring, for the purpose of “manufacturing of footwear”, in which 99% of the share in partnership firm is held by our Company and the other partner, Mohan Bansal holds 1% of share in partnership firm.

Shareholders agreement/Material Agreements

Except as disclosed in this Draft Red Herring Prospectus, there are no material agreements including shareholder agreements. For details on material agreements, see section titled “**Material Agreements**” on page 152.

Strategic partners

As on the date of this Draft Red Herring Prospectus, we do not have any strategic partners.

Financial partners

As on the date of this Draft Red Herring Prospectus, apart from our various arrangements with our lenders and bankers, which we undertake in the ordinary course of our business, our Company does not have any other financial partners within the meaning of the SEBI Regulations.



MATERIAL AGREEMENTS

1. ***Share Subscription Agreement executed amongst the Promoters, Halcyon, Tano and our Company along with the addendum to the subscription agreement – The Tano Subscription Agreement***

Our Company entered into a share subscription agreement with our Promoters, Halcyon and Tano on April 25, 2006.

As per the terms of the Tano Subscription Agreement, Tano agreed to subscribe to 2,091,036 paid up Equity Shares of our Company representing in aggregate 38% of the issued and paid up Equity Share capital of our Company at ₹ 66.95 per share for a total consideration of ₹1,40,000,000. The addendum to the Tano Subscription Agreement was entered into on March 27, 2008, *inter alia*, for not treating certain events, as events of default under the Tano Subscription Agreement, and thus not terminating the Tano Subscription Agreement.

2. ***Shareholders Agreement executed amongst our Promoters, Halcyon, Tano and our Company along with the first amendment agreement, second amendment agreement and the letter of variation - Tano Shareholders Agreement***

In furtherance of the Tano Subscription Agreement, our Promoters entered into a shareholders' agreement with Halcyon and Tano on April 25, 2006 as amended by the first amendment agreement dated March 27, 2007, the second amendment agreement dated July 9, 2007 and the letter of variation dated September 18, 2008 to govern the rights of the shares subscribed under the Tano Subscription Agreement.

As per the terms of the agreement, Tano shall at all times be entitled to maintain its agreed percentage interest in our Company and in the event of future issuance of equity shares by our Company to one or more third parties at an issue price more favorable than the price offered to Tano under the Tano Subscription Agreement, Tano shall have the right to ratchet down its entry valuation to that of the new investor.

As per the Tano Shareholders Agreement, our Promoters, the family members and group companies who hold 5% or more of the issued and paid up capital of our Company and Halcyon shall not reduce their shareholding in our Company through a sale or transfer of their shares of our Company to third parties without the prior written consent of Tano. In the event that our Promoters intend to sell in the aggregate, more than 10% of his or her shareholdings in our Company in any calendar year, in favour of any third party and Tano has consented in writing to the same, then Tano shall have the right, to a pro-rata co-sale or tag along with our Promoter to sell its investor shares to such purchasing third party.

Further, our Promoters, Halcyon and our Company undertook to procure an initial public offering and listing of the equity shares of our Company within three years from the date agreed to in the Tano Subscription Agreement, on the National Stock Exchange, the Bombay Stock Exchange or any other recognised stock exchange. In the event the qualified initial public offering is not done within three years from the agreed date, the investor shall have the right to sell all or any of the shares to the public in an offer for sale. If our Company did not complete a qualified initial public offering within 60 months from the agreed date, Tano had the right to sell all of its shares to a third party without being required to first offer the shares to our Promoters and Halcyon. Tano shall further have the right to drag along upto 100% of our Promoter's and Halcyon's shareholding in our Company in order to effect its 100% exit from our Company.

The first and the second amendment to the Tano Shareholders Agreement were then entered into for recording the terms and conditions of the investment made by Tano in our Company and to make the rights of Tano consistent with the rights of HBP in our Company. Further, the time to procure an initial public offering and listing of our Company's equity shares was amended from within three years to within 24 months from the agreed date.

By the letter of variation given by Tano to our Company, Tano waived some of its rights in relation to the completion of an initial public offering by our Company by December 31, 2009. However, since an initial public offering was not made by this date, this waiver ceases to subsist.



3. ***Share Subscription Agreement executed amongst our Promoters, Tano and our Company – Tano Subscription Agreement II***

Our Company entered into a second share subscription agreement with our Promoters and Tano on November 30, 2007.

As per the terms of the Tano Subscription Agreement II, Tano agreed to subscribe to 365,518 paid up Equity Shares of our Company aggregating to ₹ 30,001,717 representing in aggregate 38% of the issued and paid up equity share capital of our Company at ₹82.08 per share.

4. ***Joint Venture Agreement with Udit Daluja and Asheesh Kher, and Shubh Footwear Products Private Limited – JV Agreement***

Our Company entered into a JV Agreement with Udit Daluja, Asheesh Kher (collectively “**JV Partners**”) and Shubh Footwear Products Private Limited (“**JVC**”) on October 01, 2013 for the purpose of developing private labels including “Shoetree” for footwear, sportswear, and other accessories, sourced directly or indirectly by the JVC and sold through various channels directly or indirectly, to our Company and third parties, for further retail sale through the JVC.

Our Company holds 50.25% and JV Partners shall hold 49.75% of the JVC, which shall be maintained during the term of the joint venture agreement, subject to its terms and conditions. Further funding by our Company and the JV Partners of our Company would be required be in proportion to their shareholding. Failure of our Company or a JV Partner to acquire equity shares of the JVC pursuant to a rights issue, would render our Company or the JV Partner, as the case may be to pay interest at the rate of 24% per annum to acquire such equity shares of the JVC, and failure bring in all such amounts with interest within a period of one month of the proposed date of the rights issue would be deemed a forfeiture, and result in dilution of our Company or the JV Partner, as the case may be. In case of a forfeiture, the non-defaulting party, being the JV Partner, or our Company, as the case may be, would have the right but not the obligation to acquire the forfeited equity shares of the JVC, further diluting the shareholding of the JV shareholder.

5. ***Partnership Agreement between Shree Shoes and our Company***

Our Company has entered into a supplementary deed of partnership dated August 01, 2013 with Inderjeet Yadav and Promila Chauhan (collectively “**Retiring Partners**”) and Mohan Bansal (“**Partner**”), to acquire Shree Shoes from the existing partners.

Shree Shoes will carry on the business of “upper manufacturing” and “manufacturing of footwear”. Our Company now holds 99% interest in Shree Shoes while the Partner holds 1% interest in Shree Shoes.

The duration of the partnership is at will, and any partner may retire by giving a 15 days prior notice to the other partner.

6. ***Share Subscription Agreement executed amongst our Promoters, our Company and Oman India Joint Investment Fund – OIJIF Subscription Agreement***

Our Company and our Promoters entered into a share subscription agreement with Oman India Joint Investment Fund on October 20, 2014.

Pursuant to the OIJIF Subscription Agreement, Oman India Joint Investment Fund subscribed to 16,667 Equity Shares at a price of ₹ 600 per Equity Share, to own 0.17% of the equity share capital of our Company for a sum of ₹10,000,000.



7. ***Third Amendment Agreement executed amongst the Promoters, our Company, Oman India Joint Investment Fund, Tano and members of the Promoter Group holding Equity Shares– OIJIF Third Amendment Agreement***

In furtherance of the OIJIF Subscription Agreement and the purchase of shares from certain existing shareholders of our Company, our Promoters, our Company, OIJIF, Tano and other shareholders entered into the Third Amendment Agreement on October 20, 2014 to set out the rights of OIJIF in relation to our Company.

As per the terms of the agreement, OIJIF shall at all times be entitled to maintain its respective percentage interest in our Company and in the event of any further issue of securities, except as specifically permitted under by Tano and OIJIF to any other person shall be such that the rights available to OIJIF and Tano in relation to their respective securities shall not be inferior to the rights available to any such person.

Further, it was agreed that our Company shall not issue any securities at a price lower than the price at which OIJIF had subscribed to securities of our Company unless approved by OIJIF and OIJIF shall have the right to ratchet down its entry valuation to that of the new investor.

Our Promoters and other shareholders (excluding the Promoters) undertook that, unless permitted by the Tano and OIJIF in writing, they shall not, during the subsistence of the agreement, transfer any securities except to (i) one or more of the other Promoters or Promoter Group and other shareholders, and (ii) pledge their securities required by any of the lenders of our Company, with a prior written intimation to the Tano and OIJIF.

Our Promoters and the other shareholders have undertaken that in the event they propose to transfer their securities to a third party, OIJIF and Tano shall have a right to tag along. OIJIF and Tano shall be entitled to sell or transfer their shares to any person (i) on or before September 30, 2016, Tano and OIJIF shall not transfer any securities to a person who is a competitor of our Company; and (ii) after September 30, 2016, Tano and OIJIF shall be free to transfer the securities to any person along with their respective rights.

Our Company has further undertaken to make an initial public offering and listing of its equity shares on the BSE and the NSE (i) prior to March 31, 2015, at a minimum pre-money valuation of ₹ 7,200,000,000 (ii) after March 31, 2015 but before March 31, 2016, at a minimum pre money valuation of ₹5,500,000,000; (iii) any time after March 31, 2016 at a price and at terms mutually accepted by Tano and OIJIF.

8. ***Fourth Amendment Agreement executed amongst our Company, our Promoters, Oman India Joint Investment Fund, Tano Mauritius and members of the Promoter Group holding Equity Shares– OIJIF Fourth Amendment Agreement***

In furtherance of the Tano Shareholders Agreement (defined above) our Company, our Promoters, Oman India Joint Investment Fund, Tano Mauritius and members of the Promoter Group holding Equity Shares entered into the Fourth Amendment Agreement on March 13, 2015, to set out the rights of OIJIF in relation to our Company.

As per the terms of the agreement, post the IPO, all rights available to OIJIF and Tano in clauses 7.1 and 7.2 of the Main Agreement dated April 25, 2006 (“**Main Agreement**”) shall be available to all the Directors of our Company.

Further, clauses 8.9, 8.15 and 8.18 of the Main Agreement (as amended by the Third Amendment dated October 20, 2014, the “**Third Amendment**”) shall be substituted to the effect that (i) our Company shall, at its cost, obtain directors’ and officers’ liability insurance covering the Board within 30 Business days from the Completion Date (as defined in the Main Agreement); (ii) each Annual Revenue and Capital Budget of the Company shall be approved by the majority of the Directors and (iii) the expenses incurred by the Directors, including their respective alternate directors in attending Board Meetings, any meeting of the committees and sub-committee of the Board, shall be reimbursed by the Company, provided that only domestic (within India) air travel shall be payable.



A clause has been inserted after clause 8.12 of the Main Agreement (as amended by the Third Amendment) reading to the effect that post the IPO, clause 2 along with Part B of Schedule 3 of the Main Agreement (as amended by the Third Amendment) shall fall away.

Further, clause 19.5 of the Main Agreement (as amended by the Third Amendment) shall be substituted by a new clause which will read to the effect that post the IPO, only the following clauses will survive: **(i)** 7 (Information Rights); **(ii)** 8.1 (Overall Management); **(iii)** 8.2 (Appointment and Removal of Directors); **(iv)** 8.9 (Directors and Officers Liability Insurance); **(v)** 8.13 (Committees of the Board); **(vi)** 8.14 (Subsidiaries); **(vii)** 8.15 (Annual Revenue and Capital Budget); **(viii)** 8.16 (Managing Director); **(ix)** 8.17 (Observer); **(x)** 8.18 (Expenses); **(xi)** 13 (Dispute Resolution) and **(xii)** 18B (Right of Indemnification).

Additionally, the proviso to the substituted clause 19.5 provides that the following clauses shall fall away post the IPO: **(i)** 8.3 (Voting and matters to be decided by the Board and each committee of the Board); **(ii)** 8.4 (Meeting and Minutes of Board Meeting); **(iii)** 8.5 (Notice); **(iv)** 8.6 (Quorum); **(v)** 8.7 (Determination of Quorum); **(vi)** 8.8 (Resolution by Circulation); **(vii)** 8.10 (Shareholders Meeting Quorum); **(viii)** 8.11 (Voting at a meeting of the Shareholders); and **(ix)** 8.12 (Reserved Matters).



OUR MANAGEMENT

Board of Directors

Under the Articles, our Company is required to have a minimum of three and a maximum of 15 Directors. Our Company currently has 10 Directors on its Board, four of which, including the Chairman are Independent Directors.

The following table sets forth details regarding our Board as of the date of filing the Draft Red Herring Prospectus.

Sr. No.	Name, designation, father's name tenure, DIN and occupation	Age (years)	Address	Other directorships
1.	<p>Sanjiv Saraf</p> <p><i>Chairman and Independent Director</i></p> <p>S/o Narayan Saraf</p> <p>Tenure: Not liable to retire by rotation, to hold office for a period of three years starting from July 31, 2014.</p> <p>DIN: 00003998</p> <p>Occupation: Business</p>	56	B-42, Maharani Bagh, New Delhi 110 065, Delhi.	<p>Indian public limited companies</p> <ul style="list-style-type: none"> • Carter and Burgess (Asia) Limited; • Excel International Private Limited; • Global Solar Energy (India) Limited; • Bhilangana Hydro Power Limited; • Polyplex Corporation Limited; and • Orbis Capital Limited. <p>Indian private limited companies</p> <ul style="list-style-type: none"> • Punjab Hydro Power Private Limited; • Kotla Hydro Power Private Limited; • Teesta Hydro Power Private Limited; • Chungthang Hydro Power Private Limited; • Lachung Hydro Power Private Limited; • Dalhousie Villa Private Limited; • Holybein Hydro Power Private Limited; • Uttarakhand Hydro Power Private Limited; • Sikkim Green Energy Private Limited; • Pioneer Green Energy Securities Private Limited; • Polyplex Energy Private Limited; • Peninsula Center for Knowledge and Insight Private Limited; and • Peninsula Beverages and Foods Company Private Limited. <p>Foreign Companies</p> <ul style="list-style-type: none"> • Polyplex Europa Polyester Film SanayiveTicaretAnonimSirketi; • Polyplex America Holdings Inc.; and • Polyplex (Thailand) Public Company Ltd, Thailand.
2.	<p>Rishab Soni</p> <p><i>Managing Director</i></p> <p>S/o Brij Soni</p> <p>Tenure: Five years with effect from April 01, 2014 and not liable to retire by rotation.</p> <p>DIN: 00035576</p> <p>Occupation: Business</p>	42	50 A, Friends Colony (East), New Delhi 110 065, Delhi.	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> • Sports Station Boutique Private Limited ; • SSIPL Lifestyle Private Limited; • SSIPL Foundation; and • R N Property Developers Private Limited. • Rishab Soni (HUF) as karta
3.	Sunil Taneja	59	220, Sector A, Zone B, Mancheshwar Industrial	Public Limited Companies



Sr. No.	Name, designation, father's name tenure, DIN and occupation	Age (years)	Address	Other directorships
	<p><i>Whole-Time Director and Chief Financial Officer</i></p> <p>S/o Late Jaydayal Taneja</p> <p>Tenure: Three years with effect from April 01, 2014 and is liable to retire by rotation.</p> <p>DIN: 00035716</p> <p>Occupation: Business</p>		<p>Estate, Bhubaneswar 751 010, Orissa.</p>	<ul style="list-style-type: none"> Lotus Footwear Enterprises Limited; Trishul Tread Private Limited; South City Motors Limited; Field Motor Limited; and East Wind Footwear Co. Limited. <p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> Kasi Sales and Services Private Limited; Jaydee International Private Limited; Empire Information and Infrastructure Private Limited; Kasi Trishul Motors Private Limited; SSIPL Lifestyle Private Limited; and Cheyar SEZ Developers Private Limited.
4.	<p>Amit Mathur</p> <p><i>Non-Executive and Non-Independent Director</i></p> <p>S/o late Ashok Mathur</p> <p>Tenure: Liable to retire by rotation</p> <p>DIN: 00036919</p> <p>Occupation: Business</p>	36	<p>12B, Pocket B, Siddharth Extension, New Delhi 110 014, Delhi.</p>	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> A & M Wearing Apparels and Accessories Private Limited; Applique Garments Private Limited; (under liquidation); Sports Station Retail Private Limited; Value Vestor Media Private Limited; SSIPL Foundation; and SSIPL Lifestyle Private Limited.
5.	<p>Carlton Pereira*</p> <p><i>Non-Executive and Non-Independent Director</i></p> <p>S/o Felix Martin Pereira</p> <p>Tenure: Not liable to retire by rotation</p> <p>DIN: 00106962</p> <p>Occupation: Service</p>	47	<p>72 Buena Vista, Gen. J. Bhosle Marg, Nariman Point, Mumbai 400 021, Maharashtra.</p>	<p>Indian Public Limited Companies</p> <ul style="list-style-type: none"> Shilpa Medicare Limited; Promac Engineering Industries Limited; and MIRC Electronics Limited. <p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> Tano India Advisors Private Limited; Compact Travels Private Limited; Chowgule Construction Chemicals Private Limited; Sanghvi Brands Promoters Private Limited; Sanghvi Fitness Private Limited; and Sanghvi Beauty and Salon Private Limited
6.	<p>Abhay Soi</p> <p><i>Non-Executive and Non-Independent Director</i></p> <p>S/o late Ashok Soi</p> <p>Tenure: Liable to retire by rotation.</p> <p>DIN: 00203597</p> <p>Occupation: Business</p>	41	<p>Apartment 4 West, 4th floor, Haribhavan CHS, 64 Peddar Road, Mumbai, 400 026, Maharashtra</p>	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> Halcyon Resources and Management Private Limited; Neo Legno Products Private Limited; Halcyon Enterprises Private Limited; Halcyon Finance & Capital Advisors Private Limited; Radiant Life Care Private Limited; Radiant Life Care (Ludhiana) Private Limited; Grass Investments Consultancy Private Limited; Radiant Life Care International Private Limited; Radiant Life Care Dwarka Private Limited; and Radiant Life Care Mumbai Private Limited.



Sr. No.	Name, designation, father's name tenure, DIN and occupation	Age (years)	Address	Other directorships
				<p>Foreign Companies</p> <ul style="list-style-type: none"> • Infrahealth Pte Ltd, Singapore; and • NeoDiamonds Investments Limited.
7.	<p>Raj Vaisoha</p> <p><i>Independent Director</i></p> <p>S/o Keshav Vaisoha</p> <p>Tenure: Not liable to retire by rotation, to hold office for a period of three years starting from July 31, 2014.</p> <p>DIN: 00207252</p> <p>Occupation: Business</p>	50	C-18, South Extension Part-1, New Delhi 110 049, Delhi.	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> • Sara Global Private Limited; • SSIPL Lifestyle Private Limited; and • Shubh Footwear Products Private Limited.
8.	<p>Meenu Bansal</p> <p><i>Independent Director</i></p> <p>D/o Ramesh Gupta</p> <p>Tenure: Not liable to retire by rotation, to hold office for a period of 3 years starting from July 31, 2014.</p> <p>DIN: 01442132</p> <p>Occupation: Chartered Accountant</p>	45	15A/13, 2nd Floor, East Patel Nagar, New Delhi 110 008, Delhi.	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> • Shubh Footwear Products Private Limited; • SSIPL Lifestyle Private Limited; and • Royal Chemistry India Private Limited.
9.	<p>Rahul Sood</p> <p><i>Independent Director</i></p> <p>S/o Satish Sood</p> <p>Tenure: Not liable to retire by rotation and to hold office for a period of three years starting from October 27, 2014.</p> <p>DIN: 00379895</p> <p>Occupation: Lawyer</p>	45	V-37/17, DLF Phase-3, Gurgaon 122 002, Haryana.	<p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> • Clearstone Venture Advisors Private Limited; • Virendra Hotels and Allied Industries Private Limited; • Hope Advisors Private Limited; • Padmini EMT Turbo Elements Private Limited; • Athena Capital Advisors Private Limited; • Amira Pure Foods Private Limited; and • JMD Luxury Private Limited.
10.	<p>Srinath Srinivasan**</p> <p><i>Non-Executive and Non-Independent Director</i></p> <p>S/o Srinivasan Rangaswamy</p> <p>Tenure: liable to retire by rotation</p> <p>DIN: 00107184</p> <p>Occupation: Professional</p>	48	1003, Raheja Empress, Veer Savarkar Marg, Prabhadevi, Mumbai - 400 025, Maharashtra	<p>Indian Public Limited Companies</p> <ul style="list-style-type: none"> • National Commodity and Derivatives Exchange Limited. <p>Indian Private Limited Companies</p> <ul style="list-style-type: none"> • Beaver Engineering & Holdings Private Limited; and • Indus Teqsite Private Limited.

* Nominee of Tano

** Nominee of OIJIF

All the Directors of our Company are Indian nationals. Further, none of our Directors are related to each other.



Details of service contracts

No service contracts have been entered into by our Company with any Directors for provision of benefits or payments of any amount upon termination of employment. Other than Carlton Pereira and Srinath Srinivasan, who are nominees of Tano Mauritius India FVCI and OIJIF respectively, there are no arrangements or understanding with major shareholders, customers, suppliers or others, pursuant to which any of the Directors were selected as a Director or member of the senior management.

Brief biographies of our Directors

Sanjiv Saraf, 56 years, is the Chairman and an Independent Director of our Company. He has been on our Board since March, 2008. He holds a Bachelor's degree in Technology in Agricultural Engineering from the Indian Institute of Technology, Kharagpur. He has 31 years of work experience ranging from areas such as plastics and non-conventional energy. He held the position of managing director of Polyplex Corporation Limited with effect from January 01, 1986 up to May 29, 2002 and was appointed as the chairman of Polyplex Corporation Limited with effect from May 29, 2002. He is the director of Punjab Hydro Power Private Limited, Kotla Hydro Power Private Limited and Bhilangana Hydro Power Limited.

Rishab Soni, 42 years, is the Managing Director and one of the Promoters of our Company. He is responsible for managing our Company's affairs and guiding its top management along with taking strategic decisions. He has been associated with our Company since 1995 and has been our Managing Director since 2008. He holds a diploma in footwear designing from Ars Sutoria Institute of Design and Development, Milan, Italy. He has been instrumental in building our partnerships with international brands such as Nike, Levi's, Lotto and Puma. He has 20 years of experience in manufacturing, licensing, distribution of footwear and retailing of branded merchandise.

Sunil Taneja, 59 years, is a Whole-Time Director, Chief Financial Officer and one of the Promoters of our Company. He has been on our Board since October, 2005. He has about years of work experience. As Chief Financial Officer, he is responsible for, inter alia, developing our Company's financial operational strategies and monitoring its financial performance. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India and has 5 years of experience with Nike Sport Shoe Division as a General Manager.

Amit Mathur, 36 years, is a Non-Executive and Non-Independent Director and a Promoter of our Company. He has been associated with our Company since June 2, 2011 as General Manager - Brand Management and has been on our Board since September 5, 2011. He has 16 years of work experience. Prior to being appointed on our Board, he was associated with Revere Pentland (now merged with our Company) as a director since 1998. He has completed his Masters in Business Administration from the Asian Institute of Management, Manila, Philippines in 2009 and completed a management education programme from the Indian Institute of Management, Ahmedabad in 2005.

Carlton Pereira, 47 years, is a Non-Executive and Non-Independent Director of our Company. He has been on our Board since April, 2006. He is a qualified chartered accountant from the Institute of Chartered Accountants of India. He has over 20 years of experience in the financial services industry. He has been associated with Arthur Andersen Limited. Further, he has held the position of a managing director of corporate finance/corporate recovery business for KPMG India.

Abhay Soi, 41 years, is a Non-Executive and Non-Independent Director of our Company. He has been on our Board since February, 2006. He holds a Bachelor's degree in Arts from St. Stephens College, University of Delhi and a Masters of Business Administration degree from the European University. He has 18 years of work experience in setting up new businesses and financial and operational restructuring. He has worked with Arthur Anderson and Ernst & Young in India. Thereafter, post a short stint with KPMG's in Mumbai, he moved onto promote Halcyon Finance and Capital Advisors Private Limited. He is the Director of Halcyon Enterprises Private Limited, Halcyon Resources and Management Private Limited and Halcyon Finance and Capital Advisors Private Limited.

Raj Vaisoha, 50 years, is an Independent Director of our Company. He has been on our Board since March, 2008. He holds a Bachelor's degree in Commerce from Sydenham College of Commerce and Economics, University of Bombay. He has 20 years of work experience in various fields of business. From 1995 to 2002, he has been managing the operations of East Point Holdings Limited in India. From 2002 to 2007, he



was a board member of Mount Everest Mineral Water Limited from 2002 to 2007. He acted as Group Advisor heading business development of Essar Investments Limited from 2011 to 2013 through Sara Global.

Rahul Sood, 45 years, is an Independent Director of our Company. He has been on our Board since March, 2008. He holds a Bachelor's degree in Arts from Delhi University and is an advocate enrolled with the Bar Council of Delhi. He was awarded the British Chevening Scholarship by the Foreign and Commonwealth Office, British High Commissioner to study law at the College of Law, York. He has 20 years of experience in field of law. He started his career at Dua Associates in July 1, 1994, a law firm as an associate and subsequently became a partner in April 1, 2002. Presently, he has his own independent practice.

Meenu Bansal, 45 years, is an Independent Director of our Company. She is a chartered accountant by profession and has been a fellow member of the Institute of Chartered Accountants of India (ICAI) since 1992 having 14 years of post-qualification experience in management, consultancy, transfer pricing, international taxation, audit and corporate accounts. Presently, she is a partner at Bansal Gupta & Associates, a chartered accountancy firm.

Srinath Srinivasan, 48 years, is a Non-Executive and Non-Independent Director of our Company. He was appointed on the Board of our Company as the nominee director of OIJIF on January 21, 2015. He has been conferred certifications such as 'Leadership Skills for Top Management' from Indian School of Business and has obtained Independent Director's certification. He holds a degree in management from Asian Institute of Management and a bachelor's degree in engineering from the National Institute of Technology, Surathkal Karnataka. He is also a Director on the board of National Commodity and Derivatives Exchange Limited (NCDEX) and nominee director in Indus Teqsite Private Limited and Beaver Engineering and Holding Private Limited.

Confirmation from Directors

The Directors of our Company are not and have not for a period of five years prior to the date of this Draft Red Herring Prospectus, been on the board of any listed company whose shares have been /were suspended from being traded on the BSE or the NSE.

Further, none of our Directors have been or are directors on the board of listed companies which have been/were delisted from any stock exchange(s).

Borrowing powers of our Board

Subject to the provisions of section 180 (1) (c) of the Companies Act 2013, our Board is authorised, to raise or borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders of our Company, through a resolution passed at the Annual General meeting dated July 31, 2014, authorised our Board to borrow monies together with monies already borrowed by our Company, in excess of the aggregate of the paid up capital of our Company and its free reserves, not exceeding ₹ 3,000 million at any time.

Remuneration of our Directors

Except our Managing Director and Whole-Time Director, presently none of our Directors are paid any remuneration for attending meetings of our Board or the committees thereof. Furthermore, with effect from February 26, 2015, our independent directors and non executive directors are being paid sitting fees of ₹ 25,000 each for attending board meetings.

Remuneration of the Managing Director and Whole Time Director

1. Rishab Soni was re-appointed as our Managing Director for a period of five years with effect from April 1, 2014, pursuant to a board resolution dated March 26, 2014 and shareholders resolution dated July 31, 2014 at a revised remuneration as set out below:

Sr. No.	Particulars	Managing Director*
1.	Salary	₹ 1,075,000 per month with an annual scale of ₹ 1,075,000-200,000-1,500,000 ^(*)
2.	Other allowances	<ul style="list-style-type: none"> ▪ Medical allowance of ₹ 1,250 per month; and ▪ Leave travel allowance as per the rules of our Company.
3.	Contribution to	He shall be entitled to Company's contribution to provident fund and superannuation funds, gratuity



Sr. No.	Particulars	Managing Director*
	provident fund etc.	payable and encashment of un-availed leave as per the rules of our Company.
4.	Perquisites	<ul style="list-style-type: none"> Furnished accommodation subject to a ceiling of 50% of the basic remuneration. Accidental and health insurance policy as per the rules of our Company; Three chauffer driven cars; Club membership for two persons; Reimbursement of entertainment expenses subject to a maximum of ₹ 75,000 per month; and Reimbursement of expenses on gas, electricity, water, security, telephone bills (both mobile and landline).
5.	Additional payment by way of bonus or ex-gratia or payment in any other manner	He shall also be entitled to bonus, if any payable, as per the rules of our Company.

* The abovementioned remuneration structure, in case of Rishab Soni, is subject to the condition that in case the remuneration payable to the Director exceeds 5% of the net profit of our Company, the overall managerial remuneration of Managing Director & Whole Time Directors taken together shall not exceed 10% of the net profit of our Company.

Pursuant to shareholders resolution dated August 25, 2014, shareholders have approved that the board of directors of the Company in its discretion can pay to Rishab Soni a higher remuneration than the maximum remuneration stipulated based on profitability criteria and revise the same from time to time. Accordingly our Board has approved payment of a higher remuneration in case of inadequate profits beyond ceiling specified in Section II, Part II of Schedule V of Companies Act, 2013 on August 1, 2014.

2. Sunil Taneja, has been on the Board of our Company since October 03, 2005. He was re-appointed as the Whole Time Director for a period of three years with effect from April 01, 2014, pursuant to a board resolution dated March 26, 2014 and shareholders resolution dated July 31, 2014 at the remuneration as set out below:

The details of the remuneration payable to Sunil Taneja is set out below:

Sr. No.	Particulars	Whole Time Director
1.	Salary	₹ 300,000 per month ^(*) ^(**)
2.	Other allowances	<ul style="list-style-type: none"> Medical allowance of ₹ 1,250 per month; and Leave travel allowance as per the rules of our Company.
3.	Contribution to provident fund	He shall be entitled to Company's contribution to provident fund and superannuation funds, gratuity payable and encashment of un-availed leave as per the rules of our Company.
4.	Perquisites	<ul style="list-style-type: none"> Accidental and health insurance policy as per the rules of our Company; Car with Chauffer including running expenses; and Club membership for one person.
5.	Additional payment by way of bonus or ex-gratia or payment in any other manner	He shall also be entitled to bonus, if any payable, as per the rules of our Company

* The abovementioned remuneration structure, in case of Sunil Taneja, is subject to the condition that sum total of (2),(3),(4) and (5) in the above table shall not exceed 50% of his basic salary in any financial year.

** The abovementioned remuneration structure, in case of Sunil Taneja, is subject to the condition that in case the remuneration payable to the Director exceeds 5% of the net profit of our Company, the overall managerial remuneration of Managing Director & Whole Time Directors taken together shall not exceed 10% of the net profit of our Company.

Shareholding of our Directors

Our Articles do not require our Directors to hold any qualification shares. The details of the shareholding of our Directors as on the date of the Draft Red Herring Prospectus are set out below:

Sr. No.	Name	Number of Equity Shares	% pre-Offer Equity Share capital
1.	Rishab Soni	1,478,700	14.76
2.	Sunil Taneja	651,151	6.50
3.	Amit Mathur	781,378	7.80
4.	Abhay Soi	130,489	1.30



Interests of Directors

Our Directors, Rishab Soni, Sunil Taneja and Amit Mathur are also the Promoters of our Company.

Further, Rishab Soni and Sunil Taneja are also interested to the extent of remuneration paid to them by our Company as detailed above. Furthermore, all of our Directors may be deemed to be interested to the extent of reimbursement of expenses payable to them.

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

Our Directors have no interest in any property acquired or proposed to be acquired by our Company within two years prior to the date of this Draft Red Herring Prospectus.

Also, except as stated in this Draft Red Herring Prospectus and in particular the section “***Related Party Transactions***” on page 246, our Directors do not have any other interest in our business.

Bonus or profit sharing plan of the Directors

There is no bonus or profit sharing plan in place for our Directors.

Contingent and Deferred Compensation payable to Directors

None of our Directors have received or are entitled to any contingent or deferred compensation.

Changes in our Board during the last three years

Our Board has undergone the following changes in the last three years:

Sr. No.	Name	Date of Appointment	Date of Cessation/Change in Designation	Reason
1.	Meenu Bansal	July 31, 2014	-	Appointment
2.	Lalit Aggarwal	-	July 31, 2014	Retirement by rotation.
3.	Rahul Sood	-	June 30, 2014	Resignation
4.	Rahul Sood	October 27, 2014	-	Appointment
5.	Srinath Srinivasan	January 21, 2015	-	Appointment

Corporate Governance

The provisions of the Equity Listing Agreement with respect to corporate governance will be applicable to our Company immediately upon the listing of the Equity Shares with the Stock Exchanges. We believe we have complied with the requirements of corporate governance contained in the Equity Listing Agreement, particularly those relating to composition of our Board and constitution of committees such as Audit Committee and the Nomination and Remuneration Committee and adoption of Vigil Mechanism/Whistle Blower Policy.

We have a Board constituted in compliance with the Companies Act and the Equity Listing Agreement. Our Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our Company currently has 10 Directors on its Board, 4 of which, including the Chairman are Independent Directors.



Committees of our Board

Our Company has constituted the following committees in compliance with corporate governance requirements:

(a) ***Audit Committee***

The audit committee (“**Audit Committee**”) was constituted by our Board at its meeting held on March 27, 2008 and was recently reconstituted by our Board at its meeting held on January 21, 2015.

The Audit Committee comprises the following members:

Sr. No.	Name of Director	Designation
1.	Sanjiv Saraf	Chairman
2.	Carlton Pereira	Member
3.	Raj Vaisoha	Member
4.	Rahul Sood	Member
5.	Sunil Taneja	Member
6.	Meenu Bansal	Member
7.	Srinath Srinivasan	Member

The Company Secretary of our Company shall be the secretary of the Audit Committee.

Meeting of the Audit Committee:

The Audit Committee shall meet at least once in every quarter.

Scope and terms of reference: The scope and function of the Audit Committee is in accordance with section 177 of the Companies Act 2013 and Clause 49 of the Equity Listing Agreement. The scope of the Audit Committee was redefined in our Board meeting dated January 21, 2015 to, *inter-alia*, perform the following functions:

1. Oversight of our Company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of our Company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to our Board for approval, with particular reference to:
 - (i) matters required to be included in the Director’s Responsibility Statement to be included in our Board’s report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - (ii) changes, if any, in accounting policies and practices and reasons for the same;
 - (iii) major accounting entries involving estimates based on the exercise of judgment by 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) qualifications in the draft audit report.



5. Review, with the management, the quarterly financial statements before submission to our Board for approval;
6. Review, with the management, the statement of uses /application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document /prospectus /notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to our Board to take up steps in this matter;
7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of our Company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of our Company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Review, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors of any significant findings and follow up there on;
15. Review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to our Board;
16. 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;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. Carry out any other function as is mentioned in the terms of reference of the Audit Committee.

Additionally, the Audit Committee shall take note of the concerns reported with regard to any of the below mentioned matters under the Vigil Mechanism Policy/Whistle Blower Mechanism of our Company, Clause 49 of the Listing Agreement and the Companies Act, 2013. The Vigil Mechanism/Whistle Blower Policy of our Company approved by our Board in a meeting dated June 30, 2014 seeks to address:-

- Breach of our Company's code of ethics conduct;
- Breach of business integrity and ethics;
- Intentional financial irregularities, including fraud, or suspected fraud;
- Gross wastage/misappropriation of our Company's funds/assets;
- Manipulation of our Company's data /records;
- A substantial and specific danger to public health and safety;



- An abuse of authority;
- Leaking confidential or proprietary information; and
- Violation of any law or regulations.

(b) ***Nomination and Remuneration/Compensation Committee***

The remuneration committee was constituted by our Board at its meeting held on March 27, 2008. In the remuneration committee meeting held on June 23, 2014 the remuneration policy of our Company was adopted. It was renamed as nomination and remuneration committee and its scope was re-defined in our board meeting held on June 30, 2014. It was renamed by our Board in a meeting held on January 21, 2015 as nomination and remuneration committee/compensation committee ("***Nomination and Remuneration/Compensation Committee***"). It was reconstituted by our Board in a meeting held on February 26, 2015.

The Nomination and Remuneration/Compensation Committee comprises the following members:

Sr. No.	Name of Director	Designation
1.	Rahul Sood	Chairman
2.	Sanjiv Saraf	Member
3.	Srinath Srinivasan	Member
4.	Abhay Soi	Member
5.	Raj Vaisoha	Member

The Company Secretary of our Company shall be the secretary of the Nomination and Remuneration/Compensation Committee.

Scope and terms of reference:

The scope and function of the Nomination and Remuneration/Compensation Committee is in accordance with section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The Nomination and Remuneration/Compensation Committee would *inter alia* perform the following functions:

1. To identify persons who are qualified to become Directors and who may be appointed at the senior management level in accordance with the criteria laid down and recommend to our Board their appointment and removal;
2. To carry out evaluation of every Director's performance;
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to our Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees;
4. To ensure that the remuneration policy is formulated in accordance with the following criteria:
 - (i) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - (ii) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - (iii) remuneration to directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of our Company and its goals.
5. To devise a policy on Board Diversity



(c) **Stakeholders Relationship Committee**

The shareholders grievance committee was constituted by our Board at its meeting held on June 18, 2008 and it was reconstituted in our Board meeting held on September 26, 2014. The shareholders grievance committee was renamed as the “Stakeholders Relationship Committee” (“**Stakeholders Relationship Committee**”) in our Board meeting held on January 21, 2015 and reconstituted by our Board in its meeting held on January 21, 2015.

The Stakeholders Relationship Committee comprises the following members:

Sr. No.	Name of Director	Designation
1.	Rahul Sood	Chairman
2.	Carlton Pereira	Member
3.	Rishab Soni	Member
4.	Sunil Taneja	Member

The Company Secretary of our Company shall be the secretary of the Stakeholders Relationship Committee.

Scope and terms of reference:

1. To provide grievance redressal to security holders
2. To monitor and review the performance and service standards of the Registrar and Share Transfer Agents of the Company and to provide continuous guidance to improve the service levels for investors.

(d) **ESOP Compensation Committee**

The ESOP Compensation Committee (“**ESOP Committee**”) was constituted by our Board at its meeting held on June 18, 2008 to decide on the terms and conditions of ESOS 2008 and ESOS 2014 and to administer the same. It was re-constituted by our Board in its meeting held on January 21, 2015.

The ESOP Committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Raj Vaisoha	Chairman
2.	Rahul Sood	Member
3.	Rishab Soni	Member

The Company Secretary of our Company shall be the secretary of the ESOP Committee.

The ESOP Committee shall inter-alia perform the function of formulating the detailed terms and conditions of the employee stock option scheme which includes the following:

1. The quantum of option to be granted under an ESOS per employee and in aggregate;
2. The conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
3. The exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option in the event of termination or resignation of an employee;
4. The specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;



5. The right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;
6. The procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions such as rights issues, bonus issues, merger, sale of division and others. In this regard, the following shall be taken into consideration by the ESOS committee:
 - (i) the number and the price of ESOS shall be adjusted in a manner such that total value of the ESOS remains the same after the corporate action.
 - (ii) to consider for this purpose global best practices in this area including the procedures followed by the derivate markets in India and abroad shall be considered.
 - (iii) the vesting period and the life of the options shall be left unaltered as far as possible to protect the rights of the option holders.
7. The grant, vest and exercise of options in case of employees who are long on leave; and
8. The procedure for cashless exercise of options.

The ESOS Committee shall frame suitable policies and systems to ensure that there are no violations of:

- (a) SEBI (Insider Trading) Regulations, 1992; and
- (b) SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to the Securities Market) Regulations, 1995 by an employee.

(e) ***Share Allotment/Share Transfer Committee***

The share allotment/share transfer committee (“**Share Allotment/Share Transfer Committee**”) was constituted by our Board at its meeting held on March 8, 2011 to approve and register the transfer of shares and to attend to the share transfer formalities at least once in a fortnight. It was re-constituted in the meeting of our Board held on September 26, 2014. The Share Allotment/Share Transfer Committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Rahul Sood	Chairman
2.	Rishab Soni	Member
3.	Amit Mathur	Member

The Company Secretary of our Company shall be the secretary of the Share Allotment/Share Transfer Committee.

Meeting and scope of the Share Allotment/Share Transfer Committee:

The Share Allotment/Share Transfer Committee shall meet at least once in a fortnight.

The Share Allotment/Share Transfer Committee shall *inter-alia* perform the following functions:

1. To approve share transfers and transmissions;
2. To approve splitting of share certificates, consolidation of share certificates and related matters including issue of fresh share certificates in lieu of the split /consolidated certificates;
3. To issue duplicate share certificates in lieu of lost, mutilated and destroyed certificates;
4. Manage matters relating to dematerialisation of shares and securities;



5. Manage investor relations and redressal of shareholders grievances in general and relating to non-receipt of dividends, interests, non-receipt of balance sheet;
6. Issue and allot shares in physical or electronic mode subject to the provisions of Companies Act, 1956 and subject to the Memorandum and Articles of Association and in accordance with any other provisions and rules as may be applicable;
7. Issue duplicate share certificates, if required, in accordance with the Articles of Association and in accordance with the applicable law;
8. Affix the common seal of our Company, if required, in accordance with the Articles of Association and in accordance with the applicable law; and
9. To do all other acts, deeds and things as may be required for the purpose of doing allotment or transfer of shares.

(f) **CSR Committee**

The CSR committee (“**CSR Committee**”) was constituted by our Board at its meeting held on November 22, 2013 to oversee the activities pertaining to Corporate Social Responsibility (“**CSR**”) and to identify new NGOs. Our Company has also formulated a corporate social responsibility policy (“**CSR Policy**”) in lines with the Companies Act, 2013 which our Board has adopted in its meeting held on June 30, 2014. The CSR committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Amit Mathur	Member
2.	Raj Vaisoha	Member
3.	Rahul Sood	Member

The Company Secretary of our Company shall be the secretary of the CSR Committee.

The CSR Committee shall *inter-alia* perform the following:

1. To prepare the CSR Policy of our Company in accordance with the rules specified under Companies Act, 2013 and to recommend the policy to our Board;
2. To recommend the amount of expenditure to be incurred on the activities referred to in Schedule VII of Companies Act, 2013;
3. To monitor the CSR Policy of our Company from time to time;
4. To prepare a list of CSR projects/programs which our Company plans to undertake during the implementation year, specifying modalities of execution in the areas/sectors chosen and implementation schedules for the same;
5. To focus CSR projects/programs on integrating business models with social and environmental priorities and processes in order to create shared value;
6. To ensure that surplus arising out of the CSR activity will not be part of business profits of our Company;
7. To prepare a transparent monitoring mechanism for ensuring implementation of the projects /programs /activities proposed to be undertaken by our Company; and
8. To collaborate or pool resources with other companies to undertake CSR activities and any expenditure incurred on such collaborative efforts would qualify for computing the CSR spending.



As required under the Companies Act, 2013 our Company shall spend in every financial year at least two % of the average net profits of our Company made during the immediately preceding financial years in accordance with the policy.

(g) ***Finance/Investment and Capital Expenditure Committee***

The finance/investment committee was constituted by our Board vide circular resolution dated November 7, 2011 and its scope was expanded by circular resolution dated December 21, 2011 to oversee the financial activities of our Company and it was re-constituted by our Board in its meeting dated September 26, 2014. The finance/investment committee was renamed “Finance/Investment and Capital Expenditure Committee” (“**Finance/Investment and Capital Expenditure Committee**”) and reconstituted by our Board in its meeting held on January 21, 2015. The Finance/Investment and Capital Expenditure Committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Meenu Bansal	Chairperson
2.	Carlton Pereira	Member
3.	Rishab Soni	Member
4.	Sunil Taneja	Member
5.	Srinath Srinivasan	Member

The Company Secretary of our Company shall be the secretary of the Finance/Investment and Capital Expenditure Committee.

The Finance/Investment and Capital Expenditure Committee shall *inter-alia* perform the following:

1. To open/close bank accounts in the name of our Company as may be considered necessary from time to time;
2. To change authorised signatories for operation of existing bank accounts of our Company as and when required;
3. Power to make any loan to any other body corporate, give guarantee and provide security, in connection with a loan made by any other person to, or to any other person by, any body corporate, and acquire by way of subscription, purchase or otherwise the securities of any other body corporate provided that the aggregate of such investments/loans/corporate guarantees shall not exceed ₹ 3,000 million at any time and that the same shall be reported to our Board subsequently;
4. To borrow, from time to time, any sum or sums of money from one or more bank, financial institution, foreign financial institutions, FII, central or state government, national and international funds, national & international market, other body corporate, firms, persons whether by way of term loan, working capital facility, cash credit facility, inter-corporate loan, bill discounting, issue of debenture or bonds or any other fund based or non-fund based facility, whether secured or unsecured, provided that the aggregate of such borrowing shall not exceed ₹ 3,000 million at any time and that it shall be reported to our Board subsequently.
5. To mortgage, hypothecate, pledge, charge or otherwise encumber, from time to time, all present and future, movable or immovable properties of our Company and whole of the undertakings of Company, wherever situated, subject to a maximum of ₹ 3000 million, in favour of financial institutions, banks, body corporate or any other lender to secure fund based and non-fund based facilities including term loan, working capital assistance, bill discounting facility together with interest, cost and other charges obtained/to be obtained by our Company and to do the following in connection with the above:
 - (i) to accept the terms and conditions for availing the said financial assistance.
 - (ii) to authorise execution of documents and affix the common seal of our Company, wherever necessary.



- (iii) to request banks or financial institutions for disbursement of funds and to authorise opening of 'No. Lien Account' with any bank for this purpose; and
 - (iv) to do all acts, deeds and things as may be required or considered necessary or incidental to the availing of the said credit facilities.
6. Take up any matter related to capital expenditure over and above the approved budget from our Board.
- (h) ***IPO Committee***

The IPO committee (“**IPO Committee**”) was constituted by our Board at its meeting held on March 26, 2014 to approve various matters relating to the proposed IPO. The IPO Committee was reconstituted by our Board in its meeting held on January 21, 2015. The IPO committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Carlton Pereira	Chairman
2.	Srinath Srinivasan	Member
3.	Abhay Soi	Member
4.	Sanjiv Saraf	Member

The Company Secretary of our Company shall be the secretary of the IPO committee.

The IPO committee shall *inter-alia* perform the following:

- Deciding on the size of the Offer (as applicable) vis-a-vis market conditions, investors' interest and the number of equity shares that may be offered under the Offer, including pursuant to any Pre- Initial Public Offering Placement, any offer for sale by promoters/shareholders Reservation on a firm or competitive basis, Green Shoe Option and any rounding off in the event of any oversubscription as permitted under the SEBI (ICDR) Regulations, the objects of the Offer, timing, recommendation for pricing of the offer to our Board and terms and conditions of the Offer, and including the price, and to accept any amendments, modifications, variations or alterations thereto;
- Determine and recommend (as applicable) to our Board for the price band for the Offer, Offer Opening and Closing Dates, Offer Price, approve the basis of allocation and confirm allocation of equity shares to various categories of persons as disclosed in the Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, in consultation with the BRLMs and the Lead Manager and do all such acts and things as may be necessary and expedient for and incidental and ancillary to, the Offer;
- Appointing (where necessary) and entering into arrangements with the book running lead managers, underwriters, syndicate members, brokers, escrow collection bankers, registrars, Offer grading agency, monitoring agency, legal advisors, advertisement and PR agency, printers and any other agencies or persons whose appointment is required in relation to the Offer;
- Signing and executing the agreements with the book running lead manager, and the registrar respectively, syndicate agreement, escrow agreement and the underwriting agreement and any other deeds, documents and agreements required in relation to the Offer;
- Appointing the Company Secretary and Compliance Officer for the Offer;
- Issuing advertisements in such newspapers as it may deem fit and proper about the future prospects of our Company and the proposed offer conforming to the guidelines and regulations issued by the Securities and Exchange Board of India in this regard;
- Opening separate Escrow accounts with scheduled banks for receiving applications along with application monies in respect of the offer of the shares of our Company, as required;



8. Making applications to the RBI, FIPB and such other authorities, as may be required, for the purpose of the offer of shares to non-resident investors, including NRIs and FIIs/FPIs pursuant to the Offer;
9. Making applications for listing of the equity shares of our Company in one or more stock exchange(s) and to execute and to deliver or arrange the delivery of the listing agreement(s) or equivalent documentation to the concerned stock exchange(s);
10. Do or authorise its offers to do all such deeds and acts as may be required to dematerialise the equity shares of our Company and to sign agreements and/or such other documents as may be required with National Securities Depository Limited (“NSDL”), Central Depository Services (India) Limited (“CDSL”) and such other agencies, as may be required in this connection;
11. Finalising the basis of allocation and allotting the equity shares to the successful allottees and issue of share certificates in accordance with the relevant rules;
12. Authorising and approving the incurring of expenditure and payment of fees in connection with the Offer of our Company;
13. Submitting undertakings/certificates or providing clarifications to the SEBI and the relevant stock exchanges where the equity shares of our Company are to be listed;
14. Approval and adoption of the Draft Red Herring Prospectus, Red Herring Prospectus and the Prospectus for the Offer as required under the relevant provisions of the Companies Act, 1956 and the Companies Act, 2013, to the extent applicable and the preliminary and final international wrap and any amendments, supplements, notices or corrigenda thereto;
15. Approving a code of conduct as may be considered necessary by our Board or the Initial Public Offering Committee or as required under Applicable Laws for the Board, officers of our Company and other employees of our Company;
16. Approving a suitable policy on insider trading as required under Applicable Laws;
17. Approving any corporate governance requirement that may be considered necessary by our Board or the Initial Public Offering Committee or as may be required under Applicable Laws in connection with the Offer;
18. Authorising any authorised officer to severally take any and all actions in connection with obtaining approvals (or entering into any arrangement or agreement in respect thereof) in connection with the Offer, including, but not limited to, approvals from the shareholders of our Company, the Foreign Investment Promotion Board, the Government of India, the Reserve Bank of India, the Securities and Exchange Board of India, the Registrar of Companies, and the stock exchanges and that any such action already taken or to be taken is hereby ratified, confirmed and/or approved as the act and deed of the authorised officer and our Company, as the case may be;
19. Safety net arrangement may be provided subject to and in accordance with the applicable laws, regulations and policies, and to finalise and execute any agreement or document, and any amendments, supplements, notices or corrigenda thereto, with respect to providing the safety net arrangement in terms of the applicable laws, regulations and policies; and
20. To file the relevant offer documents with the Registrar of Companies, SEBI and the relevant stock exchanges, as the case may be, and to make any corrections or alterations therein.

(i) ***Business Development Committee***

The business development committee (“**Business Development Committee**”) was constituted by our Board at its meeting held on September 26, 2014, for the purpose of taking care of business matters including but not limited to signing and executing lease agreement, leave and license agreement,



franchisee agreement and other agreements with various parties for the purpose of opening retail outlets or warehouses and obtaining various registrations and licenses for such stores across India. The Business Development Committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Rishab Soni	Chairman
2.	Raj Vaisoha	Member
3.	Rahul Sood	Member
4.	Amit Mathur	Member
5.	Head – Business Development*	Member

* Praduman Raina is currently the member of the committee.

The Company Secretary of our Company shall be the secretary of the Business Development Committee.

The Business Development Committee shall *inter-alia* perform the following functions:

1. To approve various agreements including but not limited to lease agreements, leave and license agreements, rent agreements and any other agreement as may be required for opening of retail outlet or warehouse across India;
2. To provide authority to official(s) of our Company to sign various agreements and documents as may be required for the purpose of opening a retail outlet or taking a new warehouse and to appear before various statutory authorities/registrar for the purpose of registration of such agreements across India; and
3. To obtain various licences/registration for such stores across India and to provide authority to various officials of our Company to apply for such licences and to appear before various authorities/courts as and when required for the purpose of such licences and on receiving any notices/challans.

(j) **Risk Management Committee**

The risk management committee (“**Risk Management Committee**”) was constituted by our Board at its meeting held on January 21, 2015. The Risk Management Committee comprises of the following members:

Sr. No.	Name of Director	Designation
1.	Meenu Bansal	Chairperson
2.	Carlton Pereira	Member
3.	Rishab Soni	Member
4.	Rahul Sood	Member
5.	Srinath Srinivasan	Member

The Company Secretary of our Company shall be the secretary of the Risk Management Committee.

The Risk Management Committee shall *inter-alia* perform the following:

1. Monitoring and reviewing of the risk management plan of our Company;
2. To consider, review and approve risk management policies and guidelines;
3. To consider our Company’s risk management strategies;
4. To approve major decisions affecting our Company’s risk profile or exposure and give such directions as it considers appropriate;
5. To approve major risk management activities such as hedging transactions;



6. To review our Company's approach to risk management and approve changes or improvements to key elements of its processes and procedures; and
7. Provide an update report to our Board in this regard at regular intervals.

Apart from the above committees of our Board, pursuant to the provisions of Companies Act, 2013 our Company has re-constituted its "Prevention of Sexual Harassment Committee" in our Board meeting held on June 30, 2014. Our Company has also adopted a sexual harassment policy in terms of Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013. This committee has been formed at various locations where our Company is located as well as at the manufacturing units. We have also pasted pictorial posters at our locations educating the employees about sexual abuse and the action that they can take on being victimised. Reporting heads have been designated at each manufacturing facility to whom complaints can be made.

Management Organisational Structure



Key Management Personnel

Our Key Management Personnel comprise of our Managing Director, Whole Time Director Chief Financial Officer and Company Secretary. Such Key Management Personnel are not related to each other or to any Director or SMP of our Company. Further, none of our Key Management Personnel were appointed as Directors or members of the senior management pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.

The details of our Key Management Personnel (other than the Rishab Soni and Sunil Taneja), as on date of this Draft Red Herring Prospectus are set out below:

Kanika Verma, 40 years, is the Assistant Vice President – Legal and Company Secretary of our Company. She is responsible for the activities under the legal and secretarial department of our Company. She has been associated with our Company since September 1, 2008. She is a qualified Company Secretary from the Institute of Company Secretaries of India and is an associate member of the Institute of Chartered Secretaries and Administrators, London. In addition, she holds a Bachelor's degree in Commerce (Honors) as well as a Bachelor's degree in Law from University of Delhi. She has 16 years of experience in the legal and secretarial field. She was previously associated with Kohinoor Foods Limited as Deputy General Manager- Legal and Company Secretary for four years. The compensation paid to her in the financial year 2013-14 was ₹ 3.09 million.

Senior Managerial Personnel

Our senior managerial personnel comprises of permanent employees and retainers. Such senior managerial personnel are not related to each other or to any Director or KMPs of our Company. Further, none of our senior managerial personnel were appointed as senior management pursuant to any arrangement or understanding with major shareholders, customers, suppliers or others.



Our Senior Managerial Personnel include the following:

Atul Madan, 40 years, is the Group President and is responsible for the sales, operations, human resources, information technology and internal audit functions of our Company. He holds a Bachelor's degree in Commerce (Honors) from University of Delhi and a Diploma in Business Management from Institute of Management Technology ("IMT"), Ghaziabad. He has 15 years of experience in field of sales, operations and key accounts management in service industry. He is associated with Mystique Logistics Private Limited in the capacity of a director since 2006. He has been associated with our Company since November 1, 2009 as a consultant for purpose of supporting SSIPL Retail business and subsequently became an employee of our Company effective from January 01, 2011 as Head of Retail Operations. The compensation paid to him in the financial year 2013-14 was ₹ 6.08 million.

Rakesh Narula, 60 years, is the President - Training and Development (Retail), he was employed with Sports Station (India) Private Limited since August 1, 1999. Pursuant to the Scheme of Arrangement he became an employee of our Company with effect from August 1, 2007. Presently, he is associated with our Company through a professional services agreement effective from April 1, 2011. He has 40 years of experience in the retail sector. Prior to joining our Company he was associated with Bata India Limited. He also worked with us in the capacity of President – Retail Sales. The compensation paid to him in the financial year 2013-14 was ₹ 4.39 million.

Mohan Bansal, 43 years, is the Senior Vice President – Internal Audit, and his areas of responsibility and supervision include finance, costing, taxation, imports and banking. He is also responsible for the management of projects for expansion of manufacturing facilities. He was employed with our Company (then known as Moja Shoes Private Limited) since January 01, 2000 except for a brief period of one year from June 7, 2004 to July 7, 2005. He holds a Bachelor's degree in Commerce (Honors) from Kurukshetra University. He is a qualified Chartered Accountant from the Institute of Chartered Accountants of India. He has 15 of experience in the footwear industry. The compensation paid to him in the financial year 2013-14 was ₹ 1.94 million.

Om Prakash Gupta, 46 years, is the Vice President – Finance and Commercial, and is responsible for managing the commercial aspects of the retail business. He was employed with Sports Station (India) Private Limited since January 01, 1999. Pursuant to the Scheme of Arrangement he became an employee of our Company with effect from August 1, 2007. He holds a Master's degree in Commerce from University of Rajasthan in accountancy and business statistics. He has 23 years of experience in the field of accounts, finance, taxation and commercial. Prior to joining us, he was working with Century Proteins Limited since June 1994. The compensation paid to him in the financial year 2013-14 was ₹ 2.97 million.

Praduman Raina, 41 years, is the Vice President (Business Development and Sales) and is responsible for identifying new business prospects for our Company and ensuring expansion of its retail business. He is also responsible for the sales and operations of Mmojah. He was employed with Sports Station (India) Private Limited since December 1, 2000. Pursuant to the Scheme of Arrangement he became an employee of our Company with effect from August 1, 2007. He holds a Master's degree in Business Administration from Pune University. He has 15 of experience in aspects of retail business. Prior to joining our Company he was working with Suman Motels Limited as a marketing executive. The compensation paid to him in the financial year 2013-14 was ₹ 4.02 million.

Note: For the purpose of computation of remuneration paid to the KMP/SMPs, the gross salary paid as per their respective Form 16s has been considered.

None of the Key Managerial Personnel or the Senior Managerial Personnel are related to the Promoters or to each other.

Shareholding of the Key Management Personnel and Senior Managerial Personnel

The details of the total shareholding of key management personnel and senior managerial personnel are mentioned in the below table:

Sr. No.	Name of Key Management Personnel and Senior Managerial Personnel	No. of Shares	% of holding
1.	Rishab Soni*	1,478,700	14.76
2.	Sunil Taneja*	651,151	6.50



3.	Atul Madan**	43,592	0.44
4.	Mohan Bansal	4,500	0.04
5.	Praduman Raina	6,750	0.07
6.	Om Prakash Gupta	10,750	0.11
7.	Kanika Verma	5,000	0.05
TOTAL		2,400,443	21.97

*Rishab Soni and Sunil Taneja were not granted any stock options under the ESOS 2008.

** Atul Madan was granted 37,500 shares against 37,500 stock options granted to him under ESOS 2008.

Changes in the Key Management Personnel and Senior Managerial Personnel

The changes in the Key Management Personnel and Senior Managerial Personnel in the three years prior to the date of this Draft Red Herring Prospectus are as follows:

Sr. No.	Name	Designation	Date of Appointment	Date of Cessation	Reason
1.	Kamal Pande	CFO	January 01, 2014	August 1, 2014	Resignation
2.	Sunil Taneja	CFO	December 23, 2014	--	Appointment

Interests of Key Management Personnel and Senior Managerial Personnel

Our Key Management Personnel and Senior Managerial Personnel are interested to the extent of remuneration paid to them by our Company and to the extent of their shareholding in our Company and may also be regarded as interested in the Equity Shares allotted/to be allotted to them under the ESOS 2008 and ESOS 2014. For details of the ESOS 2008 and ESOS 2014, see section titled “***Capital Structure – Notes to Capital Structure-Employee Stock Option Scheme***” beginning on page 73. Additionally, Mohan Bansal holds 1% of Shree Shoes, a partnership firm, while the remainder 99% is held by our Company.

Bonus or profit sharing plan of the Key Management Personnel and Senior Managerial Personnel

Other than the performance-linked incentives forming a part of the remuneration of our key management personnel and senior managerial personnel, there is no bonus or profit sharing plan in place for the Key Management Personnel and Senior Managerial Personnel.

Termination/Retirement benefits paid to Directors and Key Management Personnel and Senior Managerial Personnel

Other than the statutory benefits like provident fund and gratuity, there are no termination/retirement benefits being provided to the key management personnel and senior managerial personnel and except as stated otherwise in this Draft Red Herring Prospectus, 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 apart from remuneration for services rendered as Directors, officers or employees of our Company.

Payment or benefit to Directors/officers of our Company

Except, the remuneration paid to our Managing Director, Rishab Soni and Whole Time Director, Sunil Taneja and the officers of our Company and except the dividend for the year Fiscal 2012-13 and Fiscal 2013-14 paid to the extent of their shareholding in our Company, 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 and the officers of our Company.

Further, apart from the remuneration payable to our Managing Director and Whole Time Director as stipulated in this section, our Non-Executive Directors are entitled to be paid the travel, boarding and lodging expenses for attending our Board or committee meetings.

Loans taken by Directors /Key Management Personnel/SMP

As on date of this Draft Red Herring Prospectus, none of our Directors, Key Management Personnel and Senior Managerial Personnel have taken any loan from our Company except Mohan Bansal who was granted a loan of ₹ 800,000 out of which ₹ 525,000 is subsisting as on September 30, 2014.



OUR PROMOTERS, PROMOTER GROUP AND GROUP ENTITIES

Our Promoters

The following individuals are the Promoters of our Company:

1. Rishab Soni
2. Sunil Taneja
3. Amit Mathur
4. Kabir Taneja



Rishab Soni

Voter ID Number: DKY0774711
Driving License: DL-0319920089136



Sunil Taneja

Voter ID Number: Not Available
Driving License: OR-0219810279754



Amit Mathur

Voter ID Number: Not Available
Driving License: 97090959



Kabir Taneja

Voter ID Number: Not Available
Driving License: OR 0520040088617

For additional details on the age, background, personal address, educational qualifications, experience, terms of appointment as Directors and other directorships of Rishab Soni, Sunil Taneja, and Amit Mathur, please refer to the section titled “***Our Management***” beginning on page 156.

Additional details of Kabir Taneja

Kabir Taneja, aged 29 years, is a promoter of our Company. He holds a Bachelor’s degree in Science (Honours) from University of Warwick and Master’s degree in Science (Honours) in Global Banking and Finance.

Undertaking of submission of PAN, bank account numbers and passport numbers of the Promoters

We confirm that the PAN, bank account number and passport number of the Promoters will be submitted to the Stock Exchanges at the time of filing this Draft Red Herring Prospectus with the Stock Exchanges.



Other understandings and confirmations

Our Promoters, the members of the Group Entities and relatives of the Promoters have confirmed that they have not been identified as wilful defaulters by the RBI or any other governmental authority.

No violations of securities laws have been committed by our Promoters or members of our Group Entities in the past or are pending against them. None of (i) our Promoters, Promoter Group or the Group Entities or persons in control of or on the boards of bodies corporate forming part of our Group Entities (ii) the companies with which any of the Promoters are or were associated as a promoters, directors or persons in control, are debarred or prohibited from accessing the capital markets for any reasons by the SEBI or any other authority or refused listing of any of the securities issued by any such entity by any stock exchange in India or abroad.

Disassociation by the Promoters in the last three years

Sports Lifestyle Private Limited is no longer a Group Entities, on account of resignation by Rishab Soni as its Director with effect from November 20, 2014.

Other than as disclosed above, our Promoters have not disassociated from any Group Entities in the last three years.

Promoter Group

The natural persons who are part of the Promoter Group, apart from the Individual Promoters, are set forth below:

Sr. No.	Name of the Promoter	Name of the Relative	Nature of Relationship
1.	Rishab Soni	Nandita Soni	Wife
2.		Vijaya Bhel	Mother in Law
3.		Sunaina Nagar	Sister in Law
4.		B.K. Soni	Father
5.		Kiran Soni	Mother
6.		Himmaj Soni	Son
7.		Dhhra Soni	Daughter
8.		Ridhi Khanna	Sister
9.	Amit Mathur	Nikita Susan George	Wife
10.		A.V. George	Father in Law
11.		Valsa Geroqe	Mother in Law
12.		Rohit George	Brother in Law
13.		Esha Mathur	Mother
14.		Zoya Mathur	Daughter
15.		Rohini Khanna	Sister
16.		Divya Kashyap	Sister
17.	Sunil Taneja	Alka Taneja	Wife
18.		B.M. Khanna	Father in Law
19.		Roma Khanna	Mother in Law
20.		Arti Chawla	Sister in Law
21.		Asha Taneja	Mother
22.		Anil Taneja	Brother
23.		Kabir Taneja	Son
24.		Anica Kochhar	Daughter
25.		Jyoti Kumar	Sister
26.		Nishi Saigal	Sister
27.	Kabir Taneja	Tania Khosla	Wife
28.		Raj Nath Khosla	Father in Law
29.		Anjali Khosla	Mother in Law
30.		Feroz Nath Khosla	Brother in Law
31.		Sunil Taneja	Father
32.		Alka Taneja	Mother
33.		Anica Kochhar	Sister

The entities forming part of the Promoter Group (apart from the individuals named above) in accordance with the SEBI Regulations are set forth below:



Sr. No.	Name
1.	A & M Apparels and Accessories Private Limited
2.	Anil Taneja HUF
3.	Applique Garments Private Limited
4.	Ark Retail Private Limited
5.	Arvind Kumar HUF
6.	Asahi Kasei Chemfield Private Limited
7.	Bharat power Corporation Private Limited
8.	BK Soni HUF
9.	Empire Information and Infrastructure Private Limited.
10.	Field Leasing & Finance Private Limited
11.	Field Marketing International Private Limited
12.	Field Media Private Limited
13.	Field Motor Limited;
14.	Field Spares Sales and Services Private Limited
15.	Field Wear
16.	IC Direct Sales Agency Pvt. Ltd
17.	Jaydee International Private Limited
18.	Kasi Equipments (Firm)
19.	Kasi Equipments LLP
20.	Kasi Sales and Services Private Limited
21.	Kasi Trishul Motors Private Limited
22.	KNS Trading Private Limited
23.	Mymoneymantra India Insurance Broking Private Limited
24.	Mymoneymantra Service Private Limited
25.	R N Property Developers Private Limited
26.	Raaj Khosla & Co. Private Limited
27.	Raj Khosla HUF
28.	Riddhi Enterprises
29.	Rishab Soni HUF
30.	RKPL Call Centre Private Limited
31.	SAAD Agrotech
32.	South City Motors Limited;
33.	Sports Station Boutique Private Limited
34.	Sports Station Retail Private Limited
35.	SSIPL Foundation
36.	Sunil Taneja HUF
37.	Trishul Tread Private Limited
38.	Value Vestor Media Private Limited
39.	Westwears

Common pursuits

Except as disclosed in the section titled “***Risk Factors***” beginning on page 11, the Promoters do not have an interest in any venture that is involved in any activities similar to those conducted by our Company or any of the Group Entities.

Our Company has not adopted any measures for mitigating such conflict situations. For further details on the related party transactions, to the extent of which our Company is involved, please refer to the section titled “***Financial Information***” beginning on page 189.

Interests in our Company

The Promoters are interested parties to the extent of their shareholding in Our Company and in any dividend and distributions which may be made by our Company in future and to the extent of the related party transactions disclosed in the sections “***Financial Information***” and “***Our Management***” beginning on pages 189 and 156 respectively, of this Draft Red Herring Prospectus.

Interests in Property, Land and Construction

Furthermore, except as stated in the section titled “***Financial Information***” on page 189, our Promoters and Group Entities do not have any interest in property acquired by our Company or the Subsidiaries, or proposed to be acquired by our Company, or the Subsidiaries or in any transaction with respect to the acquisition of land, construction of building or supply of machinery, within two years preceding the date of this Draft Red Herring Prospectus.



Payment of amounts or benefits to our Promoter during the last two years

Except as stated in the section titled “**Financial Statements**” and “**Our Management**” on pages 189 and 156 respectively, there has been no payment of benefits to our Promoters during the last two years preceding the date of filing of this Draft Red Herring Prospectus.

Relationship of Promoters with each other and with the Directors /Key Management Personnel

With the exception of Sunil Taneja and Kabir Taneja, none of our Promoters are related to each other. Further, none of our Key Management Personnel and Senior Management Personnel are related to our Promoters.

Interest of our Promoters in the promotion of our Company

The Promoters of our Company have also entered into certain agreements with other shareholders governing their rights in our Company. For details regarding the terms of these shareholder agreements, see the section “**Material Agreements**” beginning on page 152.

Litigation

For details regarding litigation involving our Promoters and Group Entities, please refer to the section titled “**Outstanding Litigation and Material Developments**”, beginning on page 349.

Related Party Transactions

For details of related party transactions, please see the section “**Financial Information**” beginning on page 189.

Our Group Entities

As on date of this Draft Red Herring Prospectus, set out below are the Group Entities of our Company within the meaning of group companies under SEBI Regulations:

Sr. No.	Name
Listed Companies	
Nil	
Unlisted Companies	
1.	Field Motor Limited
2.	Trishul Tread Private Limited
3.	Kasi Sales and Services Private Limited
4.	Empire Information And Infrastructure Private Limited
5.	Kasi Trishul Motors Private Limited
6.	Jaydee International Private Limited
7.	A & M Wearing Apparels & Accessories Private Limited
8.	Value Vestor Media Private Limited
9.	Sports Station Boutique Private Limited
10.	Sports Station Retail Private Limited
11.	SSIPL Foundation
12.	R N Property Developers Private Limited.
13.	Applique Garments Private Limited
Partnership Firm	
14.	Kasi Equipments
15.	Kasi Equipments (LLP)
Hindu Undivide Family	
16.	Rishab Soni HUF
17.	Sunil Taneja HUF

Certain details of our Group Entities are as provided below.

In addition, except as stated below, none of our Group Entities have any contingent liabilities that have not been



disclosed. Further, none of our Group Entities have any significant notes to accounts made by the auditors in the restated financial statements.

All our Group Companies are unlisted companies and have not made any public issue (including any rights issue to the public) in the preceding three years. None of the Group Companies is a sick company under the meaning of SICA, it is not under winding- up and does not have a negative net worth except as stated below.

The financial information given below for the Group Companies has been derived from their restated financial statements.

Top Five Group Companies

1. Field Motor Limited

Field Motor Limited was incorporated on September 26, 2001 as a private company under the Companies Act, 1956 and was subsequently converted into a public limited company. The registered office of Field Motor Limited is located at 2nd Floor, F-7, Block B-1, Mohan Cooperative Industrial Estate, Mathura Road, New Delhi 110044. Field Motor Limited was incorporated to *inter alia* carry on the business of manufacturing, buying and selling automobiles, motor cars and all other kinds of vehicles and to let out on hire all kinds of vehicles. The authorised equity share capital of Field Motor Limited is ₹ 30 million divided into 3,000,000 equity shares of face value ₹ 10 each. The current paid-up equity share capital of Field Motor Limited is ₹ 28 million divided into 2,800,000 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of shareholder	No. of shares	% shareholding
Renu Alka Sehgal	933,200	33.33
Anil Taneja	933,333	33.33
Sunil Taneja	282,223	10.08
Sunil Taneja and Alkadevi Taneja	266,667	9.52
Alka Taneja	33,333	1.19
Trishul Tread Private Limited	351,111	12.54
Manoj Maheshwari	34	0.00#
Rajesh Srivastava	33	0.00#
Vivek Avasthi	33	0.00#
Ashok Tandon	33	0.00#
TOTAL	2,800,000	100.00

#negligible

Financial performance

Financial results of Field Motor Limited for the last three Fiscal are set out below:

<i>(In ₹ million except Earnings per share and Net Asset Value)</i>			
Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	1,392.59	1,212.08	1,138.23
Profit after tax	5.19	12.46	20.77
Equity Share Capital	28.00	28.00	21.00
Reserves (excluding revaluation reserve)	16.75	11.56	8.55
Earnings per share (value in ₹)	1.85	4.45	9.89
Net Asset value per share (value in ₹)	15.98	14.13	14.07

2. Trishul Tread Private Limited

Trishul Tread Private Limited was originally incorporated on February 04, 1991 under the Companies Act, 1956. The registered office of Trishul Tread Private Limited is located at Plot number 220, Mancheswar Industrial Estate, Sector A, Zone B, Bhubaneswar 751 010, Orissa. Trishul Tread Private Limited was incorporated to *inter alia* carry on the business of manufacturing, pressing, vulcanising, retreading, repairing, purchasing, selling, importing, and exporting and to deal in all types of tyres and semi tyres for any type of vehicle for heavy, light and passenger transport. The authorised equity share capital of Trishul Tread Private Limited is ₹ 1,500,000 divided into 150,000 equity shares of face value ₹ 10 each. The current paid-up equity share capital of Trishul Tread Private Limited is ₹ 1,000,000 divided into 100,000 equity shares of face value ₹ 10 each.



Shareholding pattern as on December 31, 2014

Name of shareholder	No. of shares	% shareholding
Jaydee International Private Limited	39,000	39.00
Kabir Taneja	33,200	6.00
Alka Taneja	26,600	26.60
Sunil Taneja	1,100	1.10
Pradipta Kumar Panda	100	0.10
TOTAL	100,000	100.00

Financial performance

(In ₹ million except Earnings per share and Net Asset Value)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	467.89	357.55	394.51
Profit after tax	2.72	2.18	2.40
Equity Share Capital	1.00	1.00	1.00
Reserves (excluding revaluation reserve)	24.84	22.12	19.94
Earnings per share (value in ₹)	27.16	21.83	23.99
Net Asset value per share (value in ₹)	258.36	231.20	209.37

3. Kasi Sales and Services Private Limited

Kasi Sales and Services Private Limited was incorporated on June 14, 1989 under the Companies Act, 1956. The registered office of Kasi Sales and Services Private Limited is located at Plot number 220, Mancheswar, Industrial Estate, Sector A, Zone B, Bhubaneswar 751 010, Orissa. Kasi Sales and Services Private Limited was incorporated to *inter alia* carry on the business of all kinds of purchasing and selling activities directly (both in internal and external markets on its own or as sales, purchase or commission agents and brokers) acting as service agents for providing services after sales and other technical services; carrying on business as marketing technical consultants both in internal and external markets. Kasi Sales and Services Private Limited is engaged in the business of purchasing and selling mining equipment. The authorised equity share capital of Kasi Sales and Services Private Limited is ₹ 5,000,000 divided into 500,000 equity shares of face value ₹ 10 each. The current paid-up equity share capital of Kasi Sales and Services Private Limited is ₹ 5,000,000 divided into 500,000 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of shareholder	No. of shares	% shareholding
Sunil Taneja	195,200	39.04
Alka Taneja	168,000	33.6
Kabir Taneja	10,000	2.0
Sunil Taneja (HUF)	56,000	11.2
Jaydee International Private Limited	70,800	14.16
TOTAL	500,000	100.00

Financial performance

(In ₹ million except Earnings per share and Net Asset Value)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	249.48	242.33	245.22
Profit after tax	0.24	2.12	2.22
Equity Share Capital	5.00	2.35	2.35
Reserves (excluding revaluation reserve)	30.01	32.12	30.00
Earnings per share (value in ₹)	0.48	9.02	9.47
Net Asset value per share (value in ₹)	70.03	146.70	137.68



4. Empire Information & Infrastructure Private Limited

Empire Information & Infrastructure Private Limited was incorporated on November 19, 1991 under the Companies Act, 1956. The registered office of Empire Information & Infrastructure Private Limited is located at Plot number 220, Mancheswar Industrial Estate, Sector A, Zone B, Bhubaneswar 751 010, Orissa. Empire Information & Infrastructure Private Limited was incorporated to *inter alia* carry on the business of dealing in all kinds of computers, computer hardware, gadgets, peripherals, tools, modules, applications and models to be used in the field of space aviation, surface, water and air transport, railways, defense, medical, engineering, recreational, domestic and allied purposes. The authorised equity share capital of Empire Information & Infrastructure Private Limited is ₹ 5,800,000 divided into 580,000 equity shares of face value ₹ 10 each. The current paid-up equity share capital of Empire Information & Infrastructure Private Limited is ₹ 5,609,200 divided into 560,920 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of shareholder	No. of shares	% shareholding (in percentage)
Jaydee International Private Limited	238,070	42.44
Alka Taneja	229,330	40.88
Sunil Taneja	87,500	15.60
Pradipta Kumar Panda	5,010	0.89
Kamalkanta Acharya	1,000	0.18
Jitendra Hans	10	0.002
TOTAL	560,920	100.00

Financial performance

(In ₹ million except Earnings per share and Net Asset Value)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	70.73	60.45	44.86
Profit after tax	0.38	0.28	0.24
Equity Share Capital	5.61	5.61	5.61
Reserves (excluding revaluation reserve)	(1.93)	(2.31)	(2.59)
Earnings per share (value in ₹)	0.67	0.42	0.42
Net Asset value per share (value in ₹)	6.56	5.89	5.38

5. Kasi Trishul Motors Private Limited

Kasi Trishul Motors Private Limited was incorporated on May 29, 2008 under the Companies Act, 1956. The registered office of Kasi Trishul Motors Private Limited is located at Plot number 220, Sector A, Zone B, Mancheswar Industrial Estate, Bhubaneswar 751 010, Orissa. Kasi Trishul Motors Private Limited was incorporated to *inter alia* carry on the business of manufacturing, buying, selling, reselling, subcontracting, hiring, altering, importing, exporting, improving, assembling, distributing, modifying, cleaning, and to deal in all descriptions, specifications, applications and uses of motor cars, trucks, trawlers, tankers, tractors and motor lorries. The authorised equity share capital of Kasi Trishul Motors Private Limited is ₹ 1,000,000 divided into 10,000 equity shares of face value ₹ 100 each. The current paid-up equity share capital of Kasi Trishul Motors Private Limited is ₹ 100,000 divided into 1,000 equity shares of face value ₹ 100 each.

Shareholding pattern as on December 31, 2014

Name of shareholder	No. of Shares	% shareholding (in percentage)
Sunil Taneja	500	50.00
Alka Taneja	500	50.00
TOTAL	1,000	100.00



Financial performance

(In ₹ million except Earnings per share and Net Asset Value)

Particulars	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Sales	1.12	2.13	0.65
Profit after tax	0.01	0.01	(0.05)
Equity Share Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserve)	(0.03)	(0.04)	(0.05)
Earnings per share (value in ₹)	11.28	11.91	(51.42)
Net Asset value per share (value in ₹)	71.78	60.49	48.58

Other Group Companies and Entities

6. Jaydee International Private Limited

Jaydee International Private Limited was incorporated on December 07, 2000 under the Companies Act, 1956. The registered office of Jaydee International Private Limited is located at 101, Tripta Sadan, Shanta Wadi, J.P. Road, Andheri (West), Mumbai, Maharashtra, 400 058. Jaydee International Private Limited was incorporated to *inter alia* carry on the business of exporting, importing, trading and acting as a consignors, jobber, brokers, packers and movers and to act as an exporting trading house and star trading house. Presently, Jaydee International Private Limited is not carrying out any export, import or trading activities. The authorised equity share capital of Jaydee International Private Limited is ₹ 20,000,000 divided into 2,000,000 equity shares of face value ₹10 each. The current paid-up equity share capital of Jaydee International Private Limited is ₹ 12,455,000 divided into 1,245,500 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of the Shareholder	No. of shares	Shareholding (inpercentage)
Sunil Taneja	731,500	58.73
Alka Taneja	54,500	4.38
Pramod Jamwal	35,000	2.81
Vishnu Sharma	30,000	2.41
Anika Taneja	43,500	3.49
Jyoti Kumar	90,000	7.23
Anjum Kumar	60,000	4.82
Anshul Kumar	76,000	6.1
Nishi Saihgal	54,000	4.34
Nilesh Sharma	37,000	2.97
Sumit Sharma	34,000	2.73
TOTAL	1,245,500	100.00

7. A & M Wearing Apparels & Accessories Private Limited

A & M Wearing Apparels & Accessories Private Limited was incorporated on July 7, 1998 as Moja Pentland Private Limited under the Companies Act, 1956. Subsequently, the same was changed to its present name and a fresh certificate of incorporation was obtained on February 28, 2006 under the Companies Act, 1956. The registered office of A & M Wearing Apparels & Accessories Private Limited is located at 12 B, Siddhartha Extension, New Delhi 110 014. A & M Wearing Apparels & Accessories Private Limited was incorporated to *inter alia* carry on the business of manufacturing, trading and marketing of footwear, apparels and sportswear. The authorised equity share capital of A & M Wearing Apparels & Accessories Private Limited is ₹ 20,000,000 divided into 2,000,000 equity shares of face value ₹ 10 each. The current paid up capital of A & M Wearing Apparels & Accessories Private Limited is ₹ 4,502,000 divided into 450,200 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of the Shareholder	No. of shares	Shareholding (inpercentage)
Amit Mathur	340,198	75.57
Nikita Susan George	110,000	24.43
Aruna Chatterjee	1	0.00



Esha Mathur	1	0.00
TOTAL	450,200	100.00

8. **Value Vestor Media Private Limited**

Value Vestor Media Private Limited was incorporated on May 04, 2011 under the Companies Act, 1956. The registered office of Value Vestor Media Private Limited is located at 12 B, Pocket B, Siddharth Extension, Delhi 110 014. Value Vestor Media Private Limited was incorporated to *inter alia* carry on the business of providing financial value added services to people through websites, books, newspaper columns, television appearances and newsletters. Value Vestor Media Private Limited is presently not undertaking any business. However, it plans to provide financial value added services. The authorised and paid-up equity share capital of Value Vestor Media Private Limited is ₹ 100,000 divided into 10,000 equity shares of face value ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of the shareholder	No. of shares	% shareholding
Amit Mathur	4,998	49.98
Nikita Susan George	5,000	50.00
Aruna Chatterjee	1	0.01
Esha Mathur	1	0.01
TOTAL	10,000	100.00

9. **Sports Station Boutique Private Limited**

Sports Station Boutique Private Limited was incorporated on December 23, 2003 under the Companies Act, 1956. The registered office of Sports Station Boutique Private Limited is located at D 838, New Friends Colony, New Delhi 110 065. Sports Station Boutique Private Limited was incorporated to *inter alia* carry on the business of manufacturing, buying, selling, importing, exporting, trading, repairing and dealing in all kinds of sports goods and other allied materials required by sports players, gymnasts, swimmers and sports men of other fields. The authorised and paid up equity share capital of Sports Station Boutique Private Limited is ₹ 4.1 million divided into 410,000 equity shares of ₹ 10 each.

Shareholding pattern as on December 31, 2014

Name of the shareholder	No. of shares	Shareholding (in percentage)
B.K. Soni	300,000	73.17
Vijay Behl	100,000	24.39
Rishab Soni	5,000	1.22
Nandita Soni	5,000	1.22
TOTAL	410,000	100.00

10. **Sports Station Retail Private Limited**

Sports Station Retail Private Limited was incorporated on December 23, 2003 under the Companies Act, 1956. The registered office of Sports Station Retail Private Limited is D 45, Nariana Vihar, New Delhi 110 028. Sports Station Retail Private Limited was incorporated to carry on the business of manufacturing, buying, selling, importing, exporting, trading, repairing, supplying and dealing in all kind of sports goods and other allied materials by sports players, gymnasts, swimmers and sports men of other field. The authorised and paid-up equity share capital of Sports Station Retail Private Limited is ₹ 3,600,000 divided into 360,000 equity shares of ₹ 10 each.



Shareholding pattern as on December 31, 2014

Name of the shareholder	No. of shares	Shareholding (in percentage)
Rohini Mathur	205,000	56.94
Sandeep Khanna	100,000	27.78
Dilip Tashani	50,000	13.89
Amit Kumar Mathur	5,000	1.39
TOTAL	360,000	100.00

11. SSIPL Foundation

SSIPL Foundation, a company limited by guarantee, not having a share capital and not for profit under section 25 of the Companies Act, 1956 was incorporated on July 6, 2012 under the Companies Act, 1956. The registered office is located at B1/F4, Mohan Co-operative Industrial Area, Main Mathura Road, New Delhi 110 044. It was incorporated *inter alia* for social upliftment of all ages and sections of the society.

Members

1. SSIPL Retail Limited
2. SSIPL Lifestyle Private Limited
3. Shubh Footwear Products Private Limited

12. R N Property Developers Private Limited

R N Property Developers Private Limited was incorporated on November 13, 2013 under the Companies Act, 1956. The registered office of R N Property Developers Private Limited is S 252, Greater Kailash-II, New Delhi 110 049 and was incorporated to carry on the business of purchasing or selling any immovable property including industrial, commercial, residential, or farm lands, plots, buildings, houses, apartments, flats or areas within or outside the limits of Municipal Corporation or other local bodies, anywhere within the India, and to divide the same into suitable plots, and to rent or sell the plots for building/constructing residential houses, bungalows, business premises, and colonies and rent or sell the same and realise cost in lumpsum or easy installments and otherwise. The authorised and paid-up equity share capital of R N Property Developers Pvt. Ltd. is ₹ 1 Lakh divided into 10,000 equity shares of ₹ 10 each.

Shareholding pattern as on December 31, 2014

The shareholding pattern of R N Property Developers Private Limited as on the date of this Draft Red Herring Prospectus is set out below:

Sr.No.	Name of the shareholder	No. of shares	percentage of shareholding
1.	Mr. Rishab Soni	5,000	50.00
2.	Mr. Nitin Khurana	5,000	50.00
TOTAL		10,000	100.00

Group Companies under winding up

13. Applique Garments Private Limited

Applique Garments Private Limited was incorporated on February 23, 2004 under the Companies Act, 1956. The registered office of Applique Garments Private Limited is located at 12B, Siddharth Extension, New Delhi 110 020. Applique Garments Private Limited was incorporated to *inter-alia* carry on the business of exporting, importing, trading and acting as a consignors, jobbers to all kinds of leathers, hides, skin and footwear, apparels, sports and associated products. The authorised and paid-up equity share capital of Applique Garments Private Limited is ₹ 2.6 million divided into 260,000 equity shares of ₹ 10 each. Applique Garments Private Limited is currently under liquidation.



Shareholding pattern as on December 31, 2014

The shareholding pattern of Applique Garments as on date of this Draft Red Herring Prospectus is set out below:

Name of the Shareholder	No. of shares	Shareholding (in percentage)
Amit Mathur	5,000	1.92
Divya Kashyap	255,000	98.08
TOTAL	260,000	100.00

Applique Garments Private Limited has filed an application for voluntary winding up.

Partnership Firm

14. Kasi Equipments

Kasi Equipments is a partnership firm established on May 26, 1992, pursuant to a partnership deed dated May 26, 1992 as last amended by deed dated April 1, 1998. The partners of Kasi Equipments are Sunil Taneja (HUF) and Alka Taneja who have agreed to share profits and losses in the ratio of 81% and 19% respectively. Kasi Equipments is engaged in the business of selling and purchasing activities directly (both in internal and external markets on its own or as sales, purchases or commission agents, hiring agents and brokers) and to act as service agents for providing services after sales and other technical services. Kasi Equipments is presently acting as a dealer in road construction equipment for Escorts Construction Limited in Orissa. The registered office of Kasi Equipments is located at Plot number 220, Mancheswar Industrial Estate, Sector A, Zone B, Bhubaneswar 751 010, Orissa.

Kasi Equipments does not have a negative net worth.

15. Kasi Equipments (LLP)

Kasi Equipments, was incorporated on November 01, 2014 under Limited Liability Partnership Act, 2008. The registered office of the Kasi Equipments is located at Plot number. 220A, Sector A, Zone B, Mancheswar Industrial Estate, Rasulgarh, PS Mancheswar, Bhubaneswar 751 010, Orissa. Kasi Equipment was incorporated to *inter alia* carry on the business of buying, selling, letting on hire and to act as dealer, distributors, importers, exporters of business and domestic appliances, installations, fittings and machinery and equipment, motor cars, motor vehicles of all types and description, earth moving machineries, agricultural implements, appliances, apparatus, requisites and accessories for all classes of the aforementioned vehicles and equipment and for this purpose to acquire the assets and liabilities of any business after complying with all the statutory requirements.

Capital Contributors:

Name of the Contributor	Capital contribution (₹)
Sunil Taneja	50,000
Kabir Taneja	50,000
TOTAL	100,000

Kasi Equipments is not under winding- up and does not have a negative net worth.

16. Rishab Soni HUF

Rishab Soni (HUF) is a Hindu Undivided Family represented by Mr. Rishab Soni as its karta. Rishab Soni HUF's PAN is AAIHR6789K. The office of the HUF is situated at 50-A, Friends Colony East, New Delhi-110065. The following are the members of the HUF:-

The following are members of the Rishab Soni HUF:

1. Rishab Soni



2. Nandita Soni
3. Dhhra Soni
4. Himmaj Soni

17. **Sunil Taneja HUF**

Sunil Taneja HUF is a Hindu Undivided Family represented by Mr. Sunil Taneja as its karta. Sunil Taneja HUF's PAN is AAAHT2421G. The office of the HUF is situated at Plot No. 220, Sector-A, Zone-B, Mancheswar Industrial Estate, Bhubaneswar, 751010, Orissa, India.

The following are the members of the HUF:-

1. Sunil Taneja
2. Alka Taneja
3. Kabir Taneja
4. Anica Kochhar
5. Tania Khosla Taneja

Interests of our Group Entities

Except Trishul Tread, none of our Group Entities are or have been interested in the promotion of our Company. Further, none of our Group Entities have any interest in any property acquired by our Company within two years preceding the date of this Draft Red Herring Prospectus or currently proposed to be acquired by our Company.

Except as disclosed in the sections titled “***Our Business***” and “***Financial Information***” on pages 121 and 189, respectively, our Group Entities do not have any interest in any transactions by our Company.

Payment of amount or benefits to our Group Companies during the last two years

Except as mentioned in the section titled “***Financial Information***” on page 189, no amount or benefits were paid or were intended to be paid to our Group Entities during the last two years from the date of filing of this Draft Red Herring Prospectus.

Common pursuits of our Group Entities and Conflict of Interest

Except, A & M Wearing Apparels & Accessories Private, Sports Station Boutique Private Limited and Applique Garments Private Limited, none of our Group Entities have enabling provisions in their memorandum of association that enable them to engage in a business similar to that of our Company. For associated risks, see “***Risk Factors***” on page 11.



DIVIDEND POLICY

The declaration and payment of dividend will be recommended by our Board of Directors and approved by the shareholders of our Company, in their discretion, subject to the provisions of the Articles of Association and the applicable law.

We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. The declaration of dividend will always however, be at the sole discretion of our Board (subject to approval by the shareholders of our Company) who will review this policy at least once every three financial years keeping in mind the business environment and requirement of our Company and its subsidiaries.

Our Board has declared dividend for the years ended March 31, 2014 and March 31, 2013 at the rate of ₹ 2.10 and ₹ 1.90 per share respectively on the paid up equity share capital of our Company to the shareholders. For further details, please refer to Annexure 5(d) – Dividend under the section “**Financial Statements**”

In the event any dividend is declared on the Equity Shares which forms a part of the Offer for Sale, until the date on which the Board allots the Equity Shares in the Offer on the basis of allocation finalised by our Company and the BRLMs in consultation with the Designated Stock Exchange and the Registrar to the Offer, such dividend shall be to the credit of the Selling Shareholders. However, in case of any dividend declared on the Offered Shares post the Allotment of the Offered Shares pursuant to the Offer, such dividend shall be payable to the Allottees for the entire period for which the dividend is being declared and the Selling Shareholders will have no proportionate entitlements to such dividend for the period for which the Offered Shares were held by them prior to the Offer.



SECTION V – FINANCIAL INFORMATION

FINANCIAL STATEMENTS

Independent Auditor's Report on Financial Information of SSIPL Retail Limited (Consolidated as well as Unconsolidated), As Restated as at and for the six month period ended 30th September 2014 and years ended 31st March, 2014, 2013, 2012, 2011 and 2010

To
The Board of Directors,
SSIPL Retail Ltd,
B1/F4, Mohan Co-operative Industrial Area,
Main Mathura Road,
New Delhi-110044

Dear Sirs,

We have examined the attached restated financial information of SSIPL Retail Limited and its subsidiaries, as approved by Board of Directors or committee thereof, prepared in terms of the requirements of Sub-clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act, 2013 read with Part I of Chapter III of the Companies Act, 2013 (“**Act**”) and the Securities and Exchange Board of India (Issue of Capital and Disclosure requirements) Regulations 2009, as amended from time to time (the “**SEBI Regulations**”). We have examined such restated financial information taking into consideration the Guidance Note on “Reports in Company’s Prospectus (Revised)” issued by the Institute of Chartered Accountants of India (“**ICAI**”) to the extent applicable (“**Guidance**”) and in terms of our engagement agreed upon with you in accordance with our engagement letter in connection with the proposed initial public offering (IPO) of equity shares having a face value of ₹ 10 each at an issue price to be arrived at by Book Building Process.

A. Financial information as per Restated Unconsolidated Summary Statements

These information have been extracted by the management from the audited financial statements for the year ended 31st March, 2010, 2011, 2012, 2013 and 2014 and six month period ended 30th September 2014. Audit for the financial years ended 31st March 2010, 2011, 2012, 2013 and 2014 and six month period ended 30th September 2014 was conducted by us as sole Statutory Auditor.

1. In accordance with the requirements of Part I of Chapter III of the Act, the SEBI regulations and terms of our engagement agreed with you, we further report that the Restated unconsolidated statement of assets and liabilities, Restated Unconsolidated Statement of profit and loss and Cash Flows of the Company as at and for the years ended 31st March 2010, 2011, 2012, 2013 and 2014 and period ended 30th September 2014 examined by us, as set out in Annexure-1, 2 & 3 to this report read with the significant accounting policies in Annexure - 5 are after making adjustments and regrouping as, in our opinion, were appropriate and more fully described in the notes to the Restated Unconsolidated Financial Statements enclosed as Annexure -5A, 5B, 5C, 5D and 5E to this report. (These statements are hereinafter collectively referred to as the “**Restated Unconsolidated Summary Statements**”).
2. Based on above, we are of the opinion that the Restated Unconsolidated Summary Statements have been made after incorporating :
 - (i) Adjustments for the prior period and other material amounts in the respective financial years to which they relate.
 - (ii) Adjustment for Extra-ordinary items and Exceptional items in the respective financial years to which they relate.
 - (iii) Further there are no extra ordinary items and change in accounting policy that need to be disclosed separately other than those presented in the Restated Unconsolidated/consolidated Summary Statements and do not contain any qualification requiring adjustments.



3. The Emphasis of Matter in Auditor's Report in respective financial years and remarks in Companies (Auditor's Report) order, 2003 (CARO) for the years covered in our report, do not require any adjustment in Restated Unconsolidated Summary Statements as disclosed in note no. 6 of Annexure-5A. The revision in the useful lives of the fixed assets leading to change in rate of depreciation pursuant to Schedule II of Companies Act, 2013 do not require any adjustment in Restated Unconsolidated/consolidated Summary Statements being change in accounting estimate as disclosed in Note no. 5 of Annexure-5A.

B. Financial information as per Restated Consolidated Summary Statements

We have examined the attached Restated Consolidated Summary Statements of:

1. Restated Consolidated Statement of Assets and Liabilities of the Company, its subsidiaries and associates (hereafter referred to as "SSIPL Retail Group" as at September 30, 2014, and March 31, 2014, 2013, 2012 and 2011 (Annexure-1);
2. Restated Consolidated Statement of Profit and Loss of the SSIPL Retail Group for the six months period ended September 30, 2014, and each of the years ended March 31, 2014, 2013, 2012 and 2011 (Annexure-2); and
3. Restated Consolidated Cash flows of the SSIPL Retail Group for the six months period ended September 30, 2014, and each of the years ended March 31, 2014, 2013, 2012 and 2011 (Annexure-3)

which have been prepared by the Company and approved by its Board of Directors or committee thereof (these statements are hereinafter collectively referred to as the "Restated Consolidated Summary Statements"). These statements have been extracted by the management from the audited consolidated financial statements of the Company for the respective years.

The audited consolidated financial statements of SSIPL Retail Group include financial statements of certain subsidiaries listed in the table below, which were audited by the respective auditors, whose audit reports have been relied upon by us for the said years. For the purpose of placing reliance on audit reports of respective auditors, we have not performed any additional procedures to assess adequacy or otherwise of procedures carried out by the respective auditors for issuing these audit reports.

Name of the Subsidiary	Name of the respective auditors of the entities	Periods reported upon by other auditors
Shubh Footwear Products Private Limited	Pawan Chagti & Associates	For the year ended March 31, 2014

The Restated Consolidated Summary Statements have been arrived at after making such adjustments and regroupings as, in our opinion, are appropriate and more fully described in the notes appearing in Annexure-5A to this report. Based on our examination we are of the opinion that the Restated Consolidated Summary Statements have been made after incorporating:

- (i) Adjustments for the prior period and other material amounts in the respective financial years to which they relate.
 - (ii) Adjustment for Extra-ordinary items and Exceptional items in the respective financial years to which they relate.
 - (iii) Further there are no extra ordinary items and change in accounting policy that need to be disclosed separately other than those presented in the Restated Consolidated Summary Statements and do not contain any qualification requiring adjustments.
4. The revision in the useful lives of the fixed assets leading to change in rate of depreciation pursuant to Schedule II of Companies Act, 2013 do not require any adjustment in Restated Consolidated Summary Statements being change in accounting estimate as disclosed in Note no. 5 of Annexure-5A.



C. Other Financial Information

1. We have examined the following restated unconsolidated financial information as set out in Annexures prepared by the management and approved by the Board of Directors of the company for the six months period ended September 30, 2014, and each of the years ended March 31, 2014, 2013, 2012 and 2011:
 - i. RESTATED UNCONSOLIDATED STATEMENT OF SHARE CAPITAL (ANNEXURE-4A)
 - ii. RESTATED UNCONSOLIDATED STATEMENT OF RESERVES AND SURPLUS(ANNEXURE-4B)
 - iii. RESTATED UNCONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS (ANNEXURE-4C)
 - iv. RESTATED UNCONSOLIDATED STATEMENT OF SHORT-TERM BORROWINGS (ANNEXURE-4D)
 - v. OTHER UNCONSOLIDATED RESTATED DETAILS OF SECURED/ UNSECURED LOAN(ANNEXURE-4E)
 - vi. RESTATED UNCONSOLIDATED DETAILS OF INVESTMENT (ANNEXURE-4F)
 - vii. RESTATED UNCONSOLIDATED DETAILS OF TRADE RECEIVABLE (ANNEXURE-4G)
 - viii. RESTATED UNCONSOLIDATED DETAILS OF LOANS & ADVANCES, OTHER CURRENT & NON-CURRENT ASSETS (ANNEXURE-4H)
 - ix. RESTATED UNCONSOLIDATED DETAILS OF TRADES PAYABLE, OTHER NON CURRENT AND CURRENT LIABILITIES (ANNEXURE-4I)
 - x. RESTATED UNCONSOLIDATED DETAILS OF PROVISIONS (ANNEXURE-4J)
 - xi. RESTATED UNCONSOLIDATED DETAILS OF OTHER INCOME(ANNEXURE-4K)
 - xii. SIGNIFICANT ACCOUNTING POLICIES (ANNEXURE-5)
 - xiii. NOTES TO ADJUSTMENTS CARRIED OUT IN THE STATEMENT OF PROFIT & LOSS AND BALANCE SHEET(ANNEXURE-5A)
 - xiv. OTHER NOTES TO ACCOUNTS (UNCONSOLIDATED) - (ANNEXURE-5B)
 - xv. UNCONSOLIDATED SEGMENT INFORMATION(ANNEXURE-5C)
 - xvi. DIVIDEND (UNCONSOLIDATED) - (ANNEXURE-5D)
 - xvii. RELATED PARTY TRANSACTIONS (UNCONSOLIDATED) - (ANNEXURE-5E)
 - xviii. UNCONSOLIDATED STATEMENT OF TAX SHELTERS- (ANNEXURE-6)
 - xix. RECONCILIATION OF AUDITED RESERVES & SURPLUS WITH RESTATED RESERVES & SURPLUS (UNCONSOLIDATED) - (ANNEXURE-7)
 - xx. ACCOUNTING RATIOS (UNCONSOLIDATED) - (ANNEXURE-8)
 - xxi. RESTATED UNCONSOLIDATED CAPITALIZATION STATEMENT AS AT SEP 30, 2014(ANNEXURE-9)



2. We have also examined the following restated consolidated financial information as set out in Annexures prepared by the management and approved by the Board of Directors of the company for the six months period ended September 30, 2014, and each of the years ended March 31, 2014, 2013, 2012 and 2011:-
- i. RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL (ANNEXURE-4A)
 - ii. RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS (ANNEXURE-4B)
 - iii. RESTATED CONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS (ANNEXURE-4C)
 - iv. RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM BORROWINGS (ANNEXURE-4D)
 - v. OTHER CONSOLIDATED RESTATED DETAILS OF SECURED/ UNSECURED LOAN (ANNEXURE-4E)
 - vi. RESTATED CONSOLIDATED DETAILS OF INVESTMENT (ANNEXURE-4F)
 - vii. RESTATED CONSOLIDATED DETAILS OF TRADE RECEIVABLE (ANNEXURE-4G)
 - viii. RESTATED CONSOLIDATED DETAILS OF LOANS & ADVANCES, OTHER CURRENT & NON-CURRENT ASSETS (ANNEXURE-4H)
 - ix. RESTATED CONSOLIDATED DETAILS OF TRADES PAYABLE, OTHER NON CURRENT AND CURRENT LIABILITIES (ANNEXURE-4I)
 - x. RESTATED CONSOLIDATED DETAILS OF PROVISIONS (ANNEXURE-4J)
 - xi. RESTATED CONSOLIDATED DETAILS OF OTHER INCOME (ANNEXURE-4K)
 - xii. SIGNIFICANT ACCOUNTING POLICIES (ANNEXURE-5)
 - xiii. NOTES TO ADJUSTMENTS CARRIED OUT IN THE STATEMENT OF PROFIT & LOSS AND BALANCE SHEET (ANNEXURE-5A)
 - xiv. OTHER NOTES TO ACCOUNTS (CONSOLIDATED) - (ANNEXURE-5B)
 - xv. CONSOLIDATED SEGMENT INFORMATION (ANNEXURE-5C)
 - xvi. DIVIDEND (CONSOLIDATED) - (ANNEXURE-5D)
 - xvii. RELATED PARTY TRANSACTIONS (CONSOLIDATED) - (ANNEXURE-5E)
 - xviii. RECONCILIATION OF AUDITED RESERVES & SURPLUS WITH RESTATED RESERVES & SURPLUS (CONSOLIDATED) - (ANNEXURE-6)
 - xix. ACCOUNTING RATIOS (CONSOLIDATED) - (ANNEXURE-7)
 - xx. RESTATED CONSOLIDATED CAPITALIZATION STATEMENT AS AT SEP 30, 2014 (ANNEXURE-8)
3. The report should not in any way be construed as a reissuance or redrafting of the previous Auditor's Reports issued by us.
4. We have no responsibility to update our reports for events and circumstances occurring after the date of this report.
5. In our opinion, the financial information contained in Annexure no. 1, 2 & 3 of this report read along with the Significant Accounting Policies, and notes to Restated Unconsolidated/ Consolidated Summary Statements are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with Part I of Chapter III of the Companies Act, 2013 and the SEBI Regulations.



6. Our report is intended solely for use of the management and for the inclusion in the offer document in connection with the proposed issue of equity shares of the company. Our report should not be used, referred to or distributed for any other purpose except with our consent in writing.

For T. R. Chadha & Co.
Chartered Accountants
(Firm Registration No.: 006711N)

Surender Kumar
Partner
(Membership No. 82982)

Place: New Delhi
Date: February 26, 2015



ANNEXURE 1: RESTATED CONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

(₹ in Million)

Sr No.	Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
I.	<u>EQUITY AND LIABILITIES</u>					
A	<u>Shareholders' Fund</u>					
	(a) Share Capital					
	- Equity Shares	100.02	99.92	99.35	92.72	92.72
	- Preference Shares	113.51	113.51	113.51	206.51	265.01
		213.53	213.44	212.86	299.23	357.74
	(b) Reserve & Surplus	1,281.79	1,261.43	1,092.89	844.52	776.35
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	Net Reserve and Surplus (excluding revaluation reserve)	1031.16	1010.80	842.26	593.89	525.72
	Total (A)	1,244.70	1,224.24	1,055.12	893.12	883.45
B	Minority Interest					
	- Capital	0.10	0.12	-	7.01	0.01
	- Reserves and Surplus	0.06	0.00	-	(1.65)	0.01
	Total (B)	0.16	0.13	-	5.36	0.02
C	Non-Current Liabilities					
	Long-Term Borrowings	104.45	100.00	111.57	15.19	0.91
	Deferred Tax Liability (net)	-	-	-	-	-
	Other Long term Provisions	104.21	91.15	71.15	81.99	84.85
	Other Long-Term Liabilities	136.89	134.17	143.55	123.15	89.69
	Total (C)	345.55	325.33	326.27	220.33	175.45
D	Current Liabilities					
	Short-Term Borrowings	788.37	785.21	508.70	619.49	297.72
	Trade Payables	1,543.27	1,080.67	967.68	848.76	598.25
	Other Current Liabilities	381.78	332.28	302.29	438.05	182.44
	Short-Term Provisions	148.73	180.62	136.36	7.20	14.48
	Total (D)	2,862.15	2,378.78	1,915.04	1,913.50	1,092.89
	Total (A+B+C+D)	4,452.56	3,928.48	3,296.43	3,032.32	2,151.81
II.	<u>ASSETS</u>					
A	Non-Current Assets					
	Fixed Assets					
	- Tangible Assets	1,023.34	1,019.83	955.09	792.51	603.33
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	- Tangible Assets (Net)	772.71	769.20	704.46	541.88	352.70
	- Intangible Assets	51.23	54.54	59.40	128.86	8.54
	- Capital work-in-progress	4.14	1.41	2.10	7.64	9.07
	Non-Current Investments	4.30	3.70	2.60	2.50	2.00
	Deferred Tax Assets (net)	76.71	72.70	64.85	14.91	20.37
	Long-Term Loans and Advances	544.65	521.03	449.72	408.77	391.19
	Other non-current assets	-	-	-	1.29	4.93
	Total (A)	1,453.74	1,422.58	1,283.13	1,105.84	788.81
B	Current Assets					
	Inventories	2,077.57	1,739.28	1,328.52	1,295.81	709.02
	Trade Receivables	662.45	558.34	519.71	372.61	506.23
	Cash and Bank Balances	61.45	54.83	83.66	138.97	101.57
	Short-Term Loans and Advances	195.78	152.88	81.15	118.47	42.72
	Other Current Assets	1.56	0.57	0.26	0.63	3.46
	Total (B)	2,998.82	2,505.90	2,013.30	1,926.48	1,363.00
	Total (A+B)	4,452.56	3,928.48	3,296.43	3,032.32	2,151.81

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



ANNEXURE 2: RESTATED CONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Million)

Sr No.	Particulars	Six month ended September 30, 2014	2014	For the year ended March 31, 2013	2012	2011
A	INCOME					
	Revenue from Operations					
	Turnover	4,529.14	8,165.67	7,205.75	6,082.48	3,941.80
	Less: Excise Duty & VAT	308.90	549.82	484.41	371.37	216.35
	Net Turnover	4,220.24	7,615.85	6,721.34	5,711.10	3,725.45
	Income from Job work	-	3.28	-	-	-
	Other Income	6.82	7.86	15.05	8.37	25.81
	Total (A)	4,227.05	7,626.99	6,736.39	5,719.47	3,751.26
B	EXPENDITURE					
	Cost of materials consumed	691.27	1,067.45	918.62	1,017.49	929.34
	Purchase of Stock in Trade	1,941.21	3,432.83	2,952.55	2,611.99	1,687.56
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(278.60)	(312.06)	(43.82)	(273.20)	(159.13)
	Employee Benefits Expense	567.06	940.44	783.78	667.56	425.74
	Finance Cost	89.97	138.16	117.13	119.90	66.85
	Depreciation and Amortization Expense	126.93	212.64	182.81	159.56	87.31
	Other Expenses	1,039.75	1,875.16	1,646.31	1,269.91	656.28
	Total (B)	4,177.60	7,354.63	6,557.40	5,573.20	3,693.96
	Profit / (Loss) before Tax and extraordinary items (A-B)	49.45	272.37	178.99	146.27	57.30
C	Extraordinary Items*	-	-	-	-	-
D	Profit before tax	49.45	272.37	178.99	146.27	57.30
E	Provision for Tax					
	- Current Tax	16.44	67.59	47.34	28.02	21.25
	- Deferred Tax	(4.01)	(7.86)	(49.94)	5.46	(7.96)
F	Profit after tax but before share of results of subsidiary and minority interest	37.02	212.63	181.60	112.79	44.01
	Adjustment on consolidation for pre-acquisition profit	-	0.52	(3.47)	(5.60)	0.02
G	Profit after tax but before minority interest	37.02	213.14	178.12	107.20	44.03
	Less : Share of Minority Interest	0.03	0.00	-	(1.66)	0.01
H	Net Profit / (Loss) after Tax as restated available for Appropriation	36.99	213.14	178.12	108.85	44.02
I	Net Profit / (Loss) after Tax as per the audited Financial Statements	36.34	199.17	182.02	67.37	60.16
J	Adjustment on account of restatement (Refer Annexure - 5A)					
	- Prior period	-	(15.82)	15.82	(0.17)	(0.11)
	- Exceptional Items	-	-	-	(53.70)	16.23
	- Extra-ordinary Items	-	-	(12.54)	8.33	4.21
	- Tax adjustments	-	(0.46)	0.95	1.69	(1.98)
	- Deferred Tax	-	1.67	(0.34)	2.37	(2.22)
	- Adjustment for unrealised profit on GIT	(0.65)	0.65	-	-	-
	Total Adjustments	(0.65)	(13.97)	3.90	(41.48)	16.14
K	Net Profit / (Loss) after Tax as restated for Appropriation	36.99	213.14	178.12	108.85	44.02



Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.

* Extraordinary item relating to IPO expenses of ₹ 12.85 million in the FY 2013 has been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head "Restatement to prior period items". For further details refer Annexure- 5B.



ANNEXURE 3: RESTATED CONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Million)

Sr. No.	Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
A	CASH FLOW FROM OPERATING ACTIVITIES					
	Net Profit before Tax as restated	49.45	272.37	178.99	146.27	57.30
	Add /(Less) :					
	Adjustments for					
	Depreciation/Amortisation	126.93	212.64	182.81	159.56	87.31
	Interest Expenses	89.97	138.16	117.13	119.90	66.85
	Interest Income	(1.23)	(0.73)	(1.31)	(2.34)	(23.71)
	Loss / (profit) on Sale/disposal of Fixed Assets	1.48	1.28	1.30	(4.30)	4.01
	Unrealised loss/(gain) on foreign currency transactions and translation (net)	4.38	18.35	7.11	11.20	2.53
	Bad debts/ Advances written off	2.55	-	0.03	5.36	0.45
	Provision for Doubtful debts	-	-	-	0.23	0.76
	Adjustment on consolidation of pre -acquisition profit	-	0.52	-	(5.60)	0.02
	Adjustment for restatement of subsidiary	-	0.09	-	(24.66)	(0.05)
	Profit on cease of subsidiary	-	-	18.56	-	-
	Provision for Fixed Deposit	-	-	-	0.08	(0.21)
	ESOS Expenses	0.08	1.61	3.06	4.34	-
	Liability no longer required written back	(4.11)	(1.78)	(6.96)	-	(1.04)
	Increase in Liability for Employee benefit	11.06	4.58	11.97	1.44	(5.48)
	Operating Profit before Working Capital changes	280.56	647.07	512.70	411.48	188.74
	Adjustments for Working Capital changes :					
	- (Increase)/Decrease in Trade Receivables	(106.66)	(38.63)	(147.31)	128.04	(52.46)
	- (Increase)/Decrease in Loans & advances and other receivables	(51.36)	(142.29)	7.68	(89.32)	10.77
	- Increase/(Decrease) in Trade Payables & other Current Liabilities	512.96	147.06	64.25	529.91	292.95
	- Increase/(Decrease) in Other bank balances	0.00	-	-	0.03	(0.03)
	- (Increase)/Decrease in Inventories	(338.29)	(410.75)	(32.71)	(586.79)	(197.04)
	Cash generated from Operations	297.21	202.47	404.61	393.34	242.93
	- Direct Tax Paid	(46.21)	(51.07)	(48.66)	(31.44)	(6.48)
	NET CASH INFLOW/ (USED) IN OPERATING ACTIVITIES	251.00	151.40	355.95	361.90	236.45
B	CASH FLOW FROM INVESTING ACTIVITIES					
	- Purchase of Fixed Assets	(140.73)	(281.71)	(320.31)	(421.43)	(105.97)
	-Adjustment on Amalgamation in Fixed Assets	-	-	(160.79)	-	-
	-Adjustment for cease/(purchase) of subsidiary in Fixed Assets	-	(1.43)	192.10	(61.99)	-
	- Sale of Fixed Assets	5.91	10.04	17.31	20.10	0.76
	- Purchase on Investments	(0.60)	(1.10)	(0.10)	(0.50)	(0.50)
	-Capital Subsidy received from Government	-	-	-	3.00	-
	-Fixed Deposit (net)	0.01	10.07	(1.55)	36.80	(39.91)
	- Interest Received	0.23	0.42	1.68	5.17	25.72
	NET CASH USED IN INVESTING ACTIVITIES	(135.18)	(263.71)	(271.66)	(418.85)	(119.90)
C	CASH FLOW FROM FINANCING ACTIVITIES					
	-Redemption of preference shares including premium	-	-	-	(90.00)	-
	-Proceeds of Equity Shares with Premium allotted under ESOS	0.73	4.31	5.12	-	-
	- Proceeds/(Repayments) of Long Term Borrowings (net)	4.45	(11.57)	96.38	14.28	(1.35)
	- Proceeds/(Repayments) of Short Term Borrowings (net)	(0.67)	259.57	(117.85)	318.42	(39.27)
	-Proposed Dividend and Tax on Dividend	(24.63)	(22.02)	-	-	-
	- Adjustment on consolidation	-	0.12	(7.01)	7.00	0.01
	- Interest paid	(89.06)	(136.86)	(117.79)	(118.46)	(66.30)
	NET CASH INFLOW/ (USED) IN FINANCING ACTIVITIES	(109.19)	93.56	(141.14)	131.24	(106.91)
	NET CASH AND CASH EQUIVALENTS INFLOW/(USED)	6.63	(18.76)	(56.86)	74.30	9.64
	CASH AND CASH EQUIVALENTS (OPENING BALANCE)	50.13	68.89	125.75	51.45	41.81
	CASH AND CASH EQUIVALENTS (CLOSING BALANCE)	56.77	50.13	68.89	125.75	51.45
	Reconciliation with Balance Sheet					
	CASH & BANK BALANCES (AS PER BALANCE SHEET)	61.45	54.83	83.66	138.97	101.57
	Less : OTHER BANK BALANCES	4.69	4.70	14.77	13.22	50.13
	CASH & CASH EQUIVALENTS (AS PER BALANCE SHEET)	56.77	50.13	68.89	125.75	51.45
	Less : Unpaid Dividend (excluding Dividend Distribution Tax)	-	-	18.82	-	-
	CASH & CASH EQUIVALENTS (CLOSING BALANCE)	56.77	50.13	50.07	125.75	51.45



Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



ANNEXURE 4 A : RESTATED CONSOLIDATED STATEMENT OF SHARE CAPITAL

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
Authorised share capital					
Equity Shares of ₹ 10 each	218.51	218.51	218.51	218.51	135.00
Preference Shares of ₹ 10 each	209.49	209.49	209.49	209.49	268.00
Issued, subscribed and fully paid up					
Equity Shares of ₹ 10 each	100.02	99.92	99.35	92.72	92.72
Redeemable Preference Shares of ₹ 10 each	113.51	113.51	113.51	113.51	172.02
Compulsory Convertible Preference Shares of ₹ 10 each	-	-	-	92.99	92.99
	213.53	213.44	212.86	299.23	357.74

Notes:

- Pursuant to Termination Agreement dated October 20, 2014 executed with HBP Holding Limited, 11,351,185 Redeemable Preference Shares of ₹ 10 each were redeemed at par by the Group on January 07, 2015 in accordance with the terms of the Agreement. Accordingly, "Securities Premium Account" will stand increased and "Provision for premium on redemption of Preference shares" will stand and reduced to the extent of ₹ 137.43 million in the financials to be prepared post September 30, 2014.
- Pursuant to share subscription agreement dated Oct 20, 2014, company has allotted 16,667 equity shares on January 08, 2015 to Oman India Joint Investment Fund (OIJF).



ANNEXURE 4 B : RESTATED CONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
A. Capital Reserve					
Balance as per last balance sheet	7.27	7.27	5.45	2.45	2.45
Add : Addition during the period/year	-	-	1.83	3.00	-
	7.27	7.27	7.27	5.45	2.45
B. Capital Redemption Reserve					
Balance as per last balance sheet	145.56	145.56	58.51	-	-
Add : Addition during the period/year	-	-	87.05	58.51	-
	145.56	145.56	145.56	58.51	-
C. Revaluation Reserve					
Balance as per last balance sheet	250.63	250.63	250.63	250.63	250.63
Add : Addition during the period/year	-	-	-	-	-
	250.63	250.63	250.63	250.63	250.63
D. Security Premium Account					
Balance as per last balance sheet	495.51	513.30	440.69	464.04	491.43
Less: Premium on Redemption of Preference shares provided during the period/year	13.86	25.40	22.68	23.35	27.39
Add: Premium received on Issue of Equity Shares under ESOP	1.39	7.61	8.24	-	-
Add:Trf from Provision for redemption of Preference shares	-	-	87.05	(0.00)	-
	483.04	495.51	513.30	440.69	464.04
E. General Reserve					
Balance as per last balance sheet	32.32	11.45	-	-	-
Add : Addition during the period/year	-	20.87	11.45	-	-
	32.32	32.32	11.45	-	-
F. Share Option Outstanding Account					
Balance as per last balance sheet	1.84	5.72	8.85	-	-
Add: Current Year Addition	0.64	0.22	2.42	8.85	-
Less : Transferred to Security Premium Account	0.75	3.88	3.80	-	-
Less : Written Back in Current Year	0.34	0.21	1.75	-	-
	1.39	1.84	5.72	8.85	-
Less : Employee Deferred Compensation Account					
As per last Balance Sheet	0.50	2.11	4.51	-	-
Add: Current period/year Addition	0.64	0.22	2.42	8.85	-
Less : Written Back in Current period/year	0.34	0.21	1.75	-	-
Less : ESOS Expense recognised during the period/year	0.08	1.61	3.06	4.34	-
	0.73	0.50	2.11	4.51	-
	0.67	1.34	3.61	4.34	-
G. Surplus in Statement of Profit & Loss					
As per last Balance Sheet	328.80	161.07	84.91	59.23	15.26
Add: Net Profit for the period/current year	36.99	213.14	178.12	108.85	44.02
Less : Transfer to Capital redemption reserve	-	-	87.05	58.51	-
Less : Transfer to General Reserve	-	20.87	11.45	-	-
Less : Depreciation on Fixed Assets	3.48	-	-	-	-
Less : Proposed Final Dividend on Equity Shares	-	20.94	18.20	-	-
Less : Dividend on cumulative redeemable preference shares	-	0.11	0.62	-	-
Less : Dividend Distribution Tax	-	3.58	3.20	-	-
Add : Adjustment for restatement of subsidiary	-	0.09	-	(24.66)	(0.05)
Add : Adjustment on cessation of subsidiary	-	-	18.56	-	-
	362.31	328.80	161.07	84.91	59.23
Reserve and Surplus (A+B+C+D+E+F+G)	1,281.79	1,261.43	1,092.89	844.52	776.35
Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
Reserve and Surplus (excluding Revaluation reserve)	1,031.16	1,010.80	842.26	593.89	525.72



ANNEXURE 4 C : RESTATED CONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
A. Long-Term Borrowings					
SECURED					
(I) TERM LOAN FROM BANKS					
(a) Foreign Currency Loans	-	-	-	-	-
(b) Rupee Term Loans					
(i) Canara Bank	30.00	35.00	45.00	-	-
(ii) INGVysha Bank	72.59	81.76	81.50	-	-
(iii) Axis Bank	30.68	-	-	-	-
(II) TERM LOAN FROM OTHERS					
(a) Foreign Currency Loans	-	-	-	-	-
(b) Rupee Term Loans	-	-	-	-	-
(c) Finance Lease Obligations	-	-	-	-	-
	133.27	116.76	126.50	-	-
(III) VEHICLE LOAN					
(a) From Banks :					
(i) ICICI Bank	4.13	4.87	6.41	0.38	1.47
(ii) PNB	-	-	0.15	0.29	0.41
(iii) HDFC Bank Limited	1.04	1.41	2.13	-	-
(b) From Others :					
(i) Kotak Mahindra Prime Limited	0.18	0.38	0.75	1.33	0.79
(ii) TATA Capital Limited	-	-	0.33	0.58	-
	5.34	6.66	9.77	2.58	2.68
Total Long-term Borrowings (Secured)	138.61	123.42	136.27	2.58	2.68
UNSECURED					
(I) FROM RELATED PARTIES					
(a) Jay Dee International Private Limited	2.20	2.20	2.20	-	-
(b) Applique Garment Private Limited	0.40	0.40	-	-	-
(c) Sports Station Retail Private Limited	0.80	0.80	-	-	-
(d) A & M Wearing Apparels & Accessories Private Limited	1.95	1.95	-	-	-
(e) Value Vestor Private Limited	0.90	5.90	-	-	-
	6.25	11.25	2.20	-	-
(II) FROM OTHER PARTIES					
(a) Jay Dee International Private Limited	-	-	-	2.20	-
(b) Applique Garment Private Limited	-	-	0.40	0.40	-
(c) Sports Station Retail Private Limited	-	-	2.20	2.20	-
(d) A & M Wearing Apparels & Accessories Private Limited	-	-	2.65	9.00	-
(e) Value Vestor Private Limited	-	-	2.90	-	-
	-	-	8.15	13.80	-
Total Long-term Borrowings (Unsecured)	6.25	11.25	10.35	13.80	-
Total Long-term Borrowings (A)	144.86	134.67	146.62	16.38	2.68
B. Current Maturities					
(I) TERM LOAN FROM BANKS					
(a) Foreign Currency Loans	-	-	-	-	-
(b) Rupee Term Loans					
(i) Canara Bank	10.00	10.00	10.00	-	-
(ii) INGVysha Bank	22.00	22.00	22.00	-	-
(iii) Axis Bank	5.83	-	-	-	-
(II) TERM LOAN FROM OTHERS					
(a) Foreign Currency Loans	-	-	-	-	-
(b) Rupee Term Loans	-	-	-	-	-
(c) Finance Lease Obligations	-	-	-	-	-
	37.83	32.00	32.00	-	-
(III) VEHICLE LOAN					
(a) From Banks :					
(i) ICICI Bank	1.59	1.51	1.54	0.21	1.10
(ii) PNB	-	-	0.15	0.15	0.13
(iii) HDFC Bank Limited	0.82	0.78	0.70	-	-
(b) From Others :					
(i) Kotak Mahindra Prime Limited	0.18	0.38	0.37	0.58	0.54



(ii) TATA Capital Limited	-	-	0.28	0.25	-
	2.58	2.67	3.05	1.19	1.76
Total Current Maturities (B)	40.41	34.67	35.05	1.19	1.76
Non-current Long-term Borrowings (A-B)	104.45	100.00	111.57	15.19	0.91



ANNEXURE 4 D : RESTATED CONSOLIDATED STATEMENT OF SHORT-TERM BORROWINGS
(₹ in Million)

Particulars	As at September30, 2014	2014	2013	As at March31, 2012	2011
A. SECURED					
(I) Working Capital Loan From Banks					
(a) Foreign Currency Loan					
(i) Axis Bank	125.36	121.52	110.10	103.04	90.80
(b) Indian Currency Loan					
(i) Axis Bank	248.90	354.31	129.29	128.11	63.64
(ii) Canara Bank	317.73	184.41	198.57	268.71	58.35
(iii) HSBC Bank	-	-	-	119.63	84.93
(iv) INGVysya Bank	96.38	124.96	70.73	-	-
Total Secured Loan (A)	788.37	785.21	508.70	619.49	297.72
B. UNSECURED					
Total Unsecured Loan (B)	-	-	-	-	-
Short-term Borrowings (A+B)	788.37	785.21	508.70	619.49	297.72



ANNEXURE 4 E : OTHER CONSOLIDATED RESTATED DETAILS OF SECURED/ UNSECURED LOAN

(₹ in Million)

Lender	Date Of Sanction of Loan	Loan Amount Sanctioned	Loan (excluding interest [#]) outstanding as at September 30, 2014	Rate of Interest (As per latest Sanctioned Letter)	Due Date of Repayment	Security
SECURED LOAN						
(I) Short-term Borrowing						
(A) Foreign Currency Loans						
(i) Axis Bank Ltd - FCDL-912060048490827	5-Sep-14	100.00	125.36	4.33% as per present Rate	On Demand	Sublimit of CC Limit, therefore security same as that of Axis Bank CC Limit
(Sanctioned amount : USD 2 Million, Interest amount : USD 7342)						
Sub Total (A)		100.00	125.36			
(B) Rupee Loans						
(i) Axis Bank Ltd. - CC-007010300018416	2-Sep-14	368.00	78.67	12.75% (Base Rate +2.50%)	On Demand	Primary security :Paripassu first charge on the current assets of the Company, both present and future. Collateral security :Paripassu first charge on the fixed assets of the Company, other than those charges exclusively charged to term lenders. Fixed Assets include equitable mortgage of a Factory land and building: a) located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.
(ii) INGVysya Bank Ltd. - 586044007841	19-Oct-13	210.00	96.38	12.20% (IVBR+1.55%)	On Demand	Primary Security : Hypothecation of stock and book debts. Collateral Security :Paripassu charge by way of equitable mortgage on the following fixed assets of the Company: a) Factory land and building located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no.



						106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.
(iii) Axis Bank (WCDL) 912030014791892	2-Sep-14	100.00	100.00	12.25% (Base Rate +2%)	On Demand	Sublimit of CC Limit, therefore security same as that of Axis Bank CC Limit
(iv) Canara Bank - CC Limit	22-Nov-13	272.00	317.73	13.70% Floating (Base Rate +3.75%)	On Demand	<p>Primary security: First paripassu charge by way of hypothecation of stock and book debts</p> <p>Collateral security: <ul style="list-style-type: none"> • First paripassu charge by way of equitable mortgage on factory land and building situated at Plot No. 75, Sersa Road, Kundli, Sonapat, Haryana measuring measuring 57 kanals and 3 marlas. • First paripassu charge by way of equitable mortgage on land measuring 5-0 Bigha comprised in KhewatKhatoni No106/157, Khasra No. 265/101 and 267/102 situated at village – Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. • First paripassu charge by way of hypothecation on all other fixed assets including plants and machinery, tools, electrical installations, fixtures and furnitures, equipment and computers. </p> <p>Personal guarantee: Mr. Amit Mathur, Mr. Rishab Soni and Mr. Sunil Taneja.</p> <p>Primary Security : Exclusive charges by way of hypothecation of entire current assets of SSIPL Lifestyle, both present and future.</p> <p>Collateral Security : Exclusive charge on the entire present and future fixed assets of SSIPL Lifestyle.</p> <p>Guarantee : Corporate guarantee of the Company</p>
(v) Axis Bank Ltd. - CC-913030024797463	9-Apr-14	60.00	40.23	13.50% (Base Rate +3.25%)	On Demand	Sublimit of CC Limit, therefore security same as that of Axis Bank CC Limit
(vi) Axis Bank (WCDL) 913030044904481	9-Apr-14	30.00	30.00	12.75% (Base Rate +2.5%)	On Demand	
Sub Total (B)		1040.00	663.01			



Total (I=A+B)		1140.00	788.37			
(II) Term Loan						
(A) Foreign Currency Loans		-	-			
Sub Total (A)		-	-			
(B) Rupee Term Loans						
(i) INGVysya Term Loan	6-Jul-12	110.00	72.59	12.45% (IVBR+1.80%)	Dec-2017	Primary Security : Charge on the assets to be created out of the term loan. Collateral Security :Paripassu charge by way of equitable mortgage on the following fixed assets of the Company: a) Factory land and building located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.
(ii) Canara Bank Term Loan	13-Jul-12	50.00	30.00	13.75% Floating (Base Rate+3.25%)	7-Sep-17	Primary security: Exclusive charge by way of hypothecation of plant and machinery worth ₹ 49,500,000 and other fixed assets worth ₹ 38,700,000 Collateral security: • First paripassu charge by way of equitable mortgage on factory land and building situated at Plot No. 75, Sersa Road, Kundli, Sonapat, Haryana measuring measuring 57 kanals and 3 marlas. • First paripassu charge by way of equitable mortgage on land measuring 5-0 Bigha comprised in KhewatKhatoni No106/157, Khasra No. 265/101 and 267/102 situated at village – Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. • First paripassu charge by way of hypothecation on all other fixed assets including plants and machinery, tools, electrical installations, fixtures and furnitures, equipment and computers. Personal guarantee: Mr. Amit Mathur, Mr. Rishab Soni and Mr. Sunil Taneja.
(iii) Axis Bank Term Loan	11-Apr-13	70.00	30.68	12.50%	23-Mar-18	Primary security :Exclusive charge on the



				Floating (Base Rate +2.50%)		project assets to be created by way of using the term loan.
						Collateral security : Paripassu first charge on the fixed assets of the Company, other than those charges exclusively charged to term lenders. Fixed Assets include equitable mortgage of a Factory land and building: a) located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.
						Personal guarantee : Mr. Rishab Soni,Mr. Amit Mathur and Mr. Sunil Taneja.
Sub Total (B)		160.00	133.27	-		
(C) Rupee Vehicle Loans						
(i) HDFC - Mercedes Benz	28-Dec-12	2.30	1.04	10.25%	5-Dec-15	Secured by hypothecation of Vehicle on which loan is taken
(ii) ICICI - Range Rover	February 27, 2013	6.40	4.13	9.80%	February 01, 2017	Secured by hypothecation of Vehicle on which loan is taken
(iii) Kotak Mahindra - Innova	February 29, 2012	1.08	0.18	10.94%	February 01, 2015	Secured by hypothecation of Vehicle on which loan is taken
Sub Total (C)		9.78	5.34			
Total (II) = (A+B +C)		169.78	138.61			
Grand Total (I+II)		1,309.78	926.98			
UNSECURED LOAN						
(a) Jay Dee International Private Limited	N.A.	N.A.	2.20	14%		
(b) Applique Garment Private Limited	N.A.	N.A.	0.40	14%		
(c) Sports Station Retail Private Limited	N.A.	N.A.	0.80	14%		
(d) A & M Wearing Apparels & Accessories Private Limited	N.A.	N.A.	1.95			
(e) Value Vestor Private Limited	N.A.	N.A.	0.90	14%		
Total		-	6.25			

Note : According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks during the period.

except CC limit where loan amount includes interest component

* repayable on demand



Annexure 4 F:
RESTATED CONSOLIDATED DETAILS OF INVESTMENT

(₹ in Million except no. of shares)

Particulars	As at September 30, 2014				As at March 31st 2012				2011	
	Nos.	Book Value	Nos.	Book Value	Nos.	Book Value	Nos.	Book Value	Nos.	Book Value
Non-Current Investments										
Long Term Investments										
(i) Trade, At Cost - (Un-quoted)										
In Equity Instruments - fully paid										
a) Associates	-	-	-	-	-	-	-	-	-	-
b) Others										
Sports Lifestyle Private Limited Equity Shares ₹ 10 each fully paid up	250,000	2.50	250,000	2.50	250,000	2.50	250,000	2.50	200,000	2.00
Less: Diminution in Investment		-		-		-		-		-
(ii) Non-trade, At Cost - (Quoted)										
In Mutual Fund										
CanraRobeco Gold Saving Fund - Regular Growth	195,378	1.80	128,335	1.20	10,373	0.10	-	-	-	-
		4.30		3.70		2.60		2.50		2.00
Break - up :										
Quoted Investments		1.80		1.20		0.10		-		-
Unquoted Investments		2.50		2.50		2.50		2.50		2.00
		4.30		3.70		2.60		2.50		2.00
Market Value of Quoted Investments										
CanraRobeco Gold Saving Fund - Regular Growth		1.68		1.19		0.10		-		-
		1.68		1.19		0.10		-		-

Note : As on September 30, 2014, the Group has not considered necessary to provide for diminution in value of Mutual Fund as investment is long term and diminution in value is temporary.



ANNEXURE 4 G: RESTATED CONSOLIDATED DETAILS OF TRADE RECEIVABLE

(₹ in Million)

Particulars	As at September 30, 2014		As at March 31,		
		2014	2013	2012	2011
Outstanding for a period exceeding six months	24.57	11.75	14.57	15.62	13.79
Other debts	637.88	546.60	505.14	356.98	492.44
- Related Parties	111.13	101.82	32.18	-	252.39
- Other	551.33	456.53	487.53	372.61	253.84
TOTAL	662.45	558.34	519.71	372.61	506.23
Out of above					
Considered Good					
- Secured	-	-	-	-	-
- Unsecured	662.45	558.34	519.71	372.61	506.23
Considered Doubtful	-	-	-	-	-
- Related Parties					
Sports Station (India) Private Limited	-	-	-	-	250.45
KNS Trading Private Limited	5.95	4.95	-	-	-
Sports Lifestyle Private Limited	99.06	96.87	32.18	-	1.94
Pious Fashion Private Limited	6.12	-	-	-	-
Related Parties Total	111.13	101.82	32.18	-	252.39

There is no trade receivables related to directors, promoters, group companies, or any other related party except as stated above.



ANNEXURE 4 H: RESTATED CONSOLIDATED DETAILS OF LOANS & ADVANCES, OTHER CURRENT & NON-CURRENT ASSETS

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
Long-Term Loans & Advances					
Non-Current					
- Capital Advances	10.01	10.69	18.03	20.44	10.64
- Security Deposits	514.21	500.86	423.06	383.53	217.63
- Income Tax Advance	16.63	5.67	5.79	2.85	2.87
- Sales Tax Recoverable	3.40	2.92	2.44	1.96	1.85
- Other Advance	-	0.48	-	-	-
	544.24	520.62	449.32	408.77	232.99
- Related Parties	0.41	0.41	0.41	-	158.20
Total (A)	544.65	521.03	449.72	408.77	391.19
- Related Parties					
Security Deposits :					
Sunil Taneja (HUF)	0.14	0.14	0.14	-	-
AlkaTaneja	0.14	0.14	0.14	-	-
KabirTaneja	0.14	0.14	0.14	-	-
Sports Station (India) Private Limited	-	-	-	-	95.00
Loan and Advance :					
Sports Station (India) Private Limited	-	-	-	-	63.20
Related Parties Total	0.41	0.41	0.41	-	158.20
Short-Term Loans & Advances					
- Against supply of goods and services	72.80	56.54	23.50	41.47	6.46
- Prepaid Expenses	21.57	15.99	11.07	13.85	8.21
- Security Deposit	0.20	0.30	1.28	0.53	0.26
- Advances with Government Authorities	49.68	43.93	16.96	21.74	15.58
- Other Advances	50.18	29.43	28.32	40.87	12.08
- Other Receivables	1.35	1.76	-	-	-
- Related Parties	-	4.93	0.01	-	0.13
Total (B)	195.78	152.88	81.15	118.47	42.72
- Related Parties					
Ridhi Enterprises	-	-	0.01	-	0.13
M/s Cobblerz Shoes	-	4.93	-	-	-
Related Parties Total	0.00	4.93	0.01	0.00	0.13
Other Non-Current Assets					
Long Term Trade Receivables					
Unsecured, Considered Good	-	-	-	1.52	4.93
Doubtful	-	-	-	-	0.76
Less : Provision for Bad Debts	-	-	-	(0.23)	(0.76)
Total (C)	-	-	-	1.29	4.93
Other Current Assets					
Interest accrued on deposit given	1.56	0.57	0.26	0.63	0.09
- Related Parties	-	-	-	-	3.37
Total (D)	1.56	0.57	0.26	0.63	3.46
- Related Parties					
Sports Station (India) Private Limited	-	-	-	-	3.37
Related Parties Total	-	-	-	-	3.37
TOTAL (A+B+C+D)	741.99	674.48	531.14	529.16	442.30

There is no amount due from directors, promoters, group companies, or any other related party except as stated above.



ANNEXURE 4 I: RESTATED CONSOLIDATED DETAILS OF TRADES PAYABLE, OTHER NON CURRENT AND CURRENT LIABILITIES

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
Trade Payable					
- Micro, Small and Medium Enterprises	-	-	-	-	-
- Others	1,543.27	1,080.67	967.68	848.76	598.25
Related Parties	75.34	67.93	70.43	19.23	2.46
Other	1,467.94	1,012.74	897.25	829.53	595.78
Total (A)	1,543.27	1,080.67	967.68	848.76	598.25
- Related Parties					
Sport Lifestyle Private Limited	68.34	67.93	70.43	19.23	2.46
M/s Cobblerz Shoes	7.00	-	-	-	-
Related Parties Total	75.34	67.93	70.43	19.23	2.46
Other Long-Term Liabilities					
Payable against Security deposit	123.87	114.02	140.55	118.70	89.62
Related parties	13.02	20.15	3.00	4.45	0.07
Total (B)	136.89	134.17	143.55	123.15	89.69
- Related Parties					
Jay Dee International Private Limited	2.20	2.20	2.20	2.20	-
Applique Garment Private Limited	0.40	0.40	-	0.40	-
A & M Wearing Apparels & Accessories Private Limited	1.95	1.95	-	1.05	-
Sports Station Retail Private Limited	0.80	0.80	0.80	0.80	-
Value Vestor Media Private Limited	0.90	5.90	-	-	-
Sports Lifestyle Private Limited	-	-	-	-	0.07
SAR Retail Private Limited	0.97	1.02	-	-	-
AshimaMakkar	0.15	0.15	-	-	-
Rahul Kakkar	0.15	0.15	-	-	-
Ridhi Enterprises	5.50	7.58	-	-	-
Related Parties Total	13.02	20.15	3.00	4.45	0.07
Other Current Liabilities					
Current Maturities of Long-Term Debts (as per Annexure-4C)	40.41	34.67	35.05	1.19	1.76
Interest accrued but not due	0.71	0.05	-	-	-
Interest accrued and due	3.07	2.82	1.56	2.22	0.78
Book overdraft with banks	-	-	61.46	110.18	-
Creditors for expenses	125.54	109.20	57.77	80.83	38.06
Creditors for Capital Goods	12.95	16.66	13.19	31.08	7.39
Duties & Taxes payable	69.65	74.38	57.92	54.71	38.07
Salary and other benefits payable	98.70	65.92	49.97	72.67	42.66
Other Liabilities	29.00	27.84	22.26	64.49	10.97
Final Dividend payable	-	-	-	-	-
Advances from customers	1.11	0.27	2.61	7.67	8.86
Security deposit	0.64	0.49	0.52	0.47	0.47
Other payables	-	-	-	12.54	33.42
Total (C)	381.78	332.28	302.29	438.05	182.44
TOTAL (A+B+C)	2,061.94	1,547.12	1,413.53	1,409.97	870.37
* this includes following transaction with related parties					
Interest accrued and Due					
A&M Wearing Apparels and Accessories Private Limited	0.05	-	-	-	-
Sports Station Retail Private Limited	0.02	-	-	-	-
Jay Dee International Private Limited	0.06	-	-	-	-
Applique Garments Private Limited	0.01	-	-	-	-
Creditors for expenses					
SAR Retail Private Limited	0.08	0.06	-	-	-
Salary and other benefits payable					
Rishab Soni	0.40	-	-	-	-
Sunil Taneja	0.19	-	-	-	-
AlkaTaneja	0.07	0.06	-	-	-
KabirTaneja	0.07	0.06	-	-	-
Amit Mathur	0.27	0.27	-	-	-



SandeepKakkar	0.11	0.10	-	-	-
Kanika Verma	0.18	-	-	-	-
Kamal Pande	-	0.36	-	-	-
AsheeshKher	0.26	-	-	-	-
UditDaluja	0.26	-	-	-	-
Payable against Business Transactions					
Ridhi Enterprises	0.22	0.21	-	0.25	-
SushmaKakkar	-	0.02	-	-	-
Rahul Sood	-	0.09	-	-	-
AshimaMakkar	0.02	0.05	-	-	-
Rahul Kakkar	0.02	0.04	-	-	-
Related Parties Total	2.30	1.34	-	0.25	-



ANNEXURE 4 J: RESTATED CONSOLIDATED DETAILS OF PROVISIONS

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
Long-Term Provisions					
Gratuity / Leave encashment Net of fund	33.19	22.48	18.33	6.50	1.22
Premium on redemption of Redeemable Preference Shares	-	-	-	75.49	83.63
Lease equalisation	71.02	68.67	52.82	-	-
Total (A)	104.21	91.15	71.15	81.99	84.85
Short-Term Provisions					
Gratuity / Leave encashment	1.46	1.12	0.69	0.55	4.38
Taxation	5.88	24.69	8.29	6.65	10.10
Premium on redemption of Redeemable Preference Shares	137.43	123.57	98.16	-	-
Lease equalisation	3.96	6.61	7.19	-	-
Proposed Final dividend on Equity Shares	-	20.94	18.20	-	-
Proposed Dividend on Cumulative Redeemable Preference Shares	-	0.11	0.62	-	-
Dividend Distribution Tax	-	3.58	3.20	-	-
Total (B)	148.73	180.62	136.36	7.20	14.48
TOTAL (A+B)	252.94	271.78	207.51	89.19	99.34



ANNEXURE 4 K: RESTATED CONSOLIDATED DETAILS OF OTHER INCOME

Particulars	As at September 30, 2014	For the Year ended March 31,				Nature of Income (Recurring/Non- recurring)	Related or not related to business activity
		2014	2013	2012	2011		
Interest Income	0.04	0.07	0.01	0.07	22.75	Recurring	No
Interest on FDR	1.19	0.66	1.30	2.27	0.95	Recurring	No
Net gain on foreign currency transactions & translation	-	-	-	-	0.08	Non-recurring	Yes
Liabilities & Provisions written back	4.11	1.78	6.96	-	1.04	Non-recurring	Yes
Rent	-	-	-	-	0.15	Non-recurring	No
Amortisation of Deferred Discount (Hedging)	-	-	-	-	0.05	Non-recurring	Yes
Duty Drawback	-	-	-	-	0.33	Non-recurring	Yes
Profit on sales of Fixed Assets	-	-	-	4.30	-	Non-recurring	No
Miscellaneous income	1.27	4.88	6.78	1.72	0.20	Non-recurring	No
Excess Provision Written Back	0.21	0.46	-	-	0.25	Non-recurring	Yes
Total Other Income (A)	6.82	7.86	15.05	8.37	25.81		
Net Profit / (Loss) before Tax, as Restated (B)	49.45	272.37	178.99	146.27	57.30		
Other Income as a % of (B) above	13.78%	2.88%	8.41%	5.72%	45.04%		

Note :

The classification of income as recurring/ non-recurring and classification as incidental to business activity is based on the Group's current operations and its business activities, as determined by the Management.



ANNEXURE 5: SIGNIFICANT ACCOUNTING POLICIES

1. Group Companies :

The Consolidated Financial Statements relate to SSIPL Retail Limited, ("the Company") and its Subsidiary (The Group). The Subsidiary considered in consolidated financial statement is as under :

Name of subsidiary	Country of incorporation	Nature of the relationship	Holdings (%)				
			September-2014	2014	2013	2012	2011
SSIPL Lifestyle Private Limited	India	Subsidiary	100	100	100	90	90
Shree Shoes (Partnership firm)	India	Subsidiary	99	99	-	-	-
Sports Station India Private Limited	India	Step-Down Subsidiary	-	-	-	99.999	-
Shubh Footwear Products Private Limited	India	Step-Down Subsidiary	50.25	50.25	-	-	-

* In FY 2010, company did not have any subsidiary; therefore Restated Consolidated Financial has not been given for that year.

2. Basis of preparation of Financial Statements:

- (i) The Restated Consolidated Summary Statements of the group are based on the consolidated financial statement of the group prepared in accordance with the Accounting Standard 21 'Consolidated Financial Statements' specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

- (ii) The financial statements of the company and the subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balance/transactions in full as per Accounting Standard-21 on Consolidated Financial Statements.
- (iii) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. Goodwill arising on consolidation is amortised over the period of five year.
- (iv) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the group's shareholders. Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the group.

3. Use of Estimates :

The preparation of financial statements requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts and advances, employee benefits, provision for income taxes, impairment of assets and useful lives of fixed assets.

4. Revenue Recognition :

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Sales is net of returns, discounts and value added Tax/ Sales Tax. Export sales is accounted as revenue on the basis of Bill of Lading. Other income is recognised on accrual basis.



5. **Fixed Assets and Depreciation:**

(i) **Tangible Assets**

- a) Fixed Assets are stated at cost which is inclusive of cost of acquisition, construction, erection, installation and capitalisation of pre-operative expenses. Depreciation on fixed assets is provided pro-rata to the period of use, on the written down value method. The depreciation rates for all assets upto the year ended March 31, 2014 except Furniture and Fixtures of Retail Stores are as per Schedule XIV of the Companies Act, 1956 and for the Furniture and Fixtures for Retail Stores is based on an estimated useful life of five years on monthly pro-rata basis.

Effective from 01.04.2014, Depreciation is charged on the basis of useful life of the fixed assets on monthly pro-rata basis. The Company has adopted useful life of assets (except for Furniture and Fixtures of Retail Stores) as given in Part 'C' of schedule II of the Companies Act, 2013. In respect of the Furniture and Fixtures for Retail Stores, the management based on technical advice and nature of industry has estimated that the useful life of Furniture and Fixtures for Retail Stores are of five years, no change in useful life as estimated earlier.

- b) Each retail shop is treated as a project. All capital expenses incurred in relation to a Project prior to the completion of project and commencement of trading at the shop are treated as Pre-operative expenses and are capitalised along with Shop Interiors/Fixtures/Leasehold Improvements.

(ii) **Intangible Assets**

Computers Software are capitalised and depreciated on an estimated useful life of three years.

6. **Inventories :**

Inventories are valued at lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods till their first location in the group and is determined on FIFO basis but excludes VAT/Excise Duty for which credit has been obtained by the group.

7. **Retirement and other Employees Benefits :**

(i) **Long Term Employee Benefits**

a) **Defined Contribution Plans :**

The group's contribution to defined contribution plans i.e. Provident Fund is recognised in Statement of Profit & Loss on accrual basis.

b) **Defined Benefit Plans :**

The group's liabilities under Payment of Gratuity Act (Funded) and long term compensated absences are determined on the basis of actuarial valuation made by the independent Actuary at the end of each financial year using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future Cash flows using a Discounted Rate that is determined by reference to Market yield at the Balance date on Government Bonds where the currency and the terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.



c) **Other Long Term Employee Benefits:**

Other long term benefit is provided on the basis of valuation as at the date carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

- (ii) Actuarial gains and losses comprise experience adjustments and the effects of the changes in actuarial assumptions are recognised immediately in the Profit & Loss Account as income or expense.
- (iii) Employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related service are recognised at the amount expected to be paid for it.

8. **Foreign Currency Transactions :**

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transaction. All foreign currency Assets/ liabilities are re-stated at the exchange rate prevailing at the date of balance sheet and the difference is taken to Profit and Loss account as foreign exchange fluctuation loss/ gain.

9. **Earnings per share :**

Basic earnings are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per share are calculated by dividing the net profits attributable to ordinary equity holders and potential equity holders by the weighted average number of ordinary equity shares outstanding during the year and weighted average number of equity shares that would be issued on conversion of all the diluted potential ordinary shares into ordinary shares.

10. **Borrowing Costs :**

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are capitalised along with the cost of that asset upto the date when such assets are ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

11. **Investments :**

Long term investments are stated at cost after deducting provision made, if any, for other than temporary diminution in the value. Current investments are stated at lower of Cost and fair value.

12. **Taxation :**

- (i) Provisions for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as at the Balance Sheet Date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.
- (iii) Deferred tax assets, in case of unabsorbed losses and depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

13. **Contingent Liabilities and Provisions :**

- (i) Contingent Liabilities are possible but not Probable Obligations as on the Balance Sheet date, based on the available evidence.
- (ii) Provisions are recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- (iii) Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.



- (iv) Liabilities of contingent nature are not provided for in the books and are disclosed by way of notes on accounts.

14. **Operating Leases :**

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Profit and Loss Account.

15. **Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any, is charged to the Profit and Loss Account in the year, in which an asset is identified as impaired. Reversal of impairment losses recognised in prior year is recorded when there is an indication that the assets no longer exist or have decreased.

16. **Government Grants :**

Government Grants are recognised when there is reasonable assurance that the same will be received. Revenue grants are recognised in the Profit and Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

17. **Employees' Stock Option Scheme (ESOS) :**

The group calculates Employees' Stock compensation expense based on the fair value method wherein the fair value of the options given to employees under the Employees' Stock Option scheme (ESOS) of the group is recognised as deferred stock compensation expense and is amortised over the vesting period of options.



ANNEXURE 5A : NOTES TO ADJUSTMENTS CARRIED OUT IN THE STATEMENT OF PROFIT & LOSS AND BALANCE SHEET

1. Prior Period Items (Refer Note no.8 of Annexure-5B)

In the financial statements, for the year ended March 31, 2011, March 31, 2012, March 31, 2013 and March 31, 2014, prior period expenditure/income, exceptional items and extra-ordinary items had been charged to the Statement of Profit and Loss . Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

2. Deferred Tax Assets and Deferred Tax surplus/(deficit)

In the financial statements, for the year ended March 31, 2011, March 31, 2012, March 31, 2013 and March 31, 2014 Deferred Tax Assets and Deferred Tax surplus/(deficit) had been rectified and corrected and accordingly changes has been made in Statement of profit & loss. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

3. Tax adjustment for earlier years

In the financial statements, for the year ended March 31, 2011, March 31, 2012, March 31, 2013 and March 31, 2014 tax adjustments relating to earlier years had been charged to the Statement of profit & loss. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

4. Provision for Premium on redemption of Compulsory convertible Preference Shares

In the financial statements, for the year ended March 31, 2008 to March 31, 2012 Provision for premium on redemption of preference shares had been made. It was decided in new arrangements which had been made in FY 2012 that no premium would be paid on Compulsory convertible Preference shares, and accordingly provision has been reversed in March, 2012 from March 2008 to March 2012. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

5. Elimination of GIT and unrealised profit on GIT

In the financial statements, for the year ended March 31, 2014 Goods in transit (GIT) from group companies. Such GIT has not been eliminated at the time of consolidation. Therefore the same has been eliminated and Inventory has been increased by GIT (less unrealised profit) in that year.

6. Non-adjusting Notes

Effective from 01.04.2014, the Group has revised estimated useful life of all fixed assets (except Furniture and Fixtures at stores) as per schedule II of the Companies Act, 2013 other than Furniture and Fixtures at stores where in management based on technical advice and nature of industry estimates that the useful life is of five years.

Based on current estimates, after retaining residual value carrying amount of the assets other than Furniture and Fixtures at stores of ₹ 3.48 Million on account of assets whose useful life has already exhausted as on 01.04.2014 have been adjusted to retained earnings. Had there not been any change in the useful life of assets, depreciation for the period ended 30th September, 2014 would have been lower by ₹ 13.12 Million.

The revision in the useful lives of the assets, leading to change in rate of depreciation is a change in accounting estimate pursuant to Schedule II of the Companies Act, 2013 which is effective from 01.04.2014, therefore, no adjustments on this account in Restated Summary Statements have been done.



7. Material/Non-adjusting Audit Qualifications/Matter of Emphasis :

In addition to the audit qualification/Matter of Emphasis mentioned in relation to unconsolidated financial statements, mentioned below are the additional qualifications in relation to our consolidated financial statements

(A) Financial year ended March 31, 2012 :

The merger of Sports Station India Private Limited (step down subsidiary) with SSIPL Lifestyle Private Limited (subsidiary) would have a positive impact on its net worth and business continuity. Accordingly, accounts of step down subsidiary have been prepared on the going concern basis in spite of substantial accumulated losses which have been resulted in erosion of net worth of the company.

(B) Financial year ended March 31, 2013

The group has not provided a sum of ₹ 15.82 million for lease equalisation as prescribed in AS-19 pertaining to “Leases” notified under section 211(3C) Companies (Accounting Standards) Rules, 2006 of the Companies Act, 1956. Had the Lease Equalisation of ₹ 15.82 million been provided in the financial statements, there would have been following impact:

- (a) Profit after tax would have been decreased by ₹ 10.69 million (Net of deferred tax)
- (b) Deferred tax assets of ₹ 63.18 million would have been increased by ₹ 5.13 million and
- (c) Current Liabilities of ₹ 1,915.04 million would have been increased by ₹ 15.82 million



ANNEXURE-5B : OTHER NOTES TO ACCOUNTS (CONSOLIDATED)

1. Reconciliation of the shares outstanding at the beginning and the end of the reporting period :

Particulars	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011	
	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)
Issued, subscribed and fully paid										
(a) Equity Shares of ₹ 10/- each										
Opening	9,992,469	99,924,690	9,934,919	99,349,190	9,272,388	92,723,880	9,272,388	92,723,880	9,272,388	92,723,880
Additions / deletions	9,800	98,000	57,550	575,500	662,531	6,625,310	-	-	-	-
Closing (A)	10,002,269	100,022,690	9,992,469	99,924,690	9,934,919	99,349,190	9,272,388	92,723,880	9,272,388	92,723,880
(b) Redeemable preference shares of ₹ 10 each										
Opening	11,351,185	113,511,850	11,351,185	113,511,850	11,351,185	113,511,850	17,201,969	172,019,690	17,201,969	172,019,690
Additions	-	-	-	-	-	-	-	-	-	-
Redeemed during the period/year	-	-	-	-	-	-	(5,850,784)	(58,507,840)	-	-
Closing (B)	11,351,185	113,511,850	11,351,185	113,511,850	11,351,185	113,511,850	11,351,185	113,511,850	17,201,969	172,019,690
(c) Compulsorily convertible preference shares of ₹ 10 each										
Opening	-	-	-	-	9,299,342	92,993,420	9,299,342	92,993,420	9,299,342	92,993,420
Additions / deletions	-	-	-	-	-	-	-	-	-	-
Redeemed during the period/year	-	-	-	-	(9,299,342)	(92,993,420)	-	-	-	-
Closing (C)	-	-	-	-	-	-	9,299,342	92,993,420	9,299,342	92,993,420
Total (A+B+C)	21,353,454	213,534,540	21,343,654	213,436,540	21,286,104	212,861,040	29,922,915	299,229,150	35,773,699	357,736,990

(i) **The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital;**

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each shareholder is entitled to one vote per share. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity shareholders.



(ii) **The rights, preferences and restrictions attaching to preference shares including restrictions on the distribution of dividends and the repayment of capital;**

The Company has one class of Preference shares having a par value of ₹ 10 per share. These shares would be redeemable at a premium, so as to deliver an IRR of 12% compounded annually to the shareholders, however company is negotiating for waiver of redemption premium.. A fixed cumulative dividend of 0.1% per preference share is payable as and when declared by the Board of the company. In the event of the liquidation of the company, the holder of the preference shares will have the preferential rights on the assets of the company. The distribution will be in proportion of the number of the preference shares held by the preference shareholders.

2. **Details of Shareholders holding more than 5% shares in the company :**

Particulars	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Name of Shareholder										
a. Equity Shares										
Tano Mauritius India FVCI	1,588,368	15.88	1,588,368	15.90	1,588,368	15.99	1,588,368	17.13	1,588,368	17.13
Rishab Soni	1,442,231	14.42	1,442,231	14.43	1,392,953	14.02	1,367,397	14.75	1,275,474	13.76
Sunil Taneja	851,151	8.51	851,151	8.52	633,791	6.38	633,791	6.84	642,431	6.93
Rajesh Sahgal	-	-	-	-	-	-	509,813	5.50	699,683	7.55
Indus League Clothing Limited	609,197	6.09	609,197	6.10	609,197	6.13	609,197	6.57	609,197	6.57
Amit Mathur	781,378	7.81	781,378	7.82	584,774	5.89	584,774	6.31	132,815	1.43
Trishul Tread Pvt. Ltd.	-	-	-	-	531,043	5.35	531,043	5.73	531,043	5.73
HBP Holdings Limited	776,890	7.77	776,890	7.77	776,890	7.82	-	-	-	-
Total (A)	6,049,215	60.48	6,049,215	60.54	6,117,016	61.58	5,824,383	62.81	5,479,011	59.10
preference Shares										
HBP Holdings Limited: Redeemable Preference Shares of ₹ 10/- each	11,351,185	100.00	11,351,185	100.00	11,351,185	100.00	11,351,185	54.97	17,201,969	64.91
HBP Holdings Limited: Compulsorily Convertible Preference Shares of ₹ 10/- each					-	-	9,299,342	45.03	9,299,342	35.09
Total (B)	11,351,185	100.00	11,351,185	100.00	11,351,185	100.00	20,650,527	100.00	26,501,311	100.00



3. Group Companies :

The Consolidated Financial Statements related to SSIPL Retail Limited, the Company and its Subsidiary (The Group). The Subsidiaries considered in consolidated financial statement is as under:

Name of subsidiary	Country of incorporation	Nature of the relationship	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011	
			No. of shares	Extent of Holding (%)	No. of shares	Extent of Holding (%)	No. of shares	Extent of Holding (%)	No. of shares	Extent of Holding (%)	No. of shares	Extent of Holding (%)
SSIPL Lifestyle Private Limited	India	Subsidiary	7,010,000	100	7,010,000	100	7,010,000	100	6,309,000	90	9,000	90
Shree Shoes (Partnership firm)	India	Subsidiary	N.A.	99	N.A.	99	-	-	-	-	-	-
Sports Station India Private Limited	India	Step-down Subsidiary	-	-	-	-	-	-	2,309,743	99.999	-	-
Subh Footwear Products Private Limited	India	Step-down Subsidiary	10,000	50.25	10,000	50.25	-	-	-	-	-	-

4. Additional information pursuant to Schedule-III of the Companies Act, 2013 :

Name of the company	As at September 30, 2014				As at March 31, 2014			
	Net Assets (i.e., total assets minus total liabilities)		Share in profit or loss		Net Assets (i.e., total assets minus total liabilities)		Share in profit or loss	
	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or loss	Amount (₹ in million)	As % of consolidated net assets	Amount (₹ in million)	As % of consolidated profit or loss	Amount (₹ in million)
Parent Company :								
SSIPL Retail Limited	91.15%	1,134.75	87.67%	32.46	91.31%	1,117.98	95.42%	203.38
Subsidiaries (Indian):								
1. SSIPL Lifestyle Private Limited	7.39%	91.98	(-)3.30%	(1.22)	7.68%	94.08	0.30%	0.63
2. Shree Shoes (Partnership Firm)	1.13%	14.01	11.27%	4.17	0.79%	9.71	3.49%	7.45
3. Shubh Footwear Products Private Limited	0.32%	3.95	4.27%	1.58	0.20%	2.47	0.79%	1.68
Minority Interest	0.01%	0.16	0.09%	0.03	0.01%	0.13	0.00%	0.00
Total	100.00%	1,244.86	100.00%	37.02	100.00%	1,224.37	100.00%	213.14



Name of the company	As at March 31, 2013		Share in profit or loss		As at March 31, 2012		Share in profit or loss	
	Net Assets (i.e., total assets minus total liabilities)	Amount	As % of consolidated profit or loss	Amount	Net Assets (i.e., total assets minus total liabilities)	Amount	As % of consolidated profit or loss	Amount
	As % of consolidated net assets	(₹ in million)		(₹ in million)	As % of consolidated net assets	(₹ in million)		(₹ in million)
Parent Company :								
SSIPL Retail Limited	91.20%	962.23	90.32%	160.89	96.02%	862.75	92.44%	99.09
Subsidiaries (Indian):								
1. SSIPL Lifestyle Private Limited	8.80%	92.89	9.68%	17.24	4.61%	41.41	(-)25.39%	(27.22)
2. Shree Shoes (Partnership Firm)	-	-	-	-	-	-	-	-
3. Shubh Footwear Products Private Limited	-	-	-	-	-	-	-	-
4. Sports Station India Private Limited	-	-	-	-	(-)1.23%	(11.04)	34.49%	36.97
Minority Interest	0.00%	-	0.00%	-	0.60%	5.36	(-)1.54%	(1.66)
Total	100.00%	1,055.12	100.00%	178.12	100.00%	898.49	100.00%	107.20

Name of the company	As at March 31, 2011			
	Net Assets (i.e., total assets minus total liabilities)	Amount	Share in profit or loss	Amount
	As % of consolidated net assets	(₹ in million)	As % of consolidated profit or loss	(₹ in million)
Parent Company :				
SSIPL Retail Limited	99.98%	883.27	99.82%	43.96
Subsidiaries (Indian):				
1. SSIPL Lifestyle Private Limited	0.02%	0.16	0.15%	0.07
2. Shree Shoes (Partnership Firm)	-	-	-	-
3. Shubh Footwear Products Private Limited	-	-	-	-
4. Sports Station India Private Limited	-	-	-	-
Minority Interest	0.00%	0.02	0.02%	0.01
Total	100.00%	883.47	100.00%	44.03

Note :

- (i) Profit before share of minority interest has been taken as total profit to calculate the share
- (ii) Net worth and Profit of Subsidiary have been calculated after all adjustment e.g. unrealised profit required for consolidation and re-statement



5. Deferred tax assets (net)

The Company follows Accounting Standard (AS -22) "Accounting for taxes on Income", notified under the Companies Act, 1956 ("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014 . The Group have significant timing differences between accounting and tax records which suggest accounting for deferred tax assets which are as below:

(₹ in Million)					
Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
Difference between WDV of Assets as per Books and as per IT records	44.19	41.03	38.86	7.08	10.65
Timing difference in deduction of expenses under IT Act	32.52	31.67	25.98	7.83	9.71
Business loss/Unabsorbed depreciation	-	-	-	-	0.00
Net Deferred tax asset/ (liability)	76.71	72.70	64.85	14.91	20.37

Deferred Tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

6. Extraordinary Items

In view of withdrawal of IPO company has reconised IPO expenses in of ₹ 12.85 Million in Financial year 2012-13 as extra-ordinary items. Details are as follows :

(₹ in Million)					
Particulars	For the six months ended September 30, 2014	2014	For the year ended March 31, 2013	2012	2011
Auditor's Remuneration	-	-	1.99	-	-
Communication expenses	-	-	0.32	-	-
Legal expenses	-	-	8.27	-	-
Printing & Stationery	-	-	0.05	-	-
Listing & DRHP Fees	-	-	1.37	-	-
Travelling expenses	-	-	0.77	-	-
Other Misc. expenses	-	-	0.07	-	-
Total	-	-	12.85	-	-

Note : Above amount has been shown as per audited financial of respective years, however the same has been shown under respective expenses group due to re-statement.



7. **Payment to Auditors including Service Tax (net of cenvat availed) :**

(₹ in Million)

Particulars	For the six months ended September 30, 2014	For the year ended March 31,			
		2014	2013	2012	2011
Audit Fess	2.23	4.19	3.85	3.51	1.46
Tax Audit Fess (including Taxation Matters)	-	0.29	0.19	0.53	0.52
Other Services	-	-	0.26	2.07	-
Out of pocket expenses	0.18	0.40	0.30	0.26	0.16
Total	2.41	4.88	4.60	6.38	2.14

8. **Prior Period Items (net) :**

(₹ in Million)

Particulars	For the six months ended September 30, 2014	2014	For the year ended March 31,		
			2013	2012	2011
Prior Period Income					
Interest Received	-	-	-	-	0.48
Rent	-	-	-	-	0.01
Total (A)	-	-	-	-	0.49
Prior Period Expenses					
Rent	-	15.82	-	-	-
Interest on Working Capital Loan	-	-	-	-	0.08
Rate & Taxes	-	-	-	-	0.15
Bank charges and Processing fees	-	-	-	-	0.47
Repair & Maintenance	-	-	-	0.07	-
Interest on Deposit	-	-	-	0.05	-
Legal & Professional Expenses	-	-	-	0.03	-
Mall Maintenance Charges	-	-	-	0.02	-
Preoperative /Preliminary expenses	-	-	-	-	0.05
Total (B)	-	15.82	-	0.17	0.75
Prior Period (Expense)/Income (Net) (A-B)	-	(15.82)	0.00	(0.17)	(0.26)

Note : Above amount has been shown as per audited financial of respective years, however the same has been shown under respective expenses/income group due to re-statement.



9. **Exceptional Items :**

In FY 2011-12, the group had been directed vide Honorable Supreme Court of India's order dated January 06, 2012 to deposit all the Service Tax arrears as on 31st December 2011 in three equated installments on or before February 29, 2012; 30th April, 2012 and 30th June, 2012, since there is no stay on imposition of service tax under sub-clause (zzz) of Clause 105 of Section 65 read with section 66 of the Finance Act, 1994 (as amended) on Rented properties so far as the future liability towards service tax with effect from January 01, 2012 is concerned.

Therefore, in adherence to the stated order the Company has paid all the three installments of Service Tax arrears to the credit of Service Tax Department and is also regular in making the Service Tax payment on Rented Properties. In this regard Service Tax liability of ₹ 53.70 Million upto 31st March, 2011 has been provided as exceptional Item in the Statement of Profit and Loss.

For re-statement of financial, service tax paid in FY 2011-12 has been re-stated and impact given to relevant expenditure heads and years from which it relates. Out of ₹ 53.70 million, ₹ 37.47 million relates prior to FY 2011.

(₹ in Million)

Particulars	For the six months ended September 30, 2014	For the year ended March 31,			
		2014	2013	2012	2011
Other Expenses : Rent	-	-	-	-	16.23
	-	-	-	-	16.23

10. **Contingent Liabilities & Commitments (to the extent not provided for) :**

(₹ in Million)

Particulars	As at September 30,		As at March 31,			
	2014	2014	2013	2012	2011	
(i) Claims against group not acknowledged as debts	11.26	11.26	11.11	19.74	26.15	
(ii) Guarantees given :						
a) Guarantee given by Company's Banker on behalf of the company to the various authorities	2.69	2.77	10.41	10.11	8.91	
b) Corporate Guarantee given by the company to the Sales tax department in respect of other entities	1.00	1.00	1.00	1.00	0.70	
(iii) Other moneys for which the company is contingently liable :						
a) Letter of Credit opened with the bank	-	4.23	3.19	5.74	9.66	
b) Taxation Matters in respect of which the Group is in appeal :						
a. Income Tax						
Demand Raised by Income Tax Authorities Pending in Appeal Assessment / Appeals in progress, potential exposure.	22.86	24.10	24.69	17.24	0.84	
b. Local Area Development Tax	60.45	51.62	37.11	26.04	15.23	
c. Sale Tax						
Sale Tax liability for Form C & F/ pending appeal	10.52	9.44	18.72	6.27	0.81	
d. Service Tax						



Liability in respect of service tax on rent for immovable property	-	-	-	-	27.23
c) Bills discounting	-	-	58.46	199.41	168.44
d) Excise Duty Liability on Closing Stock	5.46	2.07	0.70	0.79	0.86

11. Capital Commitments

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011
Estimate amount of contracts remaining to be executed on capital account and not provided for	7.84	13.46	13.06	23.06	36.63

12. Earnings per Share :

(₹ and no. of shares in Million)

Particulars	For the six month period ended September 30, 2014	2014	For the year ended March 31, 2013	2012	2011
(I) Basic Profit/ (Loss) per share	-				
Number of Equity shares of ₹ 10 each fully paid up at the beginning of the period/year	9.99	9.93	9.27	9.27	9.27
Number of Equity shares of ₹ 10 each fully paid up issued during the period/year	0.01	0.06	0.66	-	-
Number of Equity shares of ₹ 10 each fully paid up at the period/year end	10.00	9.99	9.93	9.27	9.27
Weighted Average number of Equity Shares outstanding during the period/year	10.00	9.97	9.58	9.27	9.27
Net Earnings for the period/year (₹)	36.99	213.14	178.12	108.85	44.02
Add: Extraordinary Items (net of tax) (₹)*	-	-	0.21	5.63	2.81
Net Earnings for the period/year before extraordinary item (₹)	36.99	213.14	178.33	114.48	46.84
Basic Earnings per Share before Extraordinary Item (₹)	3.70	21.37	18.62	12.35	5.05
Net Earnings for the period/year after Extraordinary Item (₹)	36.99	213.14	178.12	108.85	44.02
Basic Earnings per Share after Extraordinary Item (₹)	3.70	21.37	18.60	11.74	4.75
(II) Diluted Profit/ (Loss) per share					
Weighted Average number of Equity Shares Outstanding during the period/ year	10.00	9.97	9.58	9.27	9.27
Weighted Average Number of potential Equity Shares to be issued on conversion of Preference shares	-	-	-	0.59	0.59
Weighted Average Number of potential Equity Shares to be issued under ESOS	0.00	0.01	0.02	0.02	-
Total number of potential Equity Shares	10.00	9.98	9.60	9.89	9.87
Net Earnings for the period/year before extraordinary item	36.99	213.14	178.33	114.48	46.84
Diluted Earnings before extraordinary Item	36.99	213.14	178.33	114.48	46.84
Diluted Earnings per share before Extraordinary Item	3.70	21.36	18.58	11.58	4.75
Diluted Earnings after extraordinary Item	36.99	213.14	178.12	108.85	44.02
Diluted Earnings per share after Extraordinary Item	3.70	21.36	18.56	11.01	4.46
Nominal value of Equity Share (₹)	10	10	10	10	10

* Extraordinary items has been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head "Restatement to prior period items".



13. **Lease commitments :**

The Group have certain premises and equipment on non - cancellable operating lease and minimum lease rent payable under said leases are as under :

(₹ in Million)

Particulars	As at September 30,		As at March 31,		2011
	2014	2014	2013	2012	
Not later than one year	61.05	83.67	240.77	190.20	113.70
Later than one year but not later than five years	24.46	15.79	13.52	20.30	19.30
Later than five years	10.18	-	-	3.09	-
	95.69	99.46	254.29	213.59	133.00
Rent paid during the period/year*	459.13	850.13	728.35	568.18	237.87

* Excluding lease equalisation charges for the period/year

14. **Foreign currency exposure :**

Details of Foreign currency exposure not hedged by a derivative instrument or otherwise :

Particulars	As at September 30, 2014		2014		2013		As at March 31, 2012		2011	
	US\$ in Million	₹ in Million	US\$ in Million	₹ in Million	US\$ in Million	₹ in Million	US\$ in Million	₹ in Million	US\$ in Million	₹ in Million
Payables	0.39	24.62	0.25	15.42	0.24	12.99	2.16	111.27	1.70	77.19
Working Capital loan	2.01	125.89	2.01	122.03	2.01	110.53	2.00	103.22	2.01	91.16
Advance to suppliers	0.64	39.12	0.58	34.07	0.32	17.47	0.48	24.14	-	-
Receivables	-	-	-	-	-	-	0.00	0.07	0.17	7.52

15. **The Group have recognised the following amount of Contributions toward defined contribution plan as expense in the Profit and Loss Account.**

(₹ in Million)

Particulars	As at September 30, 2014		As at March 31,		2011
	2014	2014	2013	2012	
Contribution to Employees Provident Fund (including family pension)	31.04	71.51	47.06	41.10	28.63

Defined Benefit Plan:

The Group have defined benefit plans in respect of gratuity and leave encashment. Valuation in respect of gratuity and leave encashment has been carried out by an independent actuary, as at the Balance sheet date on Project Unit Credit method.

The following table summarises the components of net benefit/ expenses recognised in the Profit and Loss Account, the funded status and amounts recognised in the Balance Sheet for the respective plans:



(a) **Gratuity :**

(i) **Reconciliation of opening and closing balances of obligation**

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
a) Present value of obligation as at beginning of the period/year	36.31	30.65	22.82	17.40	15.16
Present value of obligation as at beginning of the year - Adjustmnet	-	-	-	2.00	-
b) Interest cost	1.54	2.61	1.88	1.70	1.25
c) Past Service cost	-	-	-	-	-
d) Current Service cost	5.76	10.19	9.20	7.44	5.43
e) Benefits paid	(4.44)	(5.30)	(4.76)	(4.96)	(2.63)
f) Actuarial (gain)/ loss on obligation	1.98	(1.84)	1.51	(0.77)	(1.81)
g) Present value of obligation as at end of the period/year	41.15	36.31	30.65	22.82	17.40

(ii) **Reconciliation of opening and closing defined benefit assets**

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
(a) Present Value of Plan Assets as at beginning of the period/year	30.24	25.87	27.12	19.90	12.61
Present Value of Plan Assets as at beginning of the year - Adjustment	-	-	-	3.65	-
(b) Expected Return on Plan Assets	1.32	1.91	2.39	2.17	1.61
(c) Actuarial Gain/(Loss)	(0.23)	0.40	0.00	0.00	0.00
(d) Employers' Contributions	2.00	7.33	1.11	6.35	8.32
(e) Last year's settlement	(0.48)	-	-	-	-
(f) Benefits Paid	(4.44)	(5.30)	(4.76)	(4.96)	(2.63)
(g) Actuarial gain/ (loss) on plan assets	(1.09)	0.04	0.00	(0.00)	0.00
(h) Fair Value of Plan Assets as at end of the period/ year	27.32	30.24	25.87	27.12	19.90

(iii) **Reconciliation of fair value of assets and obligation**

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
(a) Present Value of Funded Obligation as at end of the period/year	40.98	36.28	30.65	22.82	17.40
(b) Fair Value of Plan Assets as at end of the period/year	27.32	30.24	25.87	27.12	19.90
(c) Funded (Asset)/Liability recognised in the Balance Sheet	13.67	6.04	4.78	(4.30)	(2.50)
(d) Present Value of Unfunded Obligation as at end of the period/year	0.17	0.03	0.00	0.00	0.00



(iv) **Expenses recognised during the period/year**

(₹ in Million)

Particulars	As at September 30, 2014		As at March 31,		2011
	2014	2013	2012	2011	
(a) Current Service Cost	5.76	10.19	9.20	7.44	5.43
(b) Past Service Cost	-	-	-	-	-
(c) Interest Cost	1.54	2.61	1.88	1.70	1.25
(d) Expected Return on Plan Assets	(1.32)	(1.91)	(2.39)	(2.17)	(1.61)
(e) Net actuarial (Gain)/Loss	3.30	(2.27)	1.51	(0.77)	(1.81)
(f) Employees' Contribution	-	-	-	-	-
(g) Total Expenses recognised during the period/year	9.29	8.61	10.19	6.21	3.26

(v) **Disclosure of Investment detail**

(₹ in Million)

Particulars	As at September 30, 2014		As at March 31,		2011
	2014	2013	2012	2011	
a) Life Insurance Corporation of India	27.32	30.24	25.87	27.12	19.90



(vi) **Actuarial Assumption**

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
(a) Discount Rate (per annum)	8.50%	8.25% - 8.50%	8.25%	8.75%	8.25%
(b) Rate of increase in Compensation Levels	5.00%	5.00%-5.50%	5%-5.50%	5%-5.50%	5%-5.50%
(c) Rate of Return on Plan Assets	8.75%	8.75%-7.98%	7.98-9.25%	9%-9.25%	9.25%
(d) Expected Average remaining working lives of employees in number of years	27.45-27.96- 58.00	28.02 -30.70	28-30.70	29-32	28.5-31.50

(b) **Earned Leave :**

(i) **Reconciliation of opening and closing balances of obligation**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
a) Present value of obligation as at beginning of the period/year	17.53	14.24	11.35	8.11	8.53
Present value of obligation as at beginning of the year - Adjustment	-	-	-	0.94	-
b) Interest cost	0.75	1.21	0.94	0.79	0.70
c) Past Service cost	-	-	-	-	-
d) Current Service cost	3.94	6.64	5.57	4.83	3.32
e) Benefits paid	(3.70)	(7.33)	(7.03)	(4.96)	(3.71)
f) Actuarial (gain)/ loss on obligation	2.30	2.78	3.41	1.63	(0.73)
g) Present value of obligation as at end of the period/year	20.82	17.53	14.24	11.35	8.11

(ii) **Reconciliation of opening and closing defined benefit assets**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
(a) Present Value of Plan Assets as at beginning of the period/year	-	-	-	-	-
(b) Expected Return on Plan Assets	-	-	-	-	-
(c) Actuarial Gain/(Loss)	-	-	-	-	-
(d) Employers' Contributions	-	-	-	-	-
(e) Benefits Paid	-	-	-	-	-
(f) Actuarial gain/ (loss) on plan assets	-	-	-	-	-



(g) Fair Value of Plan Assets as at end of the period/year	-	-	-	-	-
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(iii) **Reconciliation of fair value of assets and obligation**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
	2014	2013	2012	2011	
a) Present value of obligation at the end of the period/year	20.82	17.53	14.24	11.35	8.11
b) Present value of plan asset at the end of the period/year	-	-	-	-	-
c) Liability recognised in balance sheet	20.82	17.53	14.24	11.35	8.11

(iv) **Expenses recognised during the period/year**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
	2014	2013	2012	2011	
(a) Current Service Cost	3.94	6.64	5.57	4.83	3.32
(b) Past Service Cost	-	-	-	-	-
(c) Interest Cost	0.75	1.21	0.94	0.79	0.70
(d) Expected Return on Plan Assets	-	-	-	-	-
(e) Net actuarial (Gain)/Loss	2.30	2.78	3.41	1.63	(0.73)
(f) Employees' Contribution	-	-	-	-	-
(g) Total Expenses recognised in the Profit and Loss Account	6.98	10.63	9.92	7.26	3.29

(v) **Disclosure of Investment detail**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
	2014	2013	2012	2011	
a) Life Insurance Corporation of India	-	-	-	-	-



(vi) **Actuarial Assumption**

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
(a) Discount Rate (per annum)	8.50%	8.25% - 8.50%	8.25%	8.75%	8.25%
(b) Rate of increase in Compensation Levels	5.00%	5.00%	5%-5.50%	5%-5.50%	5%-5.50%
(c) Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.	N.A.
(d) Expected Average remaining working lives of employees in number of years	27.45-27.96- 58.00	28.02 -30.70	28-30.70	29-32	28.5-31.50

16. **Dividend:**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
Proposed Dividend on Equity shares	-	20.94	18.20	-	-
Proposed Dividend on Preference Shares	-	0.11	0.62	-	-
Dividend Tax	-	3.58	3.20	-	-

Arrears of Cumulative Dividend on Preference Shares

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,			
		2014	2013	2012	2011
Redeemable Preference Shares	-	-	-	0.51	0.40

Note :At the time of redemption of Preference Shares on January 07, 2015, shareholder had waived off their right of dividend on their shares. Accordingly arrears of dividend of for six months ended September 30, 2014 has not been shown.



17. Employee Stock Option Scheme (ESOS) :

The Company had approved Employee Stock Option Scheme 2008 (“ESOS 2008”) vide resolution passed by the shareholders at their Extraordinary General Meeting held on 13th September, 2008 to grant 150,000 stock options to employees of company or its subsidiary Company (ies) on such terms and conditions as may be decided by the Compensation committee of Directors from time to time. ESOS 2008 has been duly approved by Compensation Committee at its meeting held on 5th August, 2011. The relevant information of the scheme has been given as under

(a) Particulars of Scheme

Particulars	Pool - I	Pool - II	Pool - III	Pool - IV	Pool – V
Date of Grant/Further Grant	5th August- 2011	30th March- 2012	30th March- 2013	28th March- 2014	1st July- 2014
Date of Board (compensation committee) approval	5th August- 2011	30th March- 2012	30th March- 2013	28th March- 2014	1st July- 2014
Date of Shareholders’ Approval	13th September, 2008	13th September, 2008	13th September, 2008	13th September, 2008	13th September, 2008
Number of Options Granted	150,000				
Number of Options Further Granted		8,850	19,250	3,250	3,250
Method of Settlement	Equity	Equity	Equity	Equity	Equity
Vesting Period	1 to 2 Years	1 to 2 Years	1 to 2 Years	1 to 2 Years	1 Year
Exercise Period	3 months from the date of vesting	3 months from the date of vesting	3 months from the date of vesting	6 months from the date of vesting	6 months from the date of vesting
Vesting Conditions	Employee’s continued employment during vesting period.	Employee’s continued employment during vesting period.	Employee’s continued employment during vesting period.	Employee’s continued employment during vesting period.	Employee’s continued employment during vesting period.

(b) Details of vesting:

Vesting Period from the Grant Date	Vesting Schedule. (No. of options)	Vesting Schedule. (No. of options)	Vesting Schedule. (No. of options)	Vesting Schedule. (No. of options)	Vesting Schedule. (No. of options)
On completion of 1st year	81,450	4,800	10,000	1,650	3,250
On completion of 2nd Year	68,550	4,050	9,250	1,600	-



(c) The details of activity under the plan have been summarised below:

Particulars	As at September 30, 2014									
	Pool-I	Pool-II	Pool-III	Pool-IV	Pool-V					
	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the period	-	-	3,550	74.90	17,250	74.90	3,250	74.90	-	-
Further granted during the period	-	-	-	-	-	-	-	-	3,250	74.90
Forfeited/ cancelled during the period	-	-	(1,750)	74.90	(1,000)	74.90	(500)	74.90	-	-
Exercised during the period	-	-	(1,800)	74.90	(8,000)	74.90	-	-	-	-
Expired during the period	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period	-	-	-	-	8,250	74.90	2,750	74.90	3,250	74.90
Exercisable at the end of the period	-	-	-	-	-	-	-	-	-	-
Weighted average remaining Contractual Life (in years)	-	-	-	-	0.74	-	1.48	-	1.25	-
Weighted average fair value of options granted during the period	-	-	-	-	-	-	-	-	-	195.98

Particulars	As at March 31, 2014							
	Pool-I	Pool-II	Pool-III	Pool-IV				
	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	54,500	74.90	7,850	74.90	19,250	74.90	-	-
Further granted during the year	-	-	-	-	-	-	3,250	74.90
Forfeited/ cancelled during the year	(750)	74.90	-	-	(2,000)	74.90	-	-
Exercised during the year	(53,250)	74.90	(4,300)	74.90	-	-	-	-
Expired during the year	(500)	-	-	-	-	-	-	-
Outstanding at the end	-	-	3,550	74.90	17,250	74.90	3,250	74.90



of the year									
Exercisable at the end of the year	-	-	3,550	74.90	9,000	74.90	-	-	
Weighted average remaining Contractual Life (in years)	-		0.24		0.72	-	1.98	-	
Weighted average fair value of options granted during the year	-	-	-	-	-	-	3,250	62.82	

Particulars	As at March 31, 2013		As at March 31, 2012							
	Pool-I	Pool-II	Pool-I	Pool-II	Pool-III	Pool-I	Pool-II	Pool-I	Pool-II	Pool-III
	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the Year	141,150	74.90	8,850	74.90	-	-				
Granted/Further granted during the Year	-	-	-	-	19,250	74.90	150,000	74.90	8,850	74.90
Forfeited/ cancelled during the Year	(14,500)	74.90	(1,000)	74.90	-	-	(8,850)	74.90	-	-
Exercised during the Year	(68,400)	74.90	-	-	-	-	-	-	-	-
Expired during the Year	(3,750)	74.90	-	-	-	-	-	-	-	-
Outstanding at the end of the Year	54,500	74.90	7,850	74.90	19,250	74.90	141,150	74.90	8,850	74.90
Exercisable at the end of the Year	-	-	4,300	74.90	-	-	-	-	-	-
Weighted average remaining Contractual Life (in years)	0.40		0.93		1.73		1.07		1.70	
Weighted average fair value of options granted during the Year	-	-	-	-	19,250	67.36	150,000	59.00	8,850	-



(d) **The details of exercise price for stock options outstanding at the end of the year are as given**

Particulars	As at September 30, 2014					As at March 31, 2014			
Pool	I	II	III	IV	V	I	II	III	IV
Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90
Number of Options Outstanding	-	-	8,250	2,750	3,250	-	3,550	17,250	3,250
Weighted average remaining Contractual Life of Options (in years)	-	-	0.74	1.48	1.25	-	0.24	0.72	1.98
Weighted average Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90

Particulars	As at March 31, 2013			As at March 31, 2012		
Pool	I	II	III	I	II	III
Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	-
Number of Options Outstanding	54,500	7,850	19,250	141,150	8,850	-
Weighted average remaining Contractual Life of Options (in years)	0.40	0.93	1.73	1.07	1.70	-
Weighted average Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	-

(e) **Effect of ESOS scheme on profit & loss and financial position:-**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
(i) Effect on profit & loss:-					
Employee Compensation Cost pertaining to ESOS plan during the period/year	0.08	1.61	3.06	4.34	-
(ii) Effect on balance sheet:-					
Liability for Employee Stock Options outstanding as at the period/year end	1.39	1.84	5.72	8.85	-
Deferred Compensation Cost outstanding as at the period/year end	0.73	0.50	2.11	4.51	-



- (f) **The fair value of each stock option granted under the ESOS Scheme as on the date of grant has been computed using Black-Scholes Option Pricing Model without inclusion of Dividend Yield and the model inputs are given as under:**

Pool Year	Pool-I		Pool-II		Pool-III		Pool-IV		Pool-V	
	1	2	1	2	1	2	1	2	1	2
Current Stock Price (₹)	120.28	120.28	189.95	189.95	131.15	131.15	127.41	127.41	264.89	-
Strike Price of the Option (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	-
Time to Expiration (in yrs)	1.25	2.25	1.25	2.25	1.25	2.25	1.50	2.50	1.50	-
Annual Dividend	-	-	-	-	-	-	1.49%	1.49%	0.79%	-
Volatility (%)	44.09%	44.09%	53.55%	53.55%	38.66%	38.66%	38.17%	38.17%	41.53%	-
Risk-free Interest Rate	8.54%	8.41%	8.48%	8.50%	7.69%	7.76%	8.51%	8.68%	8.58%	-
Fair Value Of Option (₹)	55.52	62.87	123.69	131.13	64.24	70.74	60.31	65.41	195.98	-

There was no history of dividend declaration by the Company, hence the dividend yield had been assumed as Nil for Pool- I , II & III.

18. Details of Sale, purchase, cost of material consumed and change in inventory under broad heads :

- (i) **Details of Sales**

Particulars	As at			As at March 31,		
	September 30, 2014	2014	2013	2012	2011	
Footwear	2,735.38	4,171	3,852	3,413	2,477.93	(₹in Million)
Apparels/others	1,484.86	3,445	2,869	2,298	1,247.53	
Total	4,220.24	7,615.85	6,721.34	5,711.10	3,725.45	

- (ii) **Details of Job work**

Particulars	As at			As at March 31,		
	September 30, 2014	2014	2013	2012	2011	(₹ in Million)
Footwear	-	3.28	-	-	-	-
Total	-	3.28	-	-	-	-



(iii) **Details of Purchase of stock in trade**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
Footwear	831.33	1,270.14	1,304.27	1,091.27	689.73
Apparels/others	1,109.88	2,162.69	1,648.28	1,520.72	997.83
Total	1,941.21	3,432.83	2,952.55	2,611.99	1,687.56

(iv) **Details of Cost of material consumed**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
Adhesive	56.85	69.91	57.03	47.49	39.87
Packing Material	43.00	59.94	38.22	56.96	54.02
Rubber	140.69	131.10	260.69	244.33	434.84
Sole	25.09	260.52	176.39	231.05	156.28
Upper	220.93	464.46	170.77	314.25	117.32
Consumables & others	204.71	81.53	215.52	123.41	127.00
Total	691.27	1,067.45	918.62	1,017.49	929.34

(v) **Details of change in Inventory (Finished goods, stock in trade and W.I.P.)**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
Finished goods / Stock-in-trade					
Footwear	(132.92)	(384.50)	44.01	(97.83)	(103.66)
Apparels/others	(125.86)	101.81	(111.44)	(153.32)	(41.63)
Work in progress					
Upper	(25.69)	(33.33)	18.71	(13.68)	(14.89)
Sole	5.86	3.97	4.91	(8.37)	1.04
Total	(278.60)	(312.06)	(43.82)	(273.20)	(159.13)



19. Other Notes :

- (i) In terms of Section 52(2) of the Companies Act 2013, Securities Premium has been applied for the following purpose

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011
(a) To set off the expenses incurred in relation to issue of equity shares	-	-	-	-	-
(b) To set off the the commitment provided for towards premium payable on redemption of preference share	13.86	25.40	22.68	23.35	27.39
(c) To issue bonus shares for settling fraction of shares	-	-	-	-	-
Total	13.86	25.40	22.68	23.35	27.39

- (ii) In the year 2012-13, Sports Station India Private Limited (Step-down subsidiary) has been amalgamated with SSIPL Lifestyle Private Limited (subsidiary). The accounting for the amalgamation has been done on Purchase Method as prescribed under AS-14. All properties, assets and liabilities of Sports Station (India) Private Limited has been recorded at fair value which is equal to book value except in case of Fixed Assets where fair value is based on valuation report of the Independent Valuer. The difference between the Net Assets and Purchase consideration has been recorded as goodwill which will be amortised over the period of 5 years.
- (iii) As the Sports Station India Private Limited was wholly owned by the SSIPL Lifestyle Private Limited, no shares were exchanged to effect the amalgamation.
- (iv) The disclosure in respect of the above amalgamation as per AS -14 is as follows :

Particulars	(₹ in million)
A. Fair Value of Assets	160.79
Fixed Assets	116.62
Long Term Loan & Advances	1.93
Other Non -Current Assets	433.63
Current Assets	
Fair Value of assets (Total)	712.97
B. Fair Value of Liabilities	172.74
Non -Current Liabilities	564.68
Current Liabilities	
Fair Value of liabilities (Total)	737.42
C. Net Assets (A-B)	(24.46)
D. Purchase Consideration:	



Investment in amalgamating Company	25.41
E. Goodwill (D-C)	(49.87)

- (v) Pursuant to Scheme of Arrangement through a petition dated July 13, 2012, filed before the Delhi High Court seeking sanction of a scheme for merger of Sports Station India Private Limited into SSIPL Lifestyle Private Limited, the two entities got merged with effect from April 01, 2012. The assets of the merged entity (acquired pursuant to the merger) were depreciated as per the life of assets, finalised by the valuer in the approved scheme. Effective from 01.04.2014, the Company has revised estimated useful life of all fixed assets of the aforesaid assets as per schedule II of the Companies Act, 2013.
- (vi) In 2012-13, SSIPL Lifestyle Private Limited (subsidiary) has not provided a sum of ₹ 15.82 million for lease equalisation as prescribed in AS-19 pertaining to "Leases" notified under section 211(3C) Companies(Accounting Standards) Rules,2006 of the Companies act 1956. Hence overstatement of profit after tax by ₹ 10.69 million (Net of deferred tax of ₹ 5.13 million) and understatement of Deferred Tax Assets and other Current liabilities accordingly.
- (vii) The Group has not provided a sum of ₹ 15.82 Million for lease equalisation as prescribed in AS-19 pertaining to "Leases" for the financial year ended as on March 31, 2013.However, the group has provided the same during the FY 2013-14 and shown under the head " Prior Period Item".
- (viii) In 2011-12, the group has received Government grants of ₹ 3.00 Million under Central Investment Subsidy Scheme for its unit situated at Selaqui and transferred the same to Capital Reserve Account.
- (ix) The balances of Trade receivables/Trade payables, advances and deposits are subject to confirmations. In the opinion of management current assets, non-current assets, loans and advances and deposits have an approximate realisable value equal to amount stated in the Financial Statements, except otherwise stated. The provision for all liabilities is adequate and not in excess of the amount reasonably necessary.
- (x) The Financial statements for FY 2011 have been prepared in line with the requirement of Revised Schedule VI of the Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 months period as operating cycle. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has sufficient impact on presentation and disclosures made in the financial statements. Consequently, the group has re-classified previous year figures to confirm to this years' classification.
- (xi) Previous year figures have been re-grouped/ re-arranged wherever considered necessary to confirm the current year's classification.
- (xii) Any discrepancies in any table between the total and the sum of the amounts listed therein are due to rounding-off.



ANNEXURE 5C : CONSOLIDATED SEGMENT INFORMATION

(₹ in million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
<u>Segment Revenues</u>					
Revenues					
Retail & Distribution	3032.17	5,872.73	5,135.73	4,106.32	2,329.40
Manufacturing	1191.44	1,785.90	1,593.76	1,628.73	1,408.36
Less : Inter-Segment Revenue	3.37	39.50	8.15	23.95	12.30
Total	4,220.24	7,619.14	6,721.34	5,711.10	3,725.45
Other Income					
Retail & Distribution	4.88	4.08	13.20	5.87	23.86
Manufacturing	1.94	3.77	1.85	2.49	1.95
Unallocable Income	-	-	-	-	-
Total	6.82	7.86	15.05	8.37	25.81
Grand Total	4,227.05	7,626.99	6,736.39	5,719.47	3,751.26
<u>Segment Results</u>					
Operating Profits (PBIT)					
Retail & Distribution	96.96	358.46	192.31	273.59	51.46
Manufacturing	43.58	53.22	104.98	23.01	74.05
Unallocable Profit	(1.11)	(1.16)	(1.16)	(30.43)	(1.35)
Total	139.43	410.52	296.12	266.17	124.16
Less : Financial Expenses	89.97	138.16	117.13	119.90	66.85
Total	49.45	272.37	178.99	146.27	57.30
Profit before Extraordinary items and tax	49.45	272.37	178.99	146.27	57.30
Less: Extraordinary Items	-	-	-	-	-
Profit before Tax	49.45	272.37	178.99	146.27	57.30
- Current Tax	16.44	67.59	47.34	28.02	21.25
- Deferred Tax Liability/ (Asset) (Net)	(4.01)	(7.86)	(49.94)	5.46	(7.96)
Net Profit for the period/year	37.02	212.63	181.60	112.79	44.01
Add : Adjustment on consolidation for pre-acquisition profit	-	0.52	(3.47)	(5.60)	0.02
Less : Minority Interest	0.03	0.00	-	(1.66)	0.01
Net Profit for the period/year	36.99	213.14	178.12	108.85	44.02
<u>Capital Employed</u>					
Segment Assets					
Retail & Distribution	3,052.22	2,652.43	2,293.87	2,036.06	1,322.77
Manufacturing (net of revaluation reserve)	1,296.83	1,188.06	923.35	853.45	731.54
Unallocated Corporate Assets	103.51	87.98	79.21	142.81	97.49
Total (A)	4,452.56	3,928.47	3,296.43	3,032.32	2,151.81
Segment Liabilities					
Retail & Distribution	1760.56	1282.81	1264.30	1076.26	542.36
Manufacturing	392.78	346.15	221.05	341.16	273.63
Unallocated Corporate Liabilities	1054.36	1075.15	755.97	716.42	452.35
Total (B)	3,207.70	2,704.11	2241.31	2133.84	1268.34
Capital Employed (A-B)	1,244.86	1,224.37	1055.12	898.48	883.47
<u>Capital Expenditure</u>					
Retail & Distribution	90.67	189.52	240.89	155.48	61.38
Manufacturing	49.34	90.04	78.90	118.64	38.50
Unallocated	0.72	2.16	0.52	147.31	6.09
Total	140.73	281.71	320.31	421.43	105.97
<u>Depreciation/ Amortisation</u>					
Retail & Distribution	88.74	156.51	125.18	84.90	42.20
Manufacturing	37.02	54.87	56.46	44.23	43.78
Unallocated	1.17	1.26	1.16	30.43	1.33
Total	126.93	212.64	182.81	159.56	87.31
<u>Non Cash Expenditure other than Deprecation</u>					
Retail & Distribution	6.45	14.27	11.90	11.95	5.22
Manufacturing	2.28	1.38	(0.40)	1.30	(0.01)
Unallocated	-	-	-	-	-
Total	8.73	15.64	11.51	13.24	5.22



Secondary Segment :- No export sales made during the period/years, hence there is no reportable geographical segment as per Accounting Standard-17 on Segment Reporting as notified the Companies Act, 1956 (“the Act”) read with rule 7 of the Companies (Accounts) Rules, 2014.

**ANNEXURE 5D : DIVIDEND (CONSOLIDATED)**

(₹ in Million)

Particulars	For the six months ended September 30, 2014	For the Year ended March 31,			
		2014	2013	2012	2011
Equity Dividend					
Equity Share Capital	100.02	99.92	99.35	92.72	92.72
Share Warrant	-	-	-	-	-
Rate of Dividend	0.00%	21.00%	19.00%	Nil	Nil
Amount of Dividend	-	20.94	18.20	NA	NA
Preference Dividend					
Preference Share Capital	113.51	113.51	113.51	206.51	265.01
Rate of Dividend	0.10%	0.10%	0.10%	Nil	Nil
Amount of Dividend	-	0.11	0.62	NA	NA
Tax on Dividend	-	3.58	3.20	NA	NA

Note :Arrears of cumulative dividend on Preference shares have been paid in FY 2013 for the FY 2008 to FY 2012 amounting ₹ 0.51 million.



Annexure 5E : RELATED PARTY TRANSACTIONS (CONSOLIDATED)

(i) **List of Related parties are given below:**

a) **Enterprises where significant influence exists :**

Name	Six months period ended 30.09.14	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11
A & M Wearing Apparels & Accessories Private Limited	√	√		√	
Applique Garments Private Limited	√	√		√	
Jay Dee International Private Limited	√	√	√	√	
Sports Station India Private Limited					√
KNS Trading Private Limited	√	√	√	√	√
SSIPLLuxuary Fashions Private Limited				√	√
Adigear Enterprises				√	√
Adigear International					√
Sports Lifestyle Private Limited	√	√	√	√	√
Ridhi Enterprises	√	√	√	√	√
SSIPL Foundation	√	√	√		
Value Vestor Media Private Limited	√	√			
Sunil Taneja (HUF)	√	√	√	√	
Genesis Luxury Fashion Private Limited				√	
Sports Station Retail Private Limited	√	√	√	√	
SAR Retail Private Limited	√	√			
Pious Fashion Private Limited	√				
M/s Cobblerz Shoes	√	√			

b) **Key Management Personnel & Relatives :**

Related Party	Six months period ended September 30,2014	Year ended March 3 1, 2014	Year ended March 3 1, 2013	Year ended March 3 1, 2012	Year ended March 3 1, 2011
Key Management Persons:					
Rishab Soni	√	√	√	√	√
Lalit Kishore (Resigned on July 31, 2014)	√	√	√	√	√
Ashok Mathur (Demised on August 28, 2011)			√	√	√
Sunil Taneja	√	√	√	√	√
Amit Mathur (Appointed on Sept 5, 2011)	√	√	√	√	
Rahul Sood(Reigned on Jun 30, 2014 and re-appointed on Oct 27, 2014)	√	√			
AsheeshKher(Appointed on Oct 7, 2013)	√	√			
UditDaluja (Appointed on Oct 7, 2013)	√	√			
Kamal Pande (Appointed on January 04, 2014 and resigned on July 31, 2014)	√	√			
Kanika Verma	√	√			
SandeepKakkar	√	√			
Relatives of Key Management Persons:					
Relation					



Rishab Soni's Relatives						
Nandita Soni	Spouse	√	√	√	√	√
Amit Mathur's Relatives						
EshaMathur	Mother	√	√		√	
RohiniMathur	Sister				√	√
Ashok Mathur's Relatives						
EshaMathur	Spouse				√	
Amit Mathur	Son				√	√
RohiniMathur	Daughter				√	√
DivyaMathur	Sister				√	
Sunil Taneja's Relatives						
Nishi Sehgal	Sister				√	
AlkaTaneja	Spouse	√	√	√	√	
KabirTaneja	Son	√	√	√	√	
SandeepKakkar's Relatives						
AshimaMakkar	Spouse	√	√			
Rahul Kakkar	Brother	√	√			
SushmaKakkar	Mother	√	√			

c) **Transactions with related parties :**

(₹ in Million)

Nature of transaction	Six months period ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Adigear International					
Balance written off	-	-	-	-	0.13
A & M Wearing Apparels & Accessories Private Limited					
Interest Paid	0.12	0.11	-	0.15	-
Value Vestor Media Private Limited					
Interest Paid	0.08	0.20	-	-	-
Loan / Deposit received	-	5.00			
Loan / Deposit repaid	5.00	-	-	-	-
Applique Garments Private Limited					
Interest Paid	0.02	0.02	-	0.06	-
Jay Dee International Private Limited					
Deposit/Loan Received	-	-	-	2.20	-
Interest Paid	0.13	0.26	0.31	0.13	-
KNS Trading Private Limited					
Sale of Goods (Net)*	3.02	6.98	-	0.06	-
Interest Paid	-	-	-	1.00	-
Sports Lifestyle Private Limited					
Sale of Goods	143.55	238.81	68.31	0.72	12.04
Rent recovered	-	-	-	-	0.15
Investment in Equity Shares	-	-	-	0.50	0.50
Purchases of goods	126.61	308.71	285.05	274.13	4.39
Goods In Transit	-	-	2.97	2.21	-
Deposit/Loan Repaid (Net of	-	-	-	0.07	-



amount received)					
Balance written off	-	-	-	-	0.01
Sports Station India Private Limited					
Security Deposits Transferred (Net)	-	-	-	-	14.93
Purchase of Goods	-	-	-	-	10.38
Sale of Goods	-	-	-	-	397.59
Interest received	-	-	-	-	21.75
Loan Repaid	-	-	-	-	96.80
Gift voucher	-	-	-	-	0.27
Sports Station Retail Private Limited					
Deposit/Loan Received	-	-	-	0.30	-
Deposit/Loan Repaid	-	-	-	0.20	-
Interest Paid	0.05	0.07	-	0.13	-
Genesis Luxury Fashion Private Limited					
Advances Written off	-	-	-	0.61	-
SSIPL Foundation					
Donation Given	1.43	1.00	1.31	-	-
Ridhi Enterprises					
Commission paid	1.50	2.48	4.19	3.95	3.09
Loan/ Deposit received	-	7.58	-	-	-
Loan/ Deposit repaid	2.08	-	-	-	-
SAR Retail Private Limited					
Purchase of Goods	-	0.70	-	-	-
Commission Paid	0.44	0.58	-	-	-
Loan / Deposit Repaid	0.05	0.07	-	-	-
Pious Fashion Private Limited					
Sale of Goods	3.40	-	-	-	-
M/s Cobblers Shoes					
Purchase of Goods	26.83	-	-	-	-
Advances received back	4.93	-	-	-	-
Key Management Personnel					
Rishab Soni					
Salary & Allowances	9.82	20.29	16.69	15.61	12.94
Deposit/Loan Received	-	-	-	7.00	-
Deposit/Loan Repaid	-	-	-	7.00	-
Interest Paid	-	-	-	0.27	-
Ashok Mathur					
Salary & Allowances	-	-	-	1.51	-
Deposit/Loan Repaid	-	-	-	2.50	-
Interest Paid	-	-	-	0.16	-
Sunil Taneja					
Salary & Allowances	2.17	4.35	3.02	2.89	-
Sunil Taneja (HUF)					
Rent Paid	-	0.20	0.81	0.71	-
Security Deposit given	-	-	-	0.14	-
Amit Mathur					
Rent Paid	0.15	0.16	-	0.30	-
Salary & Allowances	2.50	2.43	-	0.57	0.60
Rahul Sood					
Consultancy Charges Paid	-	0.60	-	-	-
AsheeshKher					
Salary & Allowances	0.33	-	-	-	-
UditDaluja					



Salary & Allowances	0.33	-	-	-	-
Kanika Verma					
Salary & Allowances	1.55	3.14	-	-	-
SandeepKakkar					
Salary & Allowances	0.93	1.02	-	-	-
Kamal Pande					
Salary & Allowances	1.83	1.31	-	-	-
Relative of Key Managemnet Personnel					
Nandita Soni					
Rent Paid	0.54	1.08	0.90	0.72	0.36
Equity Share issued during the Year (Face Value ₹ 10/Share) - Sports Lifestyle Pvt. Ltd.	-	-	-	7.00	-
EshaMathur					
Loan Repaid	-	-	-	2.10	-
Interest Paid	-	-	-	0.17	-
Rent Paid	0.39	0.41	-	-	-
RohiniMathur					
Salary & Allowances	-	-	-	0.28	0.67
Deposit/Loan Received	-	-	-	0.40	-
Deposit/Loan Repaid	-	-	-	0.50	-
Interest Paid	-	-	-	0.01	-
DivyaMathur/ Kashyap					
Loan Repaid	-	-	-	1.30	-
Interest Paid	-	-	-	0.10	-
Nishi Sehgal					
Deposit/Loan Repaid	-	-	-	1.50	-
Interest Paid	-	-	-	0.12	-
AlkaTaneja					
Salary & Allowances	0.49	0.97	0.62	0.30	-
Rent Paid	0.44	0.77	0.81	0.71	-
Security Deposit given	-	-	-	0.14	-
KabirTaneja					
Security Deposit given	-	-	-	0.14	-
Rent Paid	0.44	0.77	0.81	0.71	-
Salary & Allowances	0.45	0.97	0.62	0.30	-
AshimaMakkar					
Commission Paid	0.30	0.65	-	-	-
Interest paid	0.01	0.02	-	-	-
Rahul Kakkar					
Commission Paid	0.30	0.65	-	-	-
Interest paid	0.01	0.02	-	-	-
SushamaKakkar					
Rent Paid	0.15	0.33	-	-	-
Management Fee	0.13	0.10	-	-	-

Note :

- (i) Sales is inclusive of VAT/ CST
- (ii) The remuneration to Key management personnel does not include the provisions made for Gratuity and leave benefits, as they are determined on actuarial basis for the group as a whole



(iii) **Outstanding Balances :**

(₹ in Million)

Particulars	Six months period ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Salary and Remuneration payable					
Rishab Soni	0.40	-	-	-	-
Sunil Taneja	0.19	-	-	-	-
AlkaTaneja	0.07	0.06	-	-	-
KabirTaneja	0.07	0.06	-	-	-
Amit Mathur	0.27	0.27	-	-	-
SandeepKakkar	0.11	0.10	-	-	-
Kanika Verma	0.18	-	-	-	-
Kamal Pande	-	0.36	-	-	-
AsheeshKher	0.26	-	-	-	-
UditDaluja	0.26	-	-	-	-
Amount Recoverable against Trade Receivable					
Sports Station India Private Limited	-	-	-	-	250.45
KNS Trading Private Limited	5.95	4.95	-	-	-
Sports Lifestyle Private Limited	99.06	96.87	32.18	-	1.94
Pious Fashion Private Limited	6.12	-	-	-	-
Amount Recoverable against Advances/Security deposits					
Sports Station India Private Limited	-	-	-	-	158.20
Sunil Taneja (HUF)	0.14	0.14	0.14	-	-
AlkaTaneja	0.14	0.14	0.14	-	-
KabirTaneja	0.14	0.14	0.14	-	-
M/s Cobblerz Shoes	-	4.93	-	-	-
Receivable against Business Transactions					
Ridhi Enterprises	-	-	0.01	-	0.13
Interest Income accrued but not Due					
Sports Station India Private Limited	-	-	-	-	3.37
Interest accrued on borrowings					
A&M Wearing Apparels and Accessories Private Limited	0.05	-	-	-	-
Sports Station Retail Private Limited	0.02	-	-	-	-
Jay Dee International Private Limited	0.06	-	-	-	-
Applique Garments Private Limited	0.01	-	-	-	-
Payable against Business Transactions					
Ridhi Enterprises	0.22	0.21	-	0.25	-
Sport Lifestyle Private Limited	68.34	67.93	70.43	19.23	2.46
SushmaKakkar	-	0.02	-	-	-
Rahul Sood	-	0.09	-	-	-
AshimaMakkar	0.02	0.05	-	-	-
Rahul Kakkar	0.02	0.04	-	-	-
SAR Retail Private Limited	0.08	0.06	-	-	-
M/s Cobblerz Shoes	7.00	-	-	-	-
Payable against Deposits					
Jay Dee International Private Limited	2.20	2.20	2.20	2.20	-
Applique Garment Private Limited	0.40	0.40	-	0.40	-
A & M Wearing Apparels & Accessories Private Limited	1.95	1.95	-	1.05	-
Sports Station Retail Private Limited	0.80	0.80	0.80	0.80	-
Value Vestor Media Private Limited	0.90	5.90	-	-	-
Sports Lifestyle Private Limited	-	-	-	-	0.07
SAR Retail Private Limited	0.97	1.02	-	-	-
AshimaMakkar	0.15	0.15	-	-	-
Rahul Kakkar	0.15	0.15	-	-	-
Ridhi Enterprises	5.50	7.58	-	-	-
Guarantee Given Outstanding					
Sports Station India Private Limited	-	-	-	-	0.30



Adigear Enterprises	-	-	-	0.10	0.10
Sports Lifestyle Private Limited	0.60	0.60	0.60	0.60	0.10
KNS Trading Private Limited	0.10	0.10	0.10	0.10	0.10
SSIPLLuxuary Fashion Private Limited	-	-	-	0.10	0.10
Guarantee Received Outstanding					
Sports Station India Private Limited	-	-	-	-	131.10
Investment in Equity Shares					
Sports Lifestyle Private Limited	2.50	2.50	2.50	2.50	2.00



**ANNEXURE 6: TABLE REFLECTING RECONCILIATION OF AUDITED RESERVES & SURPLUS
WITH RESTATED RESERVES & SURPLUS (CONSOLIDATED)**

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011
Reserves & Surplus as per audited financial statements	1,281.79	1,262.09	1,107.60	855.34	758.77
Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
Reserves & Surplus as per audited financial statements (excluding Revaluation Reserve)	1,031.16	1,011.46	856.98	604.71	508.14
Adjustments prior to March 2010 & up to previous year	(0.65)	(14.71)	(10.81)	17.58	18.96
Provision for redemption of Preference Shares	-	-	-	(45.21)	14.81
Prior period Adjustments	-	15.82	(15.82)	0.17	0.11
Exceptional items (Service Tax on Rent)	-	-	-	53.70	(16.23)
Extra-ordinary items (IPO expenses)	-	-	12.54	(8.33)	(4.21)
Adjustment for restatement of subsidiary	-	0.09	-	(24.66)	(0.05)
Deferred Tax impact on above adjustments	-	(1.67)	0.34	(2.37)	2.22
Tax adjustment of earlier years	-	0.46	(0.95)	(1.69)	1.98
Adjustment for unrealised profit on GIT	0.65	(0.65)	-	-	-
Reserves & Surplus as per restated financial statements	1,031.16	1,010.80	842.26	593.89	525.72



ANNEXURE 7: ACCOUNTING RATIOS CONSOLIDATED

(₹ in Million)

S No.	Particulars		For the six months ended September 30, 2014	For the Year ended March 31,			
				2014	2013	2012	2011
A	Net worth as restated (₹ in Million)	A	1,244.70	1,224.24	1,055.12	893.12	883.45
B	Net Profit as restated as per Annexure 2 (₹ in Million)	B	36.99	213.14	178.12	108.85	44.02
C	Add : Extra-ordinary items (₹ in Million)		-	-	0.21	5.63	2.81
D	Net Profit (before extra-ordinary items) as restated (₹ in Million)	B+C	36.99	213.14	178.33	114.48	46.84
E	No. of equity shares outstanding at the end of the period		10,002,269	9,992,469	9,934,919	9,272,388	9,272,388
F	Weighted average number of equity shares outstanding during the period for Basic Earnings Per Share		9,997,449	9,972,602	9,577,142	9,272,388	9,272,388
G	Potential Weighted average number of shares outstanding during the period for Dilutive Earning Per Share		10,000,180	9,979,935	9,596,330	9,885,621	9,866,519
H	<u>Earnings per share before extraordinary items</u>						
	Adjusted Earnings per Share - Before Extra-ordinary items (Basic) (₹)	D/F	3.70	21.37	18.62	12.35	5.05
	Adjusted Earnings per Share - Before Extra-ordinary items (Diluted) (₹)	D/G	3.70	21.36	18.58	11.58	4.75
	Return on Net worth (%)	B/A	2.97%	17.41%	16.90%	12.82%	5.30%
I	<u>Earnings per share after extraordinary items</u>						
	Adjusted Earnings per Share - After Extra-ordinary items (Basic) (₹)	B/F	3.70	21.37	18.60	11.74	4.75
	Adjusted Earnings per Share - After Extra-ordinary items (Diluted) (₹)	B/G	3.70	21.36	18.56	11.01	4.46
	Return on Net worth (%)	A/B	2.97%	17.41%	16.88%	12.19%	4.98%
J	Net Asset value per Share (₹)	A/E	124.44	122.52	106.20	96.32	95.28

The calculation has been made as per the requirement of AS 20 issued by the Institute of Chartered Accountants of India.

Note :

1. Basic/Diluted EPS for the six months period ended September 30, 2014 is not annualised
2. For detailed calculation of Earnings Per Share refer point no. 12 of "Annexure 5B"
2. The ratios have been computed as below:

(a) Before Extraordinary items :

$$\begin{aligned}
 \text{(i) Basic Earnings per share (₹)} &= \frac{\text{Net profit/(loss) before extraordinary items as restated, attributable to equity shareholders}}{\text{Weighted average number of equity share outstanding during the period}} \\
 \text{(ii) Diluted Earnings per share (₹)} &= \frac{\text{Net profit/(loss) as restated before extraordinary items, attributable to equity shareholders}}{\text{Potential Weighted average number of equity shares outstanding during the period}}
 \end{aligned}$$



$$(iii) \quad \text{Return on Net Worth \%} = \frac{\text{Net profit/ (loss) before extraordinary items , as restated}}{\text{Net worth as restated at the end of the period}}$$

(b) After Extraordinary items :

$$(i) \quad \text{Basic Earnings per share (₹)} = \frac{\text{Net profit/(loss) after extraordinary items as restated, attributable to equity shareholders}}{\text{Weighted average number of equity share outstanding during the period}}$$

$$(ii) \quad \text{Diluted Earnings per share (₹)} = \frac{\text{Net profit/(loss) as restated after extraordinary items, attributable to equity shareholders}}{\text{Potential Weighted average number of equity shares outstanding during the period}}$$

$$(iii) \quad \text{Return on Net Worth \%} = \frac{\text{Net profit/ (loss) after extraordinary items , as restated}}{\text{Net worth as restated at the end of the period}}$$

$$(c) \quad \text{Net Assets Value per Equity Share (₹)} = \frac{\text{Net Worth}}{\text{Number of equity share outstanding at the end of the period}}$$

3. Net worth means sum of Equity share capital, Reserves and Surplus minus revaluation reserve (excluding minority interest)
4. The Figures disclosed above are based on the restated financial statements of the Group.



ANNEXURE 8: RESTATED CONSOLIDATED CAPITALIZATION STATEMENT AS AT SEPTEMBER 30, 2014

(₹ in Million)		
Particulars	Pre Issue	Post Issue (Refer Note No. 4 below)
Long Term Debt	104.45	
Current Maturities of long-term debt	40.41	
Short Term Debt	788.37	
Total Debt	933.23	
Shareholders' Funds		
9,992,469 Equity Shares of ₹ 10/- each	100.02	
11,351,185 Redeemable Preference Shares of ₹ 10/- each	113.51	
Minority Interest		
Capital	0.10	
Reserves and Surplus	0.06	
Reserve & Surplus*		
Statutory Reserve	152.83	
Share Option Outstanding	0.67	
General Reserve	32.32	
Securities Premium	483.04	
Closing Balance in Statement of Profit & Loss	362.31	
Total Shareholders' Funds	1,244.86	
Long term Debts / Shareholder's funds	0.08	
Total Debt / Shareholders' Funds	0.75	

Note :

- Short term debts represent debts which are due within twelve months from September 30, 2014 and exclude interest accrued and due.
- Long term debt represents debt other than short term debt, as defined above and current maturity of Long-term debt maturity within 12 months.
- The figures disclosed above are based on the restated statement of assets and liabilities as at September 30, 2014.
- The corresponding post issue figure will be determined upon the finalisation of issue price.

* Excluding Revaluation Reserve



ANNEXURE 1: RESTATED UNCONSOLIDATED STATEMENT OF ASSETS AND LIABILITIES

		(₹ in Million)				
Sr. No.	Particulars	As at September 30, 2 014	2014	2013	2012	As at March 31, 2011 2010
I.	<u>EQUITY AND LIABILITIES</u>					
A	<u>Shareholders' Fund</u>					
	(a) Share Capital					
	- Equity Shares	100.02	99.92	99.35	92.72	92.72
	- Preference Shares	113.51	113.51	113.51	206.51	265.01
		213.53	213.44	212.86	299.23	357.74
	(b) Reserve & Surplus	1,275.14	1,251.66	1,087.08	874.27	776.28
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	Net Reserve and Surplus (excluding revaluation reserve)	1024.51	1001.03	836.45	623.64	525.65
	Total (A)	1,238.04	1,214.47	1,049.31	922.87	883.39
B	<u>Non-Current Liabilities</u>					
	Long-Term Borrowings	98.20	88.75	100.85	0.64	0.91
	Deferred Tax Liability (net)	-	-	-	-	-
	Other Long-Term Liabilities	88.46	89.96	100.28	91.59	70.01
	Other Long-Term Provisions	77.03	66.02	53.52	81.93	84.84
	Total (B)	263.70	244.73	254.65	174.16	155.76
C	<u>Current Liabilities</u>					
	Short-Term Borrowings	718.14	679.01	508.70	619.49	297.72
	Trade Payables	1,273.33	912.47	739.77	678.16	593.85
	Other Current Liabilities	312.60	277.87	209.80	259.50	179.42
	Short-Term Provisions	139.16	166.39	128.02	5.16	14.45
	Total (C)	2,443.23	2,035.74	1,586.29	1,562.31	1,085.44
	Total (A+B+C)	3,944.97	3,494.94	2,890.25	2,659.33	2,124.59
II.	<u>ASSETS</u>					
A	<u>Non-Current Assets</u>					
	Fixed Assets					
	- Tangible Assets	848.41	852.13	792.01	697.48	602.51
	Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63
	- Tangible Assets (Net)	597.78	601.50	541.38	446.85	351.88
	- Intangible Assets	25.65	23.47	17.74	8.60	7.42
	- Capital work-in-progress	0.97	0.84	0.50	6.82	8.56
	Non-Current Investments	88.51	82.43	72.60	65.59	2.09
	Deferred Tax Assets (net)	18.71	16.40	21.24	16.31	20.44
	Long-Term Loans and Advances	391.19	564.01	544.95	536.08	385.52
	Other Long-term assets	-	-	-	-	4.93
	Total (A)	1,122.79	1,288.65	1,198.40	1,080.25	780.83
B	<u>Current Assets</u>					
	Inventories	1,429.82	1,230.35	892.82	836.15	696.61
	Trade Receivables	1,013.59	801.16	640.19	530.52	505.63
	Cash and Bank Balances	49.93	45.22	76.78	126.49	99.52
	Short-Term Loans and Advances	325.24	129.05	76.40	83.20	38.55
	Other Current Assets	3.59	0.52	5.68	2.72	3.45
	Total (B)	2,822.18	2,206.29	1,691.86	1,579.08	1,343.76
	Total (A+B)	3,944.97	3,494.94	2,890.26	2,659.33	2,124.59

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



ANNEXURE 2: RESTATED UNCONSOLIDATED STATEMENT OF PROFIT & LOSS

(₹ in Million)

Sr. No.	Particulars	For six months ended September 30, 2014	For the Year ended March 31,				
			2014	2013	2012	2011	2010
A	INCOME						
	Revenue from Operations						
	Turnover	3,775.45	6,809.27	5,824.32	5,015.22	3,937.92	3,430.10
	Less: Excise Duty and VAT	276.90	466.25	390.81	302.82	216.00	186.85
	Net Turnover	3,498.55	6,343.03	5,433.51	4,712.40	3,721.92	3,243.25
	Other Income	15.88	29.09	38.45	15.31	25.81	36.65
	Total (A)	3,514.43	6,372.12	5,471.95	4,727.71	3,747.73	3,279.90
B	EXPENDITURE						
	Cost of materials consumed	652.75	1,086.28	918.62	1,017.49	929.34	837.14
	Purchase of Stock in Trade	1,638.93	2,992.07	2,482.49	2,127.17	1,673.80	1,359.06
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(141.43)	(254.55)	(64.30)	(130.38)	(146.72)	20.86
	Employee Benefits Expense	434.16	731.79	607.65	527.47	425.42	359.27
	Finance Cost	68.02	110.28	98.59	101.92	66.82	77.30
	Depreciation and Amortization Expense	88.88	135.98	112.58	92.47	87.28	73.35
	Other Expenses	723.74	1,301.32	1,119.84	847.44	654.71	525.10
	Total (B)	3,465.06	6,103.18	5,275.48	4,583.59	3,690.64	3,252.08
C	Profit / (Loss) before Tax and extraordinary items (A-B)	49.37	268.94	196.48	144.12	57.09	27.82
	Extraordinary items*	-	-	-	-	-	-
D	Profit / (Loss) before Tax	49.37	268.94	196.48	144.12	57.09	27.82
E	Provision for Tax						
	- Current Tax	12.00	56.88	38.45	26.00	21.22	7.09
	- Fringe Benefit Tax	-	-	-	-	-	-
	- Deferred Tax	(2.31)	4.84	(4.93)	4.12	(8.03)	(6.00)
	- MAT Credit Entitlement	0.00	(2.06)	-	-	-	-
F	Net Profit / (Loss) after Tax as restated available for Appropriation (D-E)	39.68	209.27	162.96	114.00	43.90	26.73
G	Net Profit / (Loss) after Tax as per the audited Financial Statements	39.68	208.71	152.70	97.18	60.10	40.43
	Adjustment on account of restatement (Refer Annexure - 5A)						
	- Prior period	-	-	-	(0.17)	(0.05)	0.68
	- Exceptional items	-	-	-	(29.03)	16.23	8.81
	- Extra-ordinary items	-	-	(12.54)	8.33	4.21	-
	- Deferred Tax Surplus	-	(0.00)	1.33	2.37	(2.22)	3.48
	- Tax adjustments	-	(0.56)	0.95	1.69	(1.98)	0.72
	Total Adjustments	-	(0.56)	(10.26)	(16.82)	16.19	13.69
H	Net Profit / (Loss) after Tax as restated available for Appropriation	39.68	209.27	162.96	114.00	43.90	26.73

Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.

* Extraordinary item relating to IPO expenses of ₹ 12.85 million and ₹ 9.55 million in the FY 2013 and FY 2009 respectively have been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head "Restatement to prior period items". For further details refer Annexure- 5B.



ANNEXURE 3: RESTATED UNCONSOLIDATED STATEMENT OF CASH FLOW

(₹ in Million)

Sr. No.	Particulars	For six months ended September 30, 2014	For the Year ended March 31, 2014	2013	2012	2011	2010
A	CASH FLOW FROM OPERATING ACTIVITIES						
	Net Profit / (Loss) before Tax as restated	49.37	268.94	196.48	144.12	57.09	27.82
	Add /(Less) :						
	Adjustments for						
	Depreciation/Amortisation	88.88	135.98	112.58	92.47	87.28	73.35
	Interest Expenses	43.13	64.78	59.22	73.20	47.52	50.51
	Interest Income	(6.79)	(16.14)	(27.01)	(13.81)	(23.70)	(27.72)
	Loss / (profit) on Sale/disposal of Fixed Assets	0.41	1.39	1.28	0.37	4.01	0.16
	Unrealised loss/(gain) on foreign currency transactions and translation (net)	4.38	12.72	7.11	11.20	2.53	(1.66)
	Bad debts/ Advances written off	0.58	-	0.03	3.88	0.45	1.46
	Provision for Doubtful debts	-	-	-	-	0.76	8.46
	Provision for Fixed Deposit	-	-	-	(0.09)	(0.21)	0.30
	ESOS Expenses	0.08	1.61	3.06	4.34	-	-
	Liability no longer required written back	(1.49)	(1.78)	(6.96)	-	(1.04)	(2.14)
	Increase in Liability for Employee benefit	8.95	3.91	10.21	1.34	(5.49)	1.39
	Profit from Partnership firm	(6.08)	(7.38)	-	-	-	-
	Operating Profit before Working Capital changes	181.43	464.04	356.00	317.02	169.19	131.94
	Adjustments for Working Capital changes :						
	- (Increase)/ Decrease in Trade Receivables	(213.02)	(160.97)	(109.87)	(28.76)	(51.86)	10.18
	- (Increase)/ Decrease in Loans & advances and other receivables	(11.44)	(73.10)	(0.19)	(190.09)	19.46	(21.30)
	- (Increase)/ Decrease in Other Bank balances	0.00	-	-	0.03	(0.03)	-
	- Increase/ (Decrease) in Trade Payables & other Current Liabilities and Provisions	394.28	236.00	72.03	176.72	266.86	47.39
	- (Increase)/Decrease in Inventories	(199.48)	(337.53)	(56.66)	(139.54)	(184.63)	26.98
	Cash generated from Operations	151.78	128.44	261.31	135.37	218.99	195.20
	- Direct Tax Paid (net of refunds)	(37.76)	(40.92)	(44.86)	(31.21)	(6.32)	(3.50)
	NET CASH FLOW FROM OPERATING ACTIVITIES (A)	114.02	87.52	216.45	104.16	212.66	191.70
B	CASH FLOW FROM INVESTING ACTIVITIES						
	- Purchase of Fixed Assets including CWIP and capital advances	(96.69)	(213.07)	(227.54)	(195.86)	(103.48)	(116.18)
	-Purchase of Investments	0.00	(2.45)	(7.01)	(63.50)	(0.59)	-
	- Sale of Fixed Assets	5.76	9.51	16.33	8.60	0.76	10.21
	-Capital Subsidy received from Government	-	-	-	3.00	-	-
	-Fixed Deposit (net)	0.06	10.55	(1.35)	37.47	(39.37)	6.47
	- Interest Received	3.71	21.30	24.05	14.54	25.72	69.29
	NET CASH FLOW FROM INVESTING ACTIVITIES (B)	(87.15)	(174.17)	(195.52)	(195.74)	(116.96)	(30.21)
C	CASH FLOW FROM FINANCING ACTIVITIES						
	-Redemption of preference shares including premium	-	-	-	(90.00)	0.00	0.00
	-Proceeds of Equity Shares with Premium allotted under ESOS	0.73	4.31	5.12	-	-	-
	- Proceeds/(Repayments) of Long Term Borrowings (net)	9.45	(12.09)	100.21	(0.27)	(1.35)	(2.25)
	- Proceeds/(Repayments) of Short Term Borrowings (net)	35.29	158.90	(117.85)	318.42	(39.27)	(105.78)
	- Dividend and Tax on Dividend paid	(24.63)	(22.02)	-	-	-	-
	- Interest paid	(42.92)	(63.45)	(59.48)	(72.19)	(46.97)	(50.28)
	NET CASH FLOW FROM FINANCING ACTIVITIES (C)	(22.09)	65.65	(72.01)	155.97	(87.58)	(158.31)
	NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	4.77	(21.00)	(51.07)	64.38	8.12	3.19
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD/YEAR	42.23	63.24	114.31	49.93	41.81	38.62
	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD/YEAR	47.01	42.23	63.24	114.31	49.93	41.81
	Reconciliation with Balance Sheet						
	CASH & BANK BALANCES (AS PER BALANCE SHEET)	49.93	45.22	76.78	126.49	99.52	51.79
	Less : OTHER BANK BALANCES	2.93	2.99	13.53	12.19	49.59	9.98
	CASH & CASH EQUIVALENTS (AS PER BALANCE SHEET)	47.00	42.23	63.25	114.31	49.93	41.81
	Less : Unpaid Dividend (excluding Dividend Distribution Tax)	-	21.06	18.82	-	-	-



CASH & CASH EQUIVALENTS (CLOSING BALANCE)	47.00	21.17	44.43	114.31	49.93	41.81
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Notes: The above statement should be read with significant accounting policies and notes on adjustment to the restated summary statement and other disclosures appearing in Annexure 5, 5A, 5B, 5C, 5D & 5E.



ANNEXURE 4 A : RESTATED UNCONSOLIDATED STATEMENT OF SHARE CAPITAL

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31,		2012	2011	2010
		2014	2013			
Authorised share capital						
Equity Shares of ₹ 10 each	218.51	218.51	218.51	218.51	135.00	135.00
Preference Shares of ₹ 10 each	209.49	209.49	209.49	209.49	268.00	268.00
Issued, subscribed and fully paid up						
Equity Shares of ₹ 10 each	100.02	99.92	99.35	92.72	92.72	92.72
Redeemable Preference Shares of ₹ 10 each	113.51	113.51	113.51	113.51	172.02	172.02
Compulsory Convertible Preference Shares of ₹ 10 each	-	-	-	92.99	92.99	92.99
Total	213.53	213.44	212.86	299.23	357.74	357.74

Note:

- Pursuant to Termination Agreement dated October 20, 2014 executed with HBP Holding Limited, 11,351,185 Redeemable Preference Shares were redeemed by the Company on January 07, 2015 in accordance with the terms of the Agreement. Accordingly, "Securities Premium Account" will stand increased and "Provision for premium on redemption of Preference shares" will stand reduced to the extent of ₹ 137.43 million in the financials to be prepared post September 30, 2014.
- Pursuant to share subscription agreement dated October 20, 2014 Company has allotted 16,667 equity shares on January 08, 2015 to Oman India Joint Investment Fund (OIJF).



ANNEXURE 4 B : RESTATED UNCONSOLIDATED STATEMENT OF RESERVES AND SURPLUS

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010
A. Capital Reserve						
Balance as per last balance sheet	5.45	5.45	5.45	2.45	2.45	2.45
Add : Addition during the period/year	-	-	-	3.00	-	-
	5.45	5.45	5.45	5.45	2.45	2.45
B. Capital Redemption Reserve						
Balance as per last balance sheet	145.56	145.56	58.51	-	-	-
Add : Addition during the period/year	-	-	87.05	58.51	-	-
	145.56	145.56	145.56	58.51	-	-
C. Revaluation Reserve						
Balance as per last balance sheet	250.63	250.63	250.63	250.63	250.63	250.63
Add : Addition during the period/year	-	-	-	-	-	-
	250.63	250.63	250.63	250.63	250.63	250.63
D. Security Premium Account						
Balance as per last balance sheet	495.51	513.30	440.69	464.04	491.43	515.89
Less: Premium on Redemption of Preference shares provided during the year	13.86	25.40	22.68	23.35	27.39	24.46
Add: Premium received on Issue of Equity Shares under ESOP	1.39	7.61	8.24	-	-	-
Add: Trf from Provision for redemption of Preference shares	-	-	87.05	-	-	-
	483.04	495.51	513.30	440.69	464.04	491.43
E. General Reserve						
Balance as per last balance sheet	32.32	11.45	-	-	-	-
Add : Addition during the period/year	-	20.87	11.45	-	-	-
	32.32	32.32	11.45	-	-	-
F. Share Option Outstanding Account						
Balance as per last balance sheet	1.84	5.72	8.85	-	-	-
Add: period/Current Year Addition	0.64	0.22	2.42	8.85	-	-
Less : Transferred to Security Premium Account	0.75	3.88	3.80	-	-	-
Less : Written Back in period/Current Year	0.34	0.21	1.75	-	-	-
	1.39	1.84	5.72	8.85	-	-
Less : Employee Deferred Compensation Account						
As per last Balance Sheet	0.50	2.11	4.51	-	-	-
Add: Current period/year Addition	0.64	0.22	2.42	8.85	-	-
Less : Written Back in period/Current year	0.34	0.21	1.75	-	-	-
Less : ESOS Expense recognised during the period/year	0.08	1.61	3.06	4.34	-	-
	0.73	0.50	2.11	4.51	-	-
	0.67	1.34	3.61	4.34	-	-
G. Surplus in Statement of Profit & Loss						
As per last Balance Sheet	320.85	157.08	114.65	59.16	15.26	(11.47)
Add: Net Profit for the period/current year	39.68	209.27	162.96	114.00	43.90	26.73
Less : Transfer to Capital redemption reserve	-	-	87.05	58.51	-	-
Less : Transfer to General Reserve	-	20.87	11.45	-	-	-
Less : Depreciation on Fixed Assets	3.05	-	-	-	-	-
Less : Proposed Final Dividend on Equity Shares	-	20.94	18.20	-	-	-
Less : Dividend on cumulative redeemable preference shares	-	0.11	0.62	-	-	-
Less : Dividend Distribution Tax	-	3.58	3.20	-	-	-
	357.47	320.85	157.08	114.65	59.16	15.26
Reserve and Surplus (A+B+C+D+E+F+G)	1,275.14	1,251.66	1,087.08	874.27	776.28	759.77



Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63	250.63
Reserve and Surplus (excluding Revaluation reserve)	1,024.51	1,001.03	836.45	623.64	525.65	509.14



ANNEXURE 4 C : RESTATED UNCONSOLIDATED STATEMENT OF LONG-TERM BORROWINGS

Particulars	(₹ in Million)					
	As at September 30, 2014	2014	2013	2012	As at March 31, 2011	2010
A. SECURED						
Long-Term Borrowings						
(I) TERM LOAN FROM BANKS						
(a) Foreign Currency Loans	-	-	-	-	-	-
(b) Rupee Term Loans						
(i) Canara Bank	30.00	5.00	45.00	-	-	2.69
(ii) ING Vysha Bank	72.59	1.76	81.50	-	-	-
(ii) Axis Bank	30.68	-	-	-	-	-
(II) TERM LOAN FROM OTHERS						
(a) Foreign Currency Loans	-	-	-	-	-	-
(b) Rupee Term Loans	-	-	-	-	-	-
(c) Finance Lease Obligations	-	-	-	-	-	-
	133.27	116.76	126.50	-	-	2.69
(III) VEHICLE LOAN						
(a) From Banks :						
(i) ICICI Bank	4.13	.87	6.41	0.38	1.47	2.55
(ii) PNB	-	-	0.15	0.29	0.41	-
(iii) HDFC Bank Limited	1.04	.41	2.13	-	-	-
(b) From Others :						
(i) Kotak Mahindra Prime Limited	-	-	-	0.25	0.79	1.27
(ii) TATA Capital Limited	-	-	0.33	0.58	-	-
	5.17	6.28	9.02	1.49	2.68	3.83
Total Secured	138.44	123.04	135.52	1.49	2.68	6.52
B. UNSECURED						
Long-Term Borrowings	-	-	-	-	-	-
Total Unsecured	-	-	-	-	-	-
Total Long-term Borrowings (A+B)	138.44	123.04	135.52	1.49	2.68	6.52
C. Current Maturities						
(I) TERM LOAN FROM BANKS						
(a) Foreign Currency Loans						
(b) Rupee Term Loans						
(i) Canara Bank	10.00	0.00	10.00	-	-	2.69
(ii) ING Vysha Bank	22.00	2.00	22.00	-	-	-
(ii) Axis Bank	5.83	-	-	-	-	-
(II) TERM LOAN FROM OTHERS						
(a) Foreign Currency Loans	-	-	-	-	-	-
(b) Rupee Term Loans	-	-	-	-	-	-
(c) Finance Lease Obligations	-	-	-	-	-	-
	37.83	32.00	32.00	-	-	2.69
(III) VEHICLE LOAN						
(a) From Banks :						
(i) ICICI Bank	1.59	.51	1.54	0.21	1.10	1.08
(ii) PNB	-	-	0.15	0.15	0.13	-
(iii) HDFC Bank Limited	0.82	.78	0.70	-	-	-
(b) From Others :						
(i) Kotak Mahindra Prime Limited	-	-	-	0.25	0.54	0.48
(ii) TATA Capital Limited	-	-	0.28	0.25	-	-
	2.41	2.29	2.68	0.85	1.76	1.56
Total Current Maturities (C)	40.24	34.29	34.68	0.85	1.76	4.26
Non-current Long-term Borrowings (A+B-C)	98.20	88.75	100.85	0.64	0.91	2.26



**ANNEXURE 4 D : RESTATED UNCONSOLIDATED STATEMENT OF SHORT-TERM
BORROWINGS**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	2012	As at March 31, 2011	2010
A. SECURED						
(I) Working Capital Loan From Banks						
(a) Foreign Currency Loan						
(i) Axis Bank	125.36	12 1.52	110.10	103.04	90.80	-
(b) Indian Currency Loan						
(i) Axis Bank	178.67	24 8.12	129.29	128.11	63.64	95.96
(ii) Canara Bank	317.73	18 4.41	198.57	268.71	58.35	189.61
(iii) HSBC Bank	-	-	-	119.63	84.93	50.37
(iv) INGVysya Bank	96.38	12 4.96	70.73	-	-	-
Total Secured Loan (A)	718.14	679.01	508.70	619.49	297.72	335.94
B. UNSECURED						
Total Unsecured Loan (B)	-	-	-	-	-	-
Short-term Borrowings (A+B)	718.14	679.01	508.70	619.49	297.72	335.94



ANNEXURE 4 E : OTHER UNCONSOLIDATED RESTATED DETAILS OF SECURED/ UNSECURED LOAN

(₹ in Million)

Lender	Date of Sanction of Loan	Loan Amount Sanctioned	Loan (excluding interest #) outstanding as at September 30, 2014	Rate of Interest (As per latest Sanctioned Letter)	Due Date of Repayment	Security
SECURED LOAN						
(I) Short-term Borrowing						
(A) Foreign Currency Loans						
(i) Axis Bank Ltd - FCDL-912060048490827	September 05, 2014	100.00	125.36	4.33% as per present Rate	On Demand	Sublimit of CC Limit, therefore security same as that of Axis Bank CC Limit
(Sanctioned amount : USD 2 Million, Interest amount : USD 7342)						
Sub Total (A)		100.00	125.36			
(B) Rupee Term Loans						
(i) Axis Bank Ltd. - CC-007010300018416	September 02, 2014	368.00	78.67	12.75% (Base Rate + 2.50%)	On Demand	<p>Primary security :Paripassu first charge on the current assets of the Company, both present and future.</p> <p>Collateral security :Paripassu first charge on the fixed assets of the Company, other than those charges exclusively charged to term lenders. Fixed Assets include equitable mortgage of a Factory land and building:</p> <p>a) located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and</p> <p>b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.</p> <p>Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.</p>
(ii) ING Vysya Bank Ltd. - 586044007841	19-Oct-13	210.00	96.38	12.20% (IVBR+1.55%)	On Demand	<p>Primary Security : Hypothecation of stock and book debts.</p> <p>Collateral Security :Paripassu charge by way of equitable mortgage</p>



						on the following fixed assets of the Company: a) Factory land and building located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.
						Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.
(iii) Axis Bank (WCDL) 912030014791892	2-Sep-14	100.00	100.00	12.25% (Base Rate +2%)	On Demand	Sublimit of CC Limit, therefore security same as that of Axis Bank CC Limit
(iv) Canara Bank - CC Limit	22-Nov-13	272.00	317.73	13.70% Floating (Base Rate +3.75%)	On Demand	Primary security: First paripassu charge by way of hypothecation of stock and book debts Collateral security: • First paripassu charge by way of equitable mortgage on factory land and building situated at Plot No. 75, Sersa Road, Kundli, Sonapat, Haryana measuring 57 kanals and 3 marlas. • First paripassu charge by way of equitable mortgage on land measuring 5-0 Bigha comprised in KhewatKhatoni No106/157, Khasra No. 265/101 and 267/102 situated at village – Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. • First paripassu charge by way of hypothecation on all other fixed assets including plants and machinery, tools, electrical installations, fixtures and furnitures, equipment and computers. Personal guarantee: Mr. Amit Mathur, Mr. Rishab Soni and Mr. Sunil Taneja.
Sub Total (B)		950.00	592.78			
Total (I=A+B)		1050.00	718.14			



(II) Term Loan						
(A) Foreign Currency Loans		-	-			
Sub Total (A)		-	-			
(B) Rupee Term Loans						
(i) INGVysya Term Loan	6-Jul-12	110.00	72.59	12.45% (IVBR+1.80%)	Dec-2017	<p>Primary Security : Charge on the assets to be created out of the term loan.</p> <p>Collateral Security : Paripassu charge by way of equitable mortgage on the following fixed assets of the Company: a) Factory land and building located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.</p> <p>Personal guarantee : Mr. Rishab Soni, Mr. Amit Mathur and Mr. Sunil Taneja.</p>
(ii) Canara Bank Term Loan	13-Jul-12	50.00	30.00	13.75% Floating (Base Rate+3.25%)	7-Sep-17	<p>Primary security: Exclusive charge by way of hypothecation of plant and machinery worth ₹ 49.50 million and other fixed assets worth ₹ 38.70 million</p> <p>Collateral security:</p> <ul style="list-style-type: none"> • First paripassu charge by way of equitable mortgage on factory land and building situated at Plot No. 75, Sersa Road, Kundli, Sonapat, Haryana measuring 57 kanals and 3 marlas. • First paripassu charge by way of equitable mortgage on land measuring 5-0 Bigha comprised in KhewatKhatoni No106/157, Khasra No. 265/101 and 267/102 situated at village – Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. • First paripassu charge by way of



						hypothecation on all other fixed assets including plants and machinery, tools, electrical installations, fixtures and fumitures, equipment and computers.
						Personal guarantee: Mr. Amit Mathur, Mr. Rishab Soni and Mr. Sunil Taneja.
(iii) Axis Bank Term Loan	11-Apr-13	70.00	30.68	12.50% Floating (Base Rate +2.50%)	23-Mar-18	Primary security : Exclusive charge on the project assets to be created by way of using the term loan. Collateral security : Paripassu first charge on the fixed assets of the Company, other than those charges exclusively charged to term lenders. Fixed Assets include equitable mortgage of a Factory land and building: a) located at Khewat no. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and b) land admeasuring 5 bigha at KhewatKhatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh. Personal guarantee : Mr. Rishab Soni,Mr. Amit Mathur and Mr. Sunil Taneja.
Sub Total (B)		230.00	133.27	-		
(C) Rupee Vehicle Loans						
(i) HDFC - Mercedes Benz	28-Dec-12	2.30	1.04	10.25%	5-Dec-15	Secured by hypothecation of Vehicle on which loan is taken
(ii) ICICI - Range Rover	February 27, 2013	6.40	4.13	9.80%	February 01, 2017	Secured by hypothecation of Vehicle on which loan is taken
Sub Total (C)		8.70	5.17			
Total (II) = (A+B +C)		238.70	138.44			
Grand Total (I+II)		1,288.70	856.58			
<u>UNSECURED LOAN</u>						
Grand Total		1,288.70	856.58	-		



Note :

- (i) According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institutions or banks during the period.
 - (ii) Interest rates are as on September 30, 2014
- # except CC limit where loan amount includes interest component
- * repayable on demand



ANNEXURE 4 F: UNCONSOLIDATED RESTATED DETAILS OF INVESTMENT

(₹ in Million except no. of shares)

Particulars	As at September 30, 2014				As at March 31							
	Nos.	Book Value	2014 Nos.	Book Value	2013 Nos.	Book Value	2012 Nos.	Book Value	2011 Nos.	Book Value	2010 Nos.	Book Value
Non-Current Investments	-	-	-	-								
Long Term Investments - (Trade, At Cost)	-	-	-	-								
In Equity Instruments - fully paid												
Subsidiary Company	-	-	-	-								
SSIPL Lifestyle Private Limited												
Equity Shares ₹ 10 each fully paid up	7,010,000	70.10	7,010,000	70.10	7,009,994	70.10	6,309,000	63.09	9,000	0.09	-	-
Subsidiary Partnership Firm												
M/s Shree Shoes (99% holding)		15.91		9.83		-		-		-		-
Others:												
Sports Lifestyle Private Limited	250,000	2.50	250,000	2.50	250,000	2.50	250,000	2.50	200,000	2.00	150,000	1.50
Equity Shares ₹ 10 each fully paid up												
Less: Diminution in Investment						-		-		-		-
		88.51		82.43		72.60		65.59		2.09		1.50
Break - up :												
Quoted Investments		-		-		-		-		-		-
Unquoted Investments		88.51		82.43		72.60		65.59		2.09		1.50
		88.51		82.43		72.60		65.59		2.09		1.50
Market Value of Quoted Investments		-		-		-		-		-		-
		-		-		-		-		-		-

Note :

The shareholders of SSIPL Lifestyle Private Limited in the shareholder meeting held on October 20, 2014 have allotted 1,228,759 Equity Shares of ₹ 10/- each fully paid on October 31, 2014 at a premium of ₹ 143/- each to SSIPL Retail Limited against the amount outstanding as loans in the books of subsidiary. Further, SSIPL Lifestyle Private Limited has also allotted 78,431 Equity Shares of ₹ 10/- each at a premium of ₹ 143/- each on October 31, 2014 to the company against payable in cash.



ANNEXURE 4 G: RESTATED UNCONSOLIDATED DETAILS OF TRADE RECEIVABLE

(₹ in Million)

Particulars	As at		As at March 31,			
	September 30, 2014	2014	2013	2012	2011	2010
Outstanding for a period exceeding six months	19.27	10.68	12.70	15.11	13.79	23.72
Other debts	994.32	790.48	627.49	515.41	491.84	431.26
- Related Parties	650.30	467.55	236.23	243.11	247.18	254.87
- Other	363.29	333.61	403.96	287.40	258.46	200.11
Provision for Doubtful Debts	-	-	-	-	-	-
TOTAL	1,013.59	801.16	640.19	530.52	505.63	454.98
<u>Out of above</u>						
Considered Good						
- Secured	-	-	-	-	-	-
- Unsecured	1,013.59	801.16	640.19	530.52	505.63	454.98
Considered Doubtful	-	-	-	-	-	-
- Related Parties						
SSIP1 Lifestyle Private Limited	379.06	302.27	204.05	-	-	-
Sports Station (India) Private Limited	-	-	-	243.11	245.24	254.55
Sports Lifestyle Private Limited	99.06	96.87	32.18	-	1.94	0.32
KNS Trading Private Limited	2.63	2.44	-	-	-	-
Shree Shoes	169.55	65.96	-	-	-	-
Related Parties Total	650.30	467.55	236.23	243.11	247.18	254.87

Note : There are no trade receivables related to directors, promoters, group companies, or any other related party except as stated above.



ANNEXURE 4 H: RESTATED UNCONSOLIDATED DETAILS OF LOANS & ADVANCES, OTHER CURRENT & NON-CURRENT ASSETS

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Long-Term Loans & Advances						
Non-Current						
- Capital Advances	2.01	4.77	9.99	14.38	9.96	7.74
- Security Deposits	369.97	363.87	293.48	258.86	212.63	129.35
- Income Tax Advance	16.29	4.46	4.43	2.68	2.87	9.61
- Sales Tax Recoverable	2.92	2.92	2.04	1.96	1.85	12.29
- MAT credit recoverable	-	-	-	-	-	-
	391.19	376.01	309.95	277.88	227.32	158.99
- Related Parties	-	188.00	235.00	258.20	158.20	255.00
Total (A)	391.19	564.01	544.95	536.08	385.52	413.99
- Related Parties						
SSIPL Lifestyle Private Limited - Deposit	-	78.00	95.00	-	-	-
SSIPL Lifestyle Private Limited - Loan and Advance	-	110.00	140.00	100.00	-	-
Sports Station India Private Limited – Deposit	-	-	-	95.00	95.00	95.00
Sports Station India Private Limited - Loan & Advances	-	-	-	63.20	63.20	160.00
Related Parties Total	-	188.00	235.00	258.20	158.20	255.00
Short-Term Loans & Advances						
- Against supply of goods and services	45.24	41.07	19.21	22.09	6.33	16.63
- Prepaid Expenses	15.97	11.93	8.17	11.39	8.14	6.07
- Advance Income Tax (Net of provision)	-	-	-	-	-	-
- Security Deposit	0.20	0.30	1.28	0.53	0.26	-
- Advances with Government Authorities	43.94	40.94	16.96	21.74	15.58	13.49
- Other Advances	31.29	20.49	20.77	27.45	6.36	4.77
- Other Receivables	0.59	1.01	-	-	-	0.49
- Related Parties	188.00	13.31	10.01	-	1.87	0.00
Total (B)	325.24	129.05	76.40	83.20	38.55	41.45
- Related Parties						
SSIPL Lifestyle Pvt. Ltd. (wholly owned subsidiary)	188.00	-	10.00	-	1.74	-
Shree Shoes (99% share)	-	13.31	-	-	-	-
Lalit Kishore	-	-	-	-	-	-
Shubh Footwear Pvt Ltd.	-	-	-	-	-	-
Ridhi Enterprises	-	-	0.01	-	0.13	0.00
Related Parties Total	188.00	13.31	10.01	-	1.87	0.00
Other Non-Current Assets						
Long Term Trade Receivables						
Unsecured, Considered Good	-	-	-	-	4.93	-
Doubtful	-	-	-	-	0.76	-
Less : Provision for Bad Debts	-	-	-	-	(0.76)	-
Total (C)	-	-	-	-	4.93	-
Other Current Assets						
- Interest accrued on deposit	0.62	0.52	0.25	0.58	0.08	0.08
- Related Parties	2.97	-	5.43	2.13	3.37	5.40
Total (D)	3.59	0.52	5.68	2.72	3.45	5.48
- Related Parties						
SSIPL Lifestyle Private Limited	2.97	-	5.43	-	-	-
Sports Station (India) Private Limited	-	-	-	2.13	3.37	5.40
Related Parties Total	2.97	-	5.43	2.13	3.37	5.40
TOTAL (A+B+C+D)	720.02	693.58	627.02	622.00	432.45	460.92

Note : There are no amount loan and advances related to directors, promoters, group companies, or any other related party except as stated above.



ANNEXURE 4 I: RESTATED UNCONSOLIDATED DETAILS OF TRADES PAYABLE, OTHER NON-CURRENT AND CURRENT LIABILITIES

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011	2010
Trade Payable						
- Micro, Small and Medium Enterprises	-	-	-	-	-	-
- Others	1,273.33	912.47	739.77	678.16	593.85	352.85
Related Parties	-	-	-	2.29	-	-
Others	1,273.33	912.47	739.77	675.87	593.85	352.85
Total (A)	1,273.33	912.47	739.77	678.16	593.85	352.85
- Related Parties						
Sport Lifestyle Private Limited	-	-	-	2.29	-	-
Related Parties Total	-	-	-	2.29	-	-
Other Long-Term Liabilities						
Payable against Security deposit	82.66	82.08	100.28	91.59	69.94	68.73
Related parties	5.80	7.88	-	-	0.07	0.07
Total (B)	88.46	89.96	100.28	91.59	70.01	68.80
- Related Parties						
KNS Trading Private Limited	-	-	-	-	-	-
Field Spares Sales & Services	-	-	-	-	-	-
Sports Life Style Private Limited	-	-	-	-	0.07	0.07
AshimaMakkar	0.15	0.15	-	-	-	-
Rahul Kakkar	0.15	0.15	-	-	-	-
Ridhi Enterprises	5.50	7.58	-	-	-	-
Related Parties Total	5.80	7.88	-	-	0.07	0.07
Other Current Liabilities*						
Current Maturities of Long-Term Debts (as per Annexure-4C)	40.24	34.29	34.68	0.85	1.76	4.26
Interest accrued but not due	0.46	0.05	-	-	-	-
Interest accrued & due	2.61	2.82	1.52	1.79	0.78	0.23
Book overdraft with banks	-	-	0.09	0.46	-	-
Creditors for expenses	97.04	84.54	49.14	63.85	35.91	29.14
Creditors for Capital Goods	12.25	13.80	11.31	29.86	7.28	16.77
Duties & Taxes payable	60.56	63.15	50.11	46.12	37.62	40.86
Salary and other benefits payable	74.06	54.66	43.03	55.95	42.40	30.78
Statutory dues	-	-	-	-	-	-
Other Liabilities	24.08	23.81	17.80	40.00	10.92	7.63
Final Dividend payable	-	-	-	-	-	-
Advances from customers	0.66	0.26	1.59	7.61	8.86	10.83
Security deposit	0.64	0.49	0.52	0.47	0.47	-
Other payables	-	-	-	12.54	33.42	13.51
Total (C)	312.60	277.87	209.80	259.50	179.42	153.99
TOTAL (A+B+C)	1,674.40	1,280.30	1,049.86	1,029.25	843.28	575.65
* this includes following transaction with related parties						
Salary and other benefits payable						
Rishab Soni	0.40	-	-	-	-	-
Sunil Taneja	0.19	-	-	-	-	-
Kanika Verma	0.18	-	-	-	-	-
Kamal Pande	-	0.36	-	-	-	-
Payable against Business Transactions						
Ridhi Enterprises	0.22	0.21	-	0.25	-	-
Adigear International	-	-	-	-	-	0.13
Rahul Sood	-	0.09	-	-	-	-
AshimaMakkar	0.02	0.05	-	-	-	-
Rahul Kakkar	0.02	0.04	-	-	-	-
Related Parties Total	1.03	0.75	-	0.25	-	0.13



ANNEXURE 4 J: RESTATED UNCONSOLIDATED DETAILS OF PROVISIONS LIABILITIES

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31, 2013	2012	2011	2010
Long-Term Provisions						
Gratuity / Leave encashment Net of fund	28.75	20.08	16.52	6.45	1.21	9.30
Premium on redemption of Redeemable Preference Shares	-	-	-	75.49	83.63	56.24
Lease equalisation	48.29	45.94	36.99	-	-	-
Total (A)	77.03	66.02	53.52	81.93	84.84	65.54
Short-Term Provisions						
Gratuity / Leave encashment	1.27	0.98	0.63	0.49	4.38	1.78
Taxation	0.02	13.95	0.02	4.67	10.06	1.94
Premium on redemption of Redeemable Preference Shares	137.43	123.57	98.16	-	-	-
Lease equalisation	0.44	3.26	7.19	-	-	-
Proposed Final dividend on Equity Shares	-	20.94	18.20	-	-	-
Proposed Dividend on Cumulative Redeemable Preference Shares	-	0.11	0.62	-	-	-
Dividend Distribution Tax	-	3.58	3.20	-	-	-
Total (B)	139.16	166.39	128.02	5.16	14.45	3.72
TOTAL (A+B)	216.19	232.41	181.54	87.09	99.29	69.26



ANNEXURE 4 K: RESTATED UNCONSOLIDATED DETAILS OF OTHER INCOME

(₹ in Million)

Particulars	For the six months ended September 30, 2014	2014	For the Year ended March 31, 2013 2012 2011 2010				Nature of Income (Recurring/Non-recurring)	Related or not related to business activity
Interest Income	6.64	15.74	25.90	11.86	22.75	26.48	Recurring	No
Interest on FDR	0.15	0.40	1.11	1.95	0.95	1.24	Recurring	No
Net gain on foreign currency transactions & translation	-	-	-	-	0.08	4.41	Non-recurring	Yes
Liabilities & Provisions written back	1.49	1.78	6.96	-	1.04	2.14	Non-recurring	Yes
Rent	0.75	0.18	-	-	0.15	0.10	Non-recurring	No
Amortisation of Deferred Discount (Hedging)	-	-	-	-	0.05	0.36	Non-recurring	Yes
Duty Drawback	-	-	-	-	0.33	-	Non-recurring	Yes
DEPB License Fees	-	-	-	-	-	0.67	Non-recurring	Yes
Miscellaneous income	0.77	3.62	4.47	1.50	0.20	0.19	Non-recurring	No
Balance written back	-	-	-	-	-	1.06	Non-recurring	Yes
Excess Provision Written Back	-	-	-	-	0.25	-	Non-recurring	Yes
Profit from Partnership firm	6.08	7.38	-	-	-	-	Recurring	Yes
Total Other Income (A)	15.88	29.09	38.45	15.31	25.81	36.65		
Net Profit / (Loss) before Tax, as Restated (B)	49.37	268.94	196.48	144.12	57.09	27.82		
Other Income as a % of (B)	32.17	10.82	19.57	10.62	45.21	131.74		

Note:-

- The classification of income as recurring/ non-recurring and classification as incidental to business activity is based on the Company's current operations and its business activities, as determined by the Management.



ANNEXURE-5 SIGNIFICANT ACCOUNTING POLICIES

1. Basis of preparation of Financial Statements:

The restated summary statements are prepared by applying necessary adjustments to the financial statements of the Company. The accompanying financial statements are prepared in accordance with the Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the general circular 15/2013 dated 13th September 2013 of the Ministry of corporate affairs in respect of section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2014, other pronouncements of the Institute of Chartered Accountants of India ("ICAI") and the relevant provisions of the Companies Act 1956, to the extent applicable and guidelines issued by the Securities and Exchange Board of India (SEBI). The accounting policies have been consistently applied by the Company for all the years presented and are consistent with those used for the purpose of preparation of financial statements as at and for the period ended 30th September 2014. The financial statements are presented in Indian rupees and rounded off to the nearest million.

All assets and liabilities have been classified as current or non-current as per the company's normal operating cycle. Based on the nature of the products and the time between the acquisition of the assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle being a period within 12 months for the purpose of classification of assets and liabilities as current and non-current.

2. Use of Estimates :

The preparation of financial statements requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts and advances, employee benefits, provision for income taxes, impairment of assets and useful lives of fixed assets.

3. Revenue Recognition :

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Sales is net of returns, discounts and value added Tax/ Sales Tax. Export sales is accounted as revenue on the basis of Bill of Lading. Other income is recognised on accrual basis.

4. Fixed Assets and Depreciation :

(i) Tangible Assets

- (a) Fixed Assets are stated at cost which is inclusive of cost of acquisition, construction, erection, installation and capitalisation of pre-operative expenses. Depreciation on fixed assets is provided pro-rata to the period of use, on the written down value method. The depreciation rates for all assets upto the year ended 31.03.2014 except Furniture and Fixtures of Retail Stores are as per Schedule XIV of the Companies Act, 1956 and for the Furniture and Fixtures for Retail Stores is based on an estimated useful life of five years on monthly pro-rata basis.

Effective from 01.04.2014, Depreciation is charged on the basis of useful life of the fixed assets on monthly pro-rata basis. The Company has adopted useful life of assets (except for Furniture and Fixtures of Retail Stores) as given in Part 'C' of schedule II of the Companies Act, 2013. In respect of the Furniture and Fixtures for Retail Stores, the management based on technical advice and nature of industry has estimated that the useful life of Furniture and Fixtures for Retail Stores are of five years, no change in useful life as estimated earlier.



- (b) Each retail shop is treated as a project. All capital expenses incurred in relation to a Project prior to the completion of project and commencement of trading at the shop are treated as Pre-operative expenses and are capitalised along with Shop Interiors/Fixtures/Leasehold Improvements.

(ii) **Intangible Assets**

Computers software are capitalised and depreciated on an estimated useful life of three years.

5. **Inventories**

Inventories are valued at lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods till their first location in the company and is determined on FIFO basis but excludes VAT/Excise Duty for which credit has been obtained by the company.

6. **Retirement and other Employees Benefits :**

(i) **Long Term Employee Benefits**

a) **Defined Contribution Plans**

The company's contribution to defined contribution plans i.e. Provident Fund is recognised in Statement of Profit & Loss on accrual basis.

b) **Defined Benefit Plans**

The company's liabilities under Payment of Gratuity Act (Funded) and long term compensated absences are determined on the basis of actuarial valuation made by the independent Actuary at the end of each financial year using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future Cash flows using a Discounted Rate that is determined by reference to Market yield at the Balance Sheet date on Government Bonds where the currency and the terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

c) **Other Long Term Employee Benefits**

Other long term benefit is provided on the basis of valuation as at the date carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method.

- (ii) Actuarial gains and losses comprise experience adjustments and the effects of the changes in actuarial assumptions are recognised immediately in the Statement of Profit & Loss as income or expense.

- (iii) Employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related service are recognised at the amount expected to be paid for it.

7. **Foreign Currency Transactions :**

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transaction. All foreign currency Assets/ liabilities are re-stated at the exchange rate prevailing at the date of balance sheet and the difference is taken to the Statement of Profit and Loss as foreign exchange fluctuation loss/ gain.

8. **Earning per share :**

Basic earnings are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted



earning per share are calculated by dividing the net profits attributable to ordinary equity holders and potential equity holders by the weighted average number of ordinary equity shares outstanding during the year and weighted average number of equity shares that would be issued on conversion of all the diluted potential ordinary shares into ordinary shares.

9. **Borrowing Costs :**

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying assets are capitalised along with the cost of that asset upto the date when such assets are ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

10. **Investments :**

Long term investments are stated at cost after deducting provision made, if any, for other than temporary diminution in the value. Current investments are stated at lower of Cost and fair value.

11. **Taxation :**

- (i) Provision for current tax is made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as at the Balance Sheet Date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.
- (iii) Deferred tax assets, in case of unabsorbed losses and depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

12. **Contingent Liabilities and Provisions :**

- (i) Contingent Liabilities are possible but not Probable Obligations as on the Balance Sheet date, based on the available evidence.
- (ii) Provisions are recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- (iii) Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.
- (iv) Liabilities of contingent nature are not provided for in the books and are disclosed by way of notes on accounts.

13. **Operating Leases :**

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Statement of Profit and Loss.

14. **Impairment of Assets :**

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any, is charged to the Statement of Profit and Loss in the year, in which an asset is identified as impaired. Reversal of impairment losses recognised in prior year is recorded when there is an indication that the assets no longer exist or have decreased.

15. **Government Grants :**

Government Grants are recognised when there is reasonable assurance that the same will be received. Revenue grants are recognised in the Statement of Profit and Loss. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.



16. **Employees' Stock Option Scheme (ESOS) :**

The company calculates Employees' Stock compensation expense based on the fair value method wherein the fair value of the options given to employees under the Employees' Stock Option scheme (ESOS) of the Company is recognised as deferred stock compensation expense and is amortised over the vesting period of options.



**ANNEXURE 5A : NOTES TO ADJUSTMENTS CARRIED OUT IN THE STATEMENT OF
PROFIT & LOSS AND BALANCE SHEET**

1. Prior Period Items (Refer Note no.10 of Annexure-5B)

In the financial statements, for the year ended March 31, 2011 and March 31, 2012, prior period expenditure/income, exceptional items and extra-ordinary items had been charged to the Statement of Profit and Loss . Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

2. Tax adjustment for earlier years

In the financial statements, for the year ended March 31, 2010, March 31, 2011, March, 2012 and March, 2014 tax adjustments relating to earlier years had been charged to the Statement of profit & loss. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

3. Deferred Tax Assets and Deferred Tax surplus/(deficit)

In the financial statements, for the year ended March 31, 2010, March, 31 2011 and March 31, 2012 Deferred Tax Assets and Deferred Tax surplus/(deficit) had been rectified and corrected and accordingly changes has been made in Statement of profit & loss. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

4. Provision for Premium on redemption of Compulsory convertible Preference Shares :

In the financial statements, for the year ended March 31, 2008 to March 31, 2012 Provision for premium on redemption of prf shares had been made. It was decided in new arrangements' which had been made in FY 2012 that no premium would be paid on Compulsory convertible Preference shares, and accordingly provision has been reversed in March, 2012 from March 2008 to March 2012. Accordingly, for the purpose of Restated summary statement, the said items have been appropriately adjusted in respective years to which they are related.

5. Non-adjusting Notes :

Effective from 01.04.2014, the Company has revised estimated useful life of all fixed assets (except Furniture and Fixtures at stores) as per schedule II of the Companies Act, 2013 other than Furniture and Fixtures at stores where in management based on technical advice and nature of industry estimates that the useful life is of five years.

Based on current estimates, after retaining residual value carrying amount of the assets other than Furniture and Fixtures at stores of ₹ 3.05 Million on account of assets whose useful life has already exhausted as on 01.04.2014 have been adjusted to retained earnings. Had there not been any change in the useful life of assets, depreciation for the period ended 30th September, 2014 would have been lower by ₹ 12.33 Million.

The revision in the useful lives of the assets, leading to change in rate of depreciation is a change in accounting estimate pursuant to Schedule II of the Companies Act, 2013 which is effective from 01.04.2014, therefore, no adjustments on this account in Restated Summary Statements have been done.

6. Material/Non-adjusting Audit Qualifications/Matter of Emphasis :

(C) Financial year ended March 31, 2010 :

- (i) The Company has been entering into certain transaction with related parties in terms of Section 297 of the Companies Act, 1956 for the period 2003 till 5th August 2008 for which, the company has not obtained prior approval of Central Government u/s



297(1) of the Companies Act, 1956. However the Company has been filed the compounding application under Section 621A of the Companies Act, 1956 with Central Government, approval awaited.

- (ii) The company is in the process of further strengthening the internal audit system in commensurate with the size of the company and nature of its business.
- (iii) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2010 which have not been deposited on account of a dispute, are as follows:-

<i>Name of the statute</i>	<i>Nature of dues</i>	<i>Amount (₹ in million)</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.04</i>	<i>Assessment Year 2002-03</i>	<i>Appeal effect pending with assessing officer</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>2.01</i>	<i>Assessment Year 2003-04</i>	<i>Commissioner of Income-tax (Appeal), New Delhi</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Demand for Local Area Development Tax</i>	<i>1.58</i>	<i>Assessment Year 2000-01 to 2001-02.</i>	<i>Pending with Tribunal at Chandigarh at the balance sheet date.</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Demand for Local Area Development Tax</i>	<i>31.26</i>	<i>Assessment Year 2008-09 to 2010-2011.</i>	<i>Pending with Supreme Court.</i>
<i>Service Tax Liability</i>	<i>Service Tax</i>	<i>0.78</i>	<i>Year 2006 - 2007</i>	<i>Commissioner of Service tax, New Delhi</i>
<i>Central Sales Tax</i>	<i>Non submission of 'C' Forms</i>	<i>0.03</i>	<i>Year 2008 - 2009</i>	<i>Karnataka VAT Authorities</i>
<i>Central Sales Tax</i>	<i>Non Submission of 'C' & 'F' Forms</i>	<i>2.49</i>	<i>Year 2007-2008</i>	<i>Delhi VAT Authorities</i>
<i>Central Sales Tax</i>	<i>Non Submission of 'F' Forms</i>	<i>0.1</i>	<i>Year 2007-2008</i>	<i>Assesing Authority Trade Tax, West Bengal</i>
<i>Value Added Tax</i>	<i>VAT imposed against notice issued by the checkpoint</i>	<i>0.05</i>	<i>Year 2007-2008</i>	<i>Appeal with Deputy Commissioner UP Trade Tax</i>
<i>Central Sales Tax</i>	<i>Non Submission of 'F' & 'C' Forms</i>	<i>0.1</i>	<i>Year 2007-2008</i>	<i>Deputy Commissioner UP Trade Tax</i>

(D) Financial year ended March 31, 2011 :

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2011 which have not been deposited on account of dispute, are as follows: –

<i>Name of the statute</i>	<i>Nature of dues</i>	<i>Amount (₹ in million)</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.06</i>	<i>Assessment Year 2000-01</i>	<i>Income tax, Appellate Tribunal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.07</i>	<i>Assessment Year 2001-02</i>	<i>Income tax, Appellate Tribunal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.06</i>	<i>Assessment Year 2002-03</i>	<i>Income tax, Appellate Tribunal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.09</i>	<i>Assessment Year 2003-04</i>	<i>Income tax, Appellate Tribunal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>0.55</i>	<i>Assessment Year 2004-05</i>	<i>Income tax, Appellate Tribunal</i>
<i>Haryana General Sales Tax Act</i>	<i>Interest</i>	<i>5.5</i>	<i>19.09.1995 to 18.09.2002</i>	<i>Joint Director, DIC</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>1.58</i>	<i>Year 2000-01 to 2001-02.</i>	<i>Tribunal, Chandigarh</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>6.98</i>	<i>Year 2007-08</i>	<i>Supreme Court, General case of industry.</i>
<i>Local Areas Act, 2008</i>	<i>Entry Tax</i>	<i>22.67</i>	<i>Year 2007-08 to 2010-11</i>	<i>Supreme Court, General case of</i>



				industry.
Value Added Tax	Penalty	0.07	Year 2007-2008	Tribunal, UP
Value Added Tax	Tax and penalty	0.13	Year 2007-2008	Joint Commissioner, Delhi
Value Added Tax	Non Submission of 'C' Forms	0.16	Year 2007-2008	Delhi, Vat Authorities

(E) **Financial year ended March 31, 2012 :**

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2012 which have not been deposited on account of dispute, are as follows: –

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2000-01	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2001-02	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.06	Assessment Year 2002-03	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.09	Assessment Year 2003-04	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.55	Assessment Year 2004-05	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.23	Assessment Year 2005-06	CIT (Appeals)
Haryana Local Area Development, 2000.	Local Area Development Tax	1.58	Year 2000-01 to 2001-02.	Tribunal, Chandigarh
Haryana Local Area Development, 2000.	Local Area Development Tax	6.98	Year 2007-08	Supreme Court, General case of industry.
Local Areas Act, 2008	Entry Tax	33.48	Year 2007-08 to 2010-12	Supreme Court, General case of industry.
Value Added Tax	Penalty	0.07	Year 2007-2008	Tribunal, UP
Value Added Tax	Tax and penalty	0.05	Year 2007-2008	Joint Commissioner, Delhi
Value Added Tax	Non Submission of 'C' Forms	0.16	Year 2007-2008	Delhi, Vat Authorities

(F) **Financial year ended March 31, 2013 :**

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2013 which have not been deposited on account of dispute, are as follows: –

Name of the statute	Nature of dues	Amount (₹ in million)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2000-01	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.09	Assessment Year 2001-02	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.07	Assessment Year 2002-03	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.12	Assessment Year 2003-04	Income tax, Appellate Tribunal
Income Tax Act, 1961	Income tax	0.79	Assessment Year 2004-05	Income tax, Appellate Tribunal



<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>3.51</i>	<i>Assessment Year 2010-11</i>	<i>CIT Appeal</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>1.58</i>	<i>Year 2000-01 to 2001-02.</i>	<i>Tribunal, Chandigarh</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>6.98</i>	<i>Year 2007-08</i>	<i>Supreme Court, General case of industry.</i>
<i>Local Areas Act, 2008</i>	<i>Entry Tax</i>	<i>44.55</i>	<i>Year 2008-09 to 2012-13</i>	<i>Supreme Court, General case of industry.</i>
<i>Value Added Tax</i>	<i>Penalty</i>	<i>0.07</i>	<i>Year 2007-2008</i>	<i>Tribunal, UP</i>
<i>Value Added Tax</i>	<i>Non Submission of 'C' Forms</i>	<i>0.16</i>	<i>Year 2007-2008</i>	<i>Delhi, Vat Authorities</i>
<i>Value Added Tax</i>	<i>Non Submission of 'C' Forms</i>	<i>0.1</i>	<i>Year 2008-2009</i>	<i>Joint Commissioner, west Bengal</i>
<i>Value Added Tax</i>	<i>Sales Tax</i>	<i>6.82</i>	<i>Year 2009-2010</i>	<i>Joint Commissioner, west Bengal</i>
<i>Value Added Tax</i>	<i>Sales Tax</i>	<i>2.49</i>	<i>Year 2011-2012</i>	<i>Deputy Excise & Taxation Commissioner, Chandigarh</i>

(G) Financial year ended March 31, 2014 :

- (i) In few cases, there has been a slight delay in deposit of undisputed statutory dues and other statutory dues as applicable.
- (ii) According to the information given to us and the records of the Company examined by us, the particulars of dues of sales-tax, income-tax, customs duty, wealth tax, service tax, excise duty and cess as at March 31, 2013 which have not been deposited on account of dispute, are as follows: –

<i>Name of the statute</i>	<i>Nature of dues</i>	<i>Amount (₹ in million)</i>	<i>Period to which the amount relates</i>	<i>Forum where the dispute is pending</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>2.91</i>	<i>Assessment Year 2004-05</i>	<i>Income tax, Appellate Tribunal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>3.94</i>	<i>Assessment Year 2010-11</i>	<i>CIT Appeal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>3.25</i>	<i>Assessment Year 2011-12</i>	<i>CIT Appeal</i>
<i>Income Tax Act, 1961</i>	<i>Income tax</i>	<i>1.95</i>	<i>Financial Year 2011-12</i>	<i>CIT Appeal</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>1.58</i>	<i>Year 2000-01 to 2001-02.</i>	<i>Tribunal, Chandigarh</i>
<i>Haryana Local Area Development, 2000.</i>	<i>Local Area Development Tax</i>	<i>6.98</i>	<i>Year 2007-08</i>	<i>Supreme Court, General case of industry.</i>
<i>Local Areas Act, 2008</i>	<i>Entry Tax</i>	<i>59.06</i>	<i>Year 2008-09 to 2013-14</i>	<i>Supreme Court, General case of industry.</i>
<i>Value Added Tax</i>	<i>Non Submission of 'C' Forms</i>	<i>0.08</i>	<i>Year 2008-2009</i>	<i>Joint Commissioner, west Bengal</i>
<i>Value Added Tax</i>	<i>Sales Tax</i>	<i>0.16</i>	<i>Year 2010-2011</i>	<i>Senior Joint Commissioner, West Bengal</i>
<i>Value Added Tax</i>	<i>Sales Tax</i>	<i>2.49</i>	<i>Year 2011-2012</i>	<i>Deputy Excise & Taxation Commissioner, Chandigarh</i>



Annexure 5B:

OTHER NOTES TO ACCOUNTS (UNCONSOLIDATED)

1. **Reconciliation of the shares outstanding at the beginning and the end of the reporting period :**

Particulars	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013	
	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)
<u>Issued, subscribed and fully paid</u>						
(a) Equity Shares of ₹ 10/- each						
Opening	9,992,469	99,924,690	9,934,919	99,349,190	9,272,388	92,723,880
Additions / (deletions) during the period/year	9,800	98,000	57,550	575,500	662,531	6,625,310
Closing (A)	10,002,269	100,022,690	9,992,469	99,924,690	9,934,919	99,349,190
(b) Redeemable preference shares of ₹10 each						
Opening	11,351,185	113,511,850	11,351,185	113,511,850	11,351,185	113,511,850
Additions during the period/year	-	-	-	-	-	-
Redeemed during the period/year	-	-	-	-	-	-
Closing (B)	11,351,185	113,511,850	11,351,185	113,511,850	11,351,185	113,511,850
(c) Compulsorily convertible preference shares of ₹10 each						
Opening	-	-	-	-	9,299,342	92,993,420
Additions / (deletions) during the period/year	-	-	-	-	-	-
Redeemed during the period/year	-	-	-	-	(9,299,342)	(92,993,420)
Closing (C)	-	-	-	-	-	-
Total (A+B+C)	21,353,454	213,534,540	21,343,654	213,436,540	21,286,104	212,861,040

Particulars	As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)	Number of shares	Amount of shares (at par)
<u>Issued, subscribed and fully paid</u>						
(a) Equity Shares of ₹10/- each						
Opening	9,272,388	92,723,880	9,272,388	92,723,880	9,272,388	92,723,880
Additions / (deletions) during the year	-	-	-	-	-	-
Closing (A)	9,272,388	92,723,880	9,272,388	92,723,880	9,272,388	92,723,880
(b) Redeemable preference shares of ₹10 each						
Opening	17,201,969	172,019,690	17,201,969	172,019,690	17,201,969	172,019,690
Additions during the year	-	-	-	-	-	-
Redeemed during the year	(5,850,784)	(58,507,840)	-	-	-	-
Closing (B)	11,351,185	113,511,850	17,201,969	172,019,690	17,201,969	172,019,690
(c) Compulsorily convertible preference shares of ₹10 each						
Opening	9,299,342	92,993,420	9,299,342	92,993,420	9,299,342	92,993,420
Additions / (deletions) during the year	-	-	-	-	-	-



Redeemed during the year	-	-	-	-	-	-
Closing (C)	9,299,342	92,993,420	9,299,342	92,993,420	9,299,342	92,993,420
Total (A+B+C)	29,922,915	299,229,150	35,773,699	357,736,990	35,773,699	357,736,990

i. **The rights, preferences and restrictions attaching to equity shares including restrictions on the distribution of dividends and the repayment of capital;**

The Company has only one class of equity shares having a par value of ₹ 10/- per share. Each shareholder is entitled to one vote per share. In the event of the liquidation of the company, the holder of the equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion of the number of the equity shares held by the equity shareholders.

ii. **The rights, preferences and restrictions attaching to preference shares including restrictions on the distribution of dividends and the repayment of capital;**

The Company has one class of Preference shares having a par value of ₹ 10/- per share. These shares would be redeemable at a premium, so as to deliver an IRR of 12% compounded annually to the shareholders, however company is negotiating for waiver of redemption premium. A fixed cumulative dividend of 0.1% per preference share is payable as and when declared by the Board of the company. In the event of the liquidation of the company, the holder of the preference shares will have the preferential rights on the assets of the company. The distribution will be in proportion of the number of the preference shares held by the preference shareholders.

iii. **Details of Shareholders holding more than 5% shares in the company :**

Particulars	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Name of Shareholder						
a. Equity Shares						
Tano Mauritius India FVCI	1,588,368	15.88	1,588,368	15.90	1,588,368	15.99
Rishab Soni	1,442,231	14.42	1,442,231	14.43	1,392,953	14.02
Ashok kumar Mathur	-	-	-	-	-	-
Sunil Taneja	851,151	8.51	851,151	8.52	633,791	6.38
Rajesh Sahgal	-	-	-	-	-	-
Future Venture India Private limited	-	-	-	-	-	-
Indus League Clothing Limited	609,197	6.09	609,197	6.10	609,197	6.13
Amit Mathur	781,378	7.81	781,378	7.82	584,774	5.89
Trishul Tread Pvt. Ltd.	-	-	-	-	531,043	5.35
Rajesh Sahgal	-	-	-	-	-	-
HBP Holdings Limited	776,890	7.77	776,890	7.77	776,890	7.82
Total (A)	6,049,215	60.48	6,049,215	60.53	6,117,016	61.58
b. Preference Shares						
HBP Holdings Limited: Redeemable Preference Shares of ₹ 10/- each	11,351,185	100.00	11,351,185	100.00	11,351,185	100.00
HBP Holdings Limited: Compulsorily Convertible Preference Shares of ₹ 10/- each	-	-	-	-	-	-
Total (B)	11,351,185	100.00	11,351,185	100.00	11,351,185	100.00



Particulars	As at March 31, 2012		As at March 31, 2011		As at March 31, 2010	
	Number of shares	% of Holding	Number of shares	% of Holding	Number of shares	% of Holding
Name of Shareholder						
a. Equity Shares						
Tano Mauritius India FVCI	1,588,368	17.13	1,588,368	17.13	1,588,368	17.13
Rishab Soni	1,367,397	14.75	1,275,474	13.76	1,275,474	13.76
Ashok kumar Mathur	-	-	-	-	859,558	9.27
Sunil Taneja	633,791	6.84	642,431	6.93	642,431	6.93
Rajesh Sahgal	509,813	5.50	699,683	7.55	638,767	6.89
Future Venture India Private limited	-	-	-	-	609,197	6.57
Indus League Clothing Limited	609,197	6.57	609,197	6.57	-	-
Amit Mathur	584,774	6.31	132,815	1.43	-	-
Trishul Tread Pvt. Ltd.	531,043	5.73	531,043	5.73	531,043	5.73
HBP Holdings Limited	-	-	-	-	-	-
Total (A)	5,824,383	62.81	5,479,011	59.10	6,144,838	66.28
b. Preference Shares						
HBP Holdings Limited: Redeemable Preference Shares of ₹ 10/- each	11,351,185	54.97	17,201,969	64.91	17,201,969	64.91
HBP Holdings Limited: Compulsorily Convertible Preference Shares of ₹ 10/- each	9,299,342	45.03	9,299,342	35.09	9,299,342	35.09
Total (B)	20,650,527	100.00	26,501,311	100.00	26,501,311	100.00

2. **Details of Investment in M/s Shree Shoes (Partnership Firm) :**

Name of Partner	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011	
	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share
SSIPL Retail Limited	15.91	99%	9.83	99%	-	-	-	-	-	-
Mohan Bansal	0.16	1%	0.10	1%	-	-	-	-	-	-
Total	16.07	100%	9.93	100%	-	-	-	-	-	-

3. **Deferred tax assets (net) :**

The Company follows Accounting Standard (AS -22) "Accounting for taxes on Income", notified the Companies Act, 1956 ("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014 . The Company has significant timing differences between accounting and tax records which suggest accounting for deferred tax assets which are as below:

Particulars	As at September 30, 2014		As at March 31, 2014		As at March 31, 2013		As at March 31, 2012		As at March 31, 2011	
	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share	Capital (₹ in Million)	Share
Difference between WDV of Assets as per Books and as per IT records	(3.62)	(5.37)	(1.89)	8.72	10.80	7.85				
Timing difference in deduction of expenses under IT Act	22.33	21.77	23.13	7.60	9.64	4.55				
Net Deferred tax asset/ (liability)	18.71	16.40	21.24	16.31	20.44	12.41				



Deferred Tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

4. **Extraordinary Items :**

The Company had filed Draft Red Herring Prospectus (“DRHP”) with SEBI on 29th September 2011 and had followed up at various forums and government departments for final approval letter. However, since there had been substantial delay in getting the final approval letter, the business plans of the company had changed substantially in line with the changing dynamic market conditions of the industry in which Company operate, there had been changes in the objects of the issue for which the funds were proposed to be raised from the IPO. Keeping in view the changed circumstances and uncertainty in receiving the said approval, the Company had opted for not going further with the same objects as given in the DRHP and had withdrawn the DRHP filed with SEBI on 18th April 2013. In view of withdrawal of IPO company has recognised IPO expenses of ₹ 12.85 Million as an Extraordinary Item as under:

(₹ in Million)

Particulars	For six months ended September 30, 2014	2014	For the year ended March 31,		2011	2010
			2013	2012		
Auditor's Remuneration	-	-	1.99	-	-	-
Communication expenses	-	-	0.32	-	-	-
Legal expenses	-	-	8.27	-	-	-
Printing & Stationery	-	-	0.05	-	-	-
Listing & DRHP Fees	-	-	1.37	-	-	-
Travelling expenses	-	-	0.77	-	-	-
Other Misc. expenses	-	-	0.07	-	-	-
Total	-	-	12.85	-	-	-

Note : Above amount has been shown as per audited financial of respective years, however the same has been shown under respective expenses/income group due to re-statement.

5. **Payment to Auditors including Service Tax (net of cenvat availed)* :**

(₹ in Million)

Particulars	For six months ended September 30, 2014	2014	For the year ended March 31,		2011	2010
			2013	2012		
Audit Fess	1.48	2.91	2.74	2.47	1.41	1.26
Tax Audit Fess (including Taxation Matters)	-	0.16	0.11	0.40	0.52	0.43
Other Services	-	-	0.26	2.07	-	0.12
Out of pocket expenses	0.15	0.35	0.28	0.21	0.16	0.07
Total	1.63	3.42	3.39	5.15	2.09	1.89



6. **Value of imports on CIF basis :**

(₹ in Million)

Particulars	For six months ended September 30, 2014		For the year ended March 31,			
	2014	2013	2012	2011	2010	
Raw Material	159.75	275.90	227.81	376.18	264.39	248.33
Trading Goods	9.38	36.41	30.48	20.78	-	11.33
Capital Goods	6.59	17.60	11.12	16.22	6.02	28.43
Stores, Spares and Repairs	0.60	1.11	0.75	-	-	-
Total	176.32	331.02	270.16	413.17	270.41	288.09

7. **Value of imported and indigenous Raw material, Adhesive and Packing material consumed:**

Particulars	For six months ended September 30, 2014		For the year ended March 31,			
	₹ In Million	%	₹ In Million	%	₹ In Million	%
Imported:						
Raw Material	187.30	25.28%	229.14	21.09%	259.99	28.30%
Indigenous :						
Raw Material	389.91	64.80%	724.69	66.71%	563.37	61.33%
Adhesive	49.28	6.46%	70.52	6.49%	57.03	6.21%
Packing Material	26.25	3.46%	61.93	5.70%	38.22	4.16%
Total	652.75	100.00%	1,086.28	100.00%	918.62	100.00%

Particulars	For the year ended March 31,		2011		2010	
	₹ In Million	%	₹ In Million	%	₹ In Million	%
Imported:						
Raw Material	360.94	35.47%	314.11	33.80%	285.31	34.08%
Indigenous :						
Raw Material	552.10	54.26%	521.34	56.10%	461.76	55.16%
Adhesive	47.49	4.67%	39.87	4.29%	40.86	4.88%
Packing Material	56.96	5.60%	54.02	5.81%	49.21	5.88%
Total	1,017.49	100.00%	929.34	100.00%	837.14	100.00%

8. **Expenditure in foreign currency :**

(₹ in Million)

Particulars	For six months ended September 30, 2014		For the year ended March 31			
	2014	2013	2012	2011	2010	
Travel	1.11	1.80	3.26	0.61	0.64	0.26
Professional Fee	-	0.75	-	-	-	1.21
Interest on Foreign currency loan	2.98	5.59	5.77	2.76	-	-
Royalty	2.33	4.97	4.38	-	-	-
Training Expense	-	-	-	-	0.72	-



Repair and Maintenance	-	2.26	-	-	0.29	0.42
Total	6.42	15.37	13.40	3.38	1.64	1.89

9. **Earning in Foreign Currency :**

(₹ in Million)

Particulars	For six months ended September 30, 2014	2014	2013	For the year ended March 31 2012	2011	2010
FOB Value of Exports	-	-	-	0.04	3.81	-
Total	-	-	-	0.04	3.81	-

10. **Prior Period Items (net) :**

(₹ in Million)

Particulars	For six months ended September 30, 2014	2014	2013	For the year ended March 31 2012	2011	2010
Prior Period Income						
Interest Received	-	-	-	-	0.48	-
Rent	-	-	-	-	0.01	-
Total (A)	-	-	-	-	0.49	-
Prior Period Expenses						
Interest on Working Capital Loan	-	-	-	-	0.08	-
Rate & Taxes	-	-	-	-	0.15	-
Bank charges and Processing fees	-	-	-	-	0.47	-
Repair & Maintenance	-	-	-	0.07	-	-
Interest on Deposit	-	-	-	0.05	-	-
Legal & Professional Expenses	-	-	-	0.03	-	-
Mall Maintenance Charges	-	-	-	0.02	-	-
Total (B)	-	-	-	0.17	0.69	-
Prior Period (Expense)/Income (Net) (A-B)	-	-	-	(0.17)	(0.21)	-

Note : Above amount has been shown as per audited financial of respective years, however the same has been shown under respective expenses/income group due to re-statement.

11. **Exceptional items :**

In FY 2011-12, the Company had been directed vide Honorable Supreme Court of India's order dated January 06, 2012 to deposit all the Service Tax arrears as on 31st December 2011 in three equated installments on or before February 29, 2012; 30th April, 2012 and 30th June, 2012, since there is no stay on imposition of service tax under sub-clause (zzz) of Clause 105 of Section 65 read with section 66 of the Finance Act, 1994 (as amended) on Rented properties so far as the future liability towards service tax with effect from January 01, 2012 is concerned.

Therefore, in adherence to the stated order the Company has paid all the three installments of Service Tax arrears to the credit of Service Tax Department and is also regular in making the Service Tax payment on Rented Properties. In this regard Service Tax liability of ₹ 29.03 Million upto 31st March, 2011 has been provided as exceptional Item in the Statement of Profit and Loss.



For re-statement of financial, service tax paid in FY 2011-12 has been re-stated and impact given to relevant expenditure heads and years from which it relates. Out of ₹ 29.03 million, ₹ 3.99 million relates with prior to FY 2010.

(₹ in Million)

Particulars	For six months ended September 30, 2014	2014	For the year ended March 31 2013	2012	2011	2010
Other Expenses : Rent	-	-	-	-	16.23	8.81
Total	-	-	-	-	16.23	8.81

12. **Contingent Liabilities & Commitments (to the extent not provided for) :**

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(i) Claims against company not acknowledged as debts :	11.26	11.26	11.11	19.74	26.15	18.73
(ii) Guarantees given :						
a) Guarantee given by Company's Banker on behalf of the company to the various authorities	1.80	1.88	9.49	9.27	8.37	8.37
b) Corporate Guarantee given by the company to the Sales tax department in respect of other entities	0.70	0.70	0.70	0.70	0.70	0.70
c) Corporate Guarantee given by the company to Banks in respect of other entities	100.00	100.00	-	-	-	-
(iii) Other moneys for which the company is contingently liable :						
a) Letter of Credit opened with the bank	-	4.23	3.19	5.74	9.66	10.79
b) Taxation Matters in respect of which the Company is in appeal :						
a. Income Tax						
Demand Raised by Income Tax Authorities Pending in Appeal Assessment / Appeals in progress, potential exposure.	6.37	12.05	4.66	1.08	0.84	2.04
b. Local Area Development Tax	60.45	51.62	37.11	26.04	15.23	8.89
c. Sale Tax						
Sale Tax liability for Form C & F/ pending appeal	4.35	3.27	10.08	0.78	0.81	2.78
d. Service Tax						
Demand raised by service tax department	-	-	-	-	-	0.78
Liability in respect of service tax on rent for immovable property	-	-	-	-	27.23	9.81
c) Bills discounting	-	-	58.46	199.41	168.44	131.40
d) Excise Duty Liability on Closing Stock The same if provided would not have any impact on the Profit/ (Loss) for the respective periods	5.46	2.07	0.70	0.79	0.86	0.50



13. **Capital Commitments**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010
Estimate amount of contracts remaining to be executed on capital account and not provided for	4.50	9.89	11.01	16.24	35.93	8.79

14. **Earnings per Share :**

(I) Basic Profit/ (Loss) per share	For six months ended September 30, 2014	2014	For the year ended March 31 2013	2012	2011	2010
Number of Equity shares of ₹ 10 each fully paid up at the beginning of the period/year	9.99	9.93	9.27	9.27	9.27	9.27
Number of Equity shares of ₹ 10 each fully paid up issued during the period/year	0.01	0.06	0.66	-	-	-
Number of Equity shares of ₹ 10 each fully paid up at the period/year end	10.00	9.99	9.93	9.27	9.27	9.27
Weighted Average number of Equity Shares outstanding during the period/year	10.00	9.97	9.58	9.27	9.27	9.27
Net Earnings for the period/year (₹)	39.68	209.27	162.96	114.00	43.90	26.73
Add: Extraordinary Items (net of tax) (₹)*	-	-	0.21	5.63	2.81	-
Net Earnings for the period/year before extraordinary item (₹)	39.68	209.27	163.17	119.63	46.71	26.73
Basic Earnings per Share before Extraordinary Item (₹)	3.97	20.98	17.04	12.90	5.04	2.88
Net Earnings for the period/year after Extraordinary Item (₹)	39.68	209.27	162.96	114.00	43.90	26.73
Basic Earnings per Share after Extraordinary Item (₹)	3.97	20.98	17.02	12.29	4.73	2.88
(II) Diluted Profit/ (Loss) per share						
Weighted Average number of Equity Shares Outstanding during the period/year	10.00	9.97	9.58	9.27	9.27	9.27
Weighted Average Number of potential Equity Shares to be issued on conversion of Preference shares	-	-	-	0.59	0.59	1.69
Weighted Average Number of potential Equity Shares to be issued under ESOS	0.00	0.01	0.02	0.02	-	-
Total number of potential Equity Shares	10.00	9.98	9.60	9.89	9.87	10.97
Net Earnings for the period/year before extraordinary item (₹)	39.68	209.27	163.17	119.63	46.71	26.73
Diluted Earnings before extraordinary Item (₹)	39.68	209.27	163.17	119.63	46.71	26.73
Diluted Earnings per share before Extraordinary Item (₹)	3.97	20.97	17.00	12.10	4.73	2.44
Diluted Earnings for the period/year after extraordinary Item (₹)	39.68	209.27	162.96	114.00	43.90	26.73
Diluted Earnings per share after Extraordinary Item (₹)	3.97	20.97	16.98	11.53	4.45	2.44
Nominal value of Equity Share (₹)	10	10	10	10	10	10



* Extraordinary items has been adjusted with the relevant years at the time of making adjustment for re-statement. Accordingly their impact is reflected under the head "Restatement to prior period items".

15. **Lease commitments :**

The Company has certain premises and equipment on non - cancellable operating lease and minimum lease rent payable under said leases are as under :

(₹ in Million)

Particulars	As at September 30, 2014	2014	As at March 31,			
			2013	2012	2011	2010
Not later than one year	35.29	43.27	168.76	118.60	111.32	35.42
Later than one year but not later than five years	15.36	7.24	11.97	5.97	19.30	18.90
Later than five years	10.18	-	-	-	-	-
	60.83	50.51	180.73	124.57	130.62	54.32
Rent paid during the period/year*	296.38	551.32	452.67	340.12	237.55	159.04

*excluding lease equalisation

16. **Foreign currency exposure :**

(a) Details of Foreign currency exposure hedged by a derivative instrument or otherwise :

Particulars	As at September 30, 2014		As at March 31,		2013	
	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million
Payable	-	-	-	-	-	-

Particulars	2012		As at March 31,		2010	
	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million
Payable	-	-	-	-	0.20	8.93

(b) Details of Foreign currency exposure not hedged by a derivative instrument or otherwise :

Particulars	As at September 30, 2014		2014		As at March 31,		2013	
	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million
Payables	0.39	24.62	0.25	15.42	0.24	12.99		
Working Capital loan	2.01	125.89	2.01	122.03	2.01	110.53		
Advance to suppliers	0.64	39.12	0.58	34.07	0.32	17.47		
Receivables	-	-	-	-	-	-		



Particulars	2012		As at March 31, 2011		2010	
	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million	US\$ in Million	₹ In Million
Payables	2.16	111.27	1.70	77.19	0.81	36.67
Working Capital loan	2.00	103.22	2.01	91.16	-	-
Advance to suppliers	0.48	24.14	-	-	0.00	0.01
Receivables	0.00	0.07	0.17	7.52	0.25	11.31

17. The Company has recognised the following amount of Contributions toward defined contribution plan as expense in the Profit and Loss Account.

Particulars	(₹ in Million)						
	As at September 30, 2014	2014	2013	2012	2011	As at March 31, 2010	2010
Contribution to Employees Provident Fund (including family pension)	23.99	61.10	38.87	33.68	28.61	24.26	

Defined Benefit Plan :

The Company has defined benefit plans in respect of gratuity and leave encashment. Valuation in respect of gratuity and leave encashment has been carried out by an independent actuary, as at the Balance sheet date on Project Unit Credit method.

The following table summarises the components of net benefit/ expenses recognised in the Profit and Loss Account, the funded status and amounts recognised in the Balance Sheet for the respective plans:

(a) Gratuity

(i) Reconciliation of opening and closing balances of obligation

Particulars	(₹ in Million)						
	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010	
a) Present value of obligation as at beginning of the period/year	31.62	26.81	20.28	17.40	15.16	11.05	
b) Interest cost	1.34	2.28	1.67	1.52	1.25	0.83	
c) Past Service cost	-	-	-	-	-	-	
d) Current Service cost	4.67	8.41	7.56	6.22	5.43	4.93	
e) Benefits paid	(4.07)	(5.30)	(4.39)	(4.63)	(2.63)	(1.23)	
f) Actuarial (gain)/ loss on obligation	1.89	(0.58)	1.68	(0.22)	(1.81)	(0.41)	
g) Present value of obligation as at end of the period/year	35.44	31.62	26.81	20.28	17.40	15.16	



(ii) **Reconciliation of opening and closing defined benefit assets**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(a) Present Value of Plan Assets at the begining of the period/year	24.99	21.81	23.15	19.90	12.61	5.81
(b) Expected Return on Plan Assets	1.09	1.91	2.07	1.84	1.61	0.53
(c) Employers' Contributions	2.00	6.53	0.98	6.04	8.32	6.76
(d) Last year's settlement	(0.48)	-	-	-	-	-
(e) Benefits Paid	(4.07)	(5.30)	(4.39)	(4.63)	(2.63)	(0.91)
(f) Actuarial gain/ (loss) on plan assets	(1.09)	0.04	-	(0.00)	-	0.42
(g) Fair Value of Plan Assets as at end of the period/year	22.43	24.99	21.81	23.15	19.90	12.61

(iii) **Reconciliation of fair value of assets and obligation**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
a) Present value of obligation at the end of the period/year	35.44	31.62	26.81	20.28	17.40	15.16
b) Present value of plan asset at the end of the period/year	22.43	24.99	21.81	23.15	19.90	12.61
c) Liability recognised in balance sheet	13.01	6.63	5.00	(2.86)	(2.51)	2.55

(iv) **Expenses recognised during the period/year**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(a) Current Service Cost	4.67	8.41	7.56	6.22	5.43	4.93
(b) Past Service Cost	-	-	-	-	-	-
(c) Interest Cost	1.34	2.28	1.67	1.52	1.25	0.83
(d) Expected Return on Plan Assets	(1.09)	(1.91)	(2.07)	(1.84)	(1.61)	(0.53)
(e) Net actuarial (Gain)/Loss	2.98	(0.62)	1.68	(0.22)	(1.81)	(0.83)
(f) Employees' Contribution	-	-	-	-	-	-
(g) Total Expenses recognised during the period/year	7.90	8.16	8.84	5.68	3.26	4.39

(v) **Disclosure of Investment detail**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
a) Life Insurance Corporation of India	22.43	24.99	21.81	23.15	19.90	12.61



(vi) **Actuarial Assumption**

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(a) Discount Rate (per annum)	8.50%	8.50%	8.25%	8.75%	8.25%	7.50%
(b) Rate of increase in Compensation Levels	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
(c) Rate of Return on Plan Assets	8.75%	8.75%	9.25%	9.25%	9.25%	9.15%
(d) Expected Average remaining working lives of employees in number of years	27.96	28.02	28.00	29.00	28.50	29.29

(b) **Earned Leave :**

(i) **Reconciliation of opening and closing balances of obligation**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
a) Present value of obligation as at beginning of the period/year	14.43	12.15	9.80	8.10	8.53	4.46
b) Interest cost	0.61	1.03	0.81	0.71	0.70	0.33
c) Past Service cost	-	-	-	-	-	-
d) Current Service cost	3.05	5.26	4.56	3.86	3.31	3.86
e) Benefits paid	(2.79)	(6.18)	(6.23)	(4.38)	(3.71)	(2.31)
f) Actuarial (gain)/ loss on obligation	1.69	2.17	3.20	1.51	(0.73)	2.20
g) Present value of obligation as at end of the period/year	17.00	14.43	12.15	9.80	8.10	8.53

(ii) **Reconciliation of opening and closing defined benefit assets**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(a) Present Value of Plan Assets as at the beging of the period/year	-	-	-	-	-	-
(b) Expected Return on Plan Assets	-	-	-	-	-	-
(c) Actuarial Gain/(Loss)	-	-	-	-	-	-
(d) Employers' Contributions	-	-	-	-	-	-
(e) Benefits Paid	-	-	-	-	-	-
(f) Actuarial gain/ (loss) on plan assets	-	-	-	-	-	-
(g) Fair Value of Plan Assets as at end of the period/year	-	-	-	-	-	-



(iii) **Reconciliation of fair value of assets and obligation**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
a) Present value of Unfunded obligation at the end of the period/year	17.00	14.43	12.15	9.80	8.10	8.53
b) Present value of plan asset at the end of the period/year	-	-	-	-	-	-
c) Liability recognised in balance sheet	17.00	14.43	12.15	9.80	8.10	8.53

(iv) **Expenses recognised during the period/year**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010
(a) Current Service Cost	3.05	5.26	4.56	3.86	3.31	3.86
(b) Past Service Cost	-	-	-	-	-	-
(c) Interest Cost	0.61	1.03	0.81	0.71	0.70	0.33
(d) Expected Return on Plan Assets	-	-	0.00	0.00	0.00	0.00
(e) Net actuarial (Gain)/Loss	1.69	2.17	3.20	1.51	(0.73)	2.20
(f) Total Expenses recognised during the period/year	5.36	8.46	8.58	6.08	3.29	6.39

(v) **Disclosure of Investment detail**

(₹ in Million)

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010
a) Life Insurance Corporation of India	-	-	-	-	-	-

(vi) **Actuarial Assumption**

Particulars	As at September 30, 2014	As at March 31, 2014	2013	2012	2011	2010
(a) Discount Rate (per annum)	8.50%	8.50%	8.25%	8.75%	8.25%	7.50%
(b) Rate of increase in Compensation Levels	5.00%	5.00%	5.00%	5.00%	5.00%	5.00%
(c) Rate of Return on Plan Assets	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
(d) Expected Average remaining working lives of employees in number of years	27.96	28.02	28.00	29.00	28.50	29.29



18. **Employee Stock Option Scheme (ESOS) :**

The Company had approved Employee Stock Option Scheme 2008 (“ESOS-2008”) vide resolution passed by the shareholders at their Extraordinary General Meeting held on 13th September, 2008 to grant 150,000 stock options to employees of company or its subsidiary Company (ies) on such terms and conditions as may be decided by the Compensation committee of Directors from time to time. ESOS-2008 has been duly approved by Compensation Committee at its meeting held on 5th August, 2011. The relevant information of the scheme has been given as under:-

(a) **Particulars of Scheme**

Particulars	Pool - I	Pool - II	Pool - III	Pool - IV	Pool - V
Date of Grant/Further Grant	5th August- 2011	30th March- 2012	30th March- 2013	28th March- 2014	1st July- 2014
Date of Board (compensation committee) approval	5th August- 2011	30th March- 2012	30th March- 2013	28th March- 2014	1st July- 2014
Date of Shareholders' Approval	13th September, 2008	13th September, 2008	13th September, 2008	13th September, 2008	13th September, 2008
Number of Options Granted	150,000	-	-	-	-
Number of Options Further Granted	-	8,850	19,250	3,250	3,250
Method of Settlement	Equity	Equity	Equity	Equity	Equity
Vesting Period	1 to 2 Years	1 to 2 Years	1 to 2 Years	1 to 2 Years	1 Year
Exercise Period	3 months from the date of vesting	3 months from the date of vesting	3 months from the date of vesting	6 months from the date of vesting	6 months from the date of vesting
Vesting Conditions	Employee's continued employment during vesting period.	Employee's continued employment during vesting period.	Employee's continued employment during vesting period.	Employee's continued employment during vesting period.	Employee's continued employment during vesting period.

(b) **Details of Vesting**

Vesting Period from the Grant Date	Vesting Schedule (No. of options)	Vesting Schedule (No. of options)	Vesting Schedule (No. of options)	Vesting Schedule (No. of options)	Vesting Schedule (No. of options)
On completion of 1st year	81,450	4,800	10,000	1,650	3,250
On completion of 2nd Year	68,550	4,050	9,250	1,600	-



(c) The details of activity under the plan have been summarised below:

Particulars	As at September 30, 2014									
	Pool-I		Pool-II		Pool-III		Pool-IV		Pool-V	
	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the period/year	-	-	3,550	74.90	17,250	74.90	3,250	74.90	-	-
Granted during the period/year	-	-	-	-	-	-	-	-	3,250	74.90
Forfeited/ cancelled during the period/year	-	-	(1,750)	74.90	(1,000)	74.90	(500)	74.90	-	-
Exercised during the period/year	-	-	(1,800)	74.90	(8,000)	74.90	-	-	-	-
Expired during the period/year	-	-	-	-	-	-	-	-	-	-
Outstanding at the end of the period/year	-	-	-	-	8,250	74.90	2,750	74.90	3,250	74.90
Exercisable at the end of the period/year	-	-	-	-	-	-	-	-	-	-
Weighted average remaining Contractual Life (in years)	-	-	-	-	0.74	-	1.48	-	1.25	-
Weighted average fair value of options granted during the period/year	-	-	-	-	-	-	-	-	-	195.98



Particulars	As at March 31, 2014		Pool-II Number of Shares (No's)	Weighted Average Exercise Price (₹)	Pool-III Number of Shares (No's)	Weighted Average Exercise Price (₹)	Pool-IV Number of Shares (No's)	Weighted Average Exercise Price (₹)
	Pool-I Number of Shares (No's)	Weighted Average Exercise Price (₹)						
Outstanding at the beginning of the period/Year	54,500	74.90	7,850	74.90	19,250	74.90	-	-
Granted during the period/year	-	-	-	-	-	-	3,250	74.90
Forfeited/ cancelled during the period/year	(750)	74.90	-	-	(2,000)	74.90	-	-
Exercised during the period/year	(53,250)	74.90	(4,300)	74.90	-	-	-	-
Expired during the period/year	(500)	-	-	-	-	-	-	-
Outstanding at the end of the period/year	-	-	3,550	74.90	17,250	74.90	3,250	74.90
Exercisable at the end of the period/year	-	-	3,550	74.90	9,000	74.90	-	-
Weighted average remaining Contractual Life (in years)	-	-	0.24	-	0.72	-	1.98	-
Weighted average fair value of options granted during the period/year	-	-	-	-	-	-	3,250	62.82



Particulars	As at March 31, 2013						As at March 31, 2012			
	Pool-I		Pool-II		Pool-III		Pool-I		Pool-II	
	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)	Number of Shares (No's)	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the period/year	141,150	74.90	8,850	74.90	-	-	-	-	-	-
Granted during the period/year	-	-	-	-	19,250	74.90	150,000	74.90	8,850	74.90
Forfeited/ cancelled during the period/year	(14,500)	74.90	(1,000)	74.90	-	-	(8,850)	74.90	-	-
Exercised during the period/year	(68,400)	74.90	-	-	-	-	-	-	-	-
Expired during the period/year	(3,750)	74.90	-	-	-	-	-	-	-	-
Outstanding at the end of the period/year	54,500	74.90	7,850	74.90	19,250	74.90	141,150	74.90	8,850	74.90
Exercisable at the end of the period/year	-	-	4,300	74.90	-	-	-	-	-	-
Weighted average remaining Contractual Life (in years)	0.40		0.93		1.73		1.07		1.70	
Weighted average fair value of options granted during the period/year	-	-	-	-	19,250	67.36	150,000	59.00	8,850	-

(d) **The details of exercise price for stock options outstanding at the end of the year are as given :**

Particulars	As at September 30, 2014					As at 31.03.2014			
	I	II	III	IV	V	I	II	III	IV
Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.9
Number of Options Outstanding	-	-	8,250	2,750	3,250	-	3,550	17,250	3250
Weighted average remaining Contractual Life of Options (in years)	-	-	0.74	1.48	1.25	-	0.24	0.72	1.98
Weighted average Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.9



Particulars Pool	As at March 31, 2013			As at March 31, 2012		
	I	II	III	I	II	III
Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	-
Number of Options Outstanding	54,500	7,850	19,250	141,150	8,850	-
Weighted average remaining Contractual Life of Options (in years)	0.40	0.93	1.73	1.07	1.70	-
Weighted average Exercise Price (₹)	74.90	74.90	74.90	74.90	74.90	-

(e) **Effect of ESOS Scheme on profit & loss and financial position:**

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(i) Effect on profit & loss:-						
Employee Compensation Cost pertaining to ESOS plan during the period/year	0.08	1.61	3.06	4.34	-	-
(ii) Effect on balance sheet:-						
Liability for Employee Stock Options outstanding as at the period/year end	1.39	1.84	5.72	8.85	-	-
Deferred Compensation Cost outstanding as at the period/year end	0.73	0.50	2.11	4.51	-	-

(f) **The fair value of each stock option granted under the ESOS Scheme as on the date of grant has been computed using Black-Scholes Option Pricing Model without inclusion of Dividend Yield and the model inputs are given as under:**

Pool Year	I		II		III		IV		V	
	1	2	1	2	1	2	1	2	1	2
Current Stock Price (₹)	120.28	120.28	189.95	189.95	131.15	131.15	127.41	127.41	264.89	-
Strike Price of the Option (₹)	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	74.90	-
Time to Expiration (in yrs)	1.25	2.25	1.25	2.25	1.25	2.25	1.50	2.50	1.50	-
Annual Dividend	-	-	-	-	-	-	1.49%	1.49%	0.79%	-
Volatility (%)	44.09%	44.09%	53.55%	53.55%	38.66%	38.66%	38.17%	38.17%	41.53%	-
Risk-free Interest Rate	8.54%	8.41%	8.48%	8.50%	7.69%	7.76%	8.51%	8.68%	8.58%	-
Fair Value Of Option (₹)	55.52	62.87	123.69	131.13	64.24	70.74	60.31	65.41	195.98	-

There was no history of dividend declaration by the Company, hence the dividend yield had been assumed as Nil for Pool- I , II & III.



19. **Dividend:**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Proposed Dividend on Equity shares	-	20.94	18.20	-	-	-
Proposed Dividend on Preference Shares	-	0.11	0.62	-	-	-
Dividend Tax	-	3.58	3.20	-	-	-

Arrears of Cumulative Dividend on Preference Shares

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Redeemable Preference Shares	-	-	-	0.51	0.40	0.28

Note :At the time of redemption of Preference Shares on January 07, 2015, shareholder had waived off their right of dividend on their shares. Accordingly arrears of dividend of for six months ended September 30, 2014 has not been shown.

20. **Details of Sale, purchase, cost of material consumed and change in inventory under broad heads**

(i) **Details of Sales**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Footwear	2,404.00	4,136.85	3,411.52	2,994.54	2,475.79	NA
Apparels/others	1,094.55	2,206.18	2,021.99	1,717.86	1,246.13	NA
Total	3,498.55	6,343.03	5,433.51	4,712.40	3,721.92	-

(ii) **Details of Purchase of stock in trade**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Footwear	789.27	1,385.89	1,171.55	808.45	711.72	NA
Apparels/others	849.66	1,606.18	1,310.94	1,318.72	962.08	NA
Total	1,638.93	2,992.07	2,482.49	2,127.17	1,673.80	-



(iii) **Details of Cost of material consumed**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Adhesive	49.28	70.52	57.03	47.49	39.87	NA
Packing Material	26.25	61.93	38.22	56.96	54.02	NA
Rubber	140.69	131.10	260.69	244.33	434.84	NA
Sole	52.64	268.62	176.39	231.05	156.28	NA
Upper	211.13	472.18	170.77	314.25	117.32	NA
Consumables & others	172.75	81.93	215.52	123.41	127.00	NA
Total	652.75	1,086.28	918.62	1,017.49	929.34	-

(iv) **Details of change in Inventory (Finished goods, stock in trade and W.I.P.)**

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
Finished goods / Stock-in-trade						
Footwear	(78.36)	(272.85)	69.19	(59.43)	(97.24)	N A
Apparels/others	(43.24)	47.67	(157.10)	(48.89)	(35.63)	N A
Work in progress						
Upper	(25.69)	(33.33)	18.71	(13.68)	(14.89)	N A
Sole	5.86	3.97	4.91	(8.37)	1.04	N A
Total	(141.43)	(254.55)	(64.30)	(130.38)	(146.72)	-

Note : Details is not available for FY 2010, since such details were not required at that time.

21. **Other Notes:**

(i) In terms of Section 52(2) of the Companies Act 2013, Securities Premium has been applied for the following purpose

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
(a) To set off the expenses incurred in relation to issue of equity shares	-	-	-	-	-	-
(b) To set off the commitment provided for towards premium payable on redemption of preference share	13.86	25.40	22.68	23.35	27.39	24.46
(c) To issue bonus shares for settling fraction of shares	-	-	-	-	-	-
Total	13.86	25.40	22.68	23.35	27.39	24.46



- (ii) The revaluation of Company's Factory Land located at Kundli was undertaken as on February 02, 2007 with a view to assess the present market value of the Land. The valuation was made by a firm of professional valuers adopting market values as basis. The revaluation showed that the Book Value of the Land should be higher by ₹ 250.63 Million which the company has incorporated in the Balance Sheet. The resultant surplus has been transferred to Revaluation Reserve.
- (iii) In FY 2011-12, the Company has received Government. Grant of ₹ 3.00 Million under Central Investment Subsidy Scheme for its unit situated at Selaqui and transferred the same to Capital Reserve Account.
- (iv) In FY 2012-13, a Scheme of Amalgamation was approved by the Hon'able High Court of Judicature at Delhi on 16th November 2012 for the amalgamation of Sports Station (India) Private Limited (step down subsidiary company) with SSIPL Lifestyle Private Limited (wholly owned subsidiary company) with an effective date of April 1, 2012.
- (v) In the year 2012-13, Sports Station India Private Limited (Step-down subsidiary) has been amalgamated with SSIPL Lifestyle Private Limited (subsidiary). The accounting for the amalgamation has been done on Purchase Method as prescribed under AS-14. All properties, assets and liabilities of Sports Station (India) Private Limited has been recorded at fair value which is equal to book value except in case of Fixed Assets where fair value is based on valuation report of the Independent Valuer. The difference between the Net Assets and Purchase consideration has been recorded as goodwill which will be amortised over the period of 5 years.
- (vi) The Company has made investment in a Partnership firm "M/s Shree Shoes" with 99% share in profit/loss w.e.f. August 1, 2013.
- (vii) The balances of Trade receivables/Trade payables, advances and deposits are subject to confirmations. In the opinion of management current assets, non-current assets, loans and advances and deposits have an approximate realisable value equal to amount stated in the Financial Statements, except otherwise stated. The provision for all liabilities is adequate and not in excess of the amount reasonably necessary.
- (viii) The Financial statements for FY 2010 and 2011 have been prepared in line with the requirement of Revised Schedule VI of the Companies Act, 1956 as introduced by the Ministry of Corporate Affairs from financial year ended on 31st March 2012. Accordingly, assets and liabilities are classified between current and non-current considering 12 months period as operating cycle. The adoption of revised schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has sufficient impact on presentation and disclosures made in the financial statements. Consequently, the company has re-classified previous year figures to confirm to this years' classification.
- (ix) With effect from October 1, 2014, Company has transferred its business of Levi's and Nike accessories to SSIPL Lifestyle Private Limited (its subsidiary) vide a master franchise agreement dated October 7, 2014.
- (x) Previous year figures have been re-grouped/ re-arranged wherever considered necessary to conform the current period's classification
- (xi) Any discrepancies in any table between the total and the sum of the amounts listed therein are due to rounding-off.



ANNEXURE 5C : UNCONSOLIDATED SEGMENT INFORMATION

(₹ in Million)

Particulars	As at September 30, 2014	2014	2013	As at March 31, 2012	2011	2010
<u>Segment Revenues</u>						
Revenues						
Retail & Distribution	2,360.90	4,568.71	3,847.90	3,107.62	2,325.87	1,945.20
Manufacturing	1,140.33	1,782.03	1,593.76	1,628.73	1,408.36	1,307.25
Less : Inter-Segment Revenue	2.68	7.72	8.15	23.95	12.30	9.21
Total	3,498.55	6,343.03	5,433.51	4,712.40	3,721.92	3,243.25
Other Income						
Retail & Distribution	0.23	2.14	10.71	2.38	1.96	11.15
Manufacturing	2.22	3.73	1.85	1.14	1.95	1.06
Unallocable Income	13.43	23.23	25.89	11.79	21.90	24.44
Total	15.88	29.09	38.45	15.31	25.81	36.65
Grand Total	3,514.43	6,372.12	5,471.95	4,727.71	3,747.73	3,279.90
<u>Segment Results</u>						
Operating Profits (PBIT)						
Retail & Distribution	75.77	320.93	191.72	165.29	29.17	18.12
Manufacturing	29.30	36.23	78.62	70.17	74.15	64.13
Unallocable Profit	12.31	22.07	24.73	10.58	20.58	22.86
Total	117.39	379.22	295.06	246.04	123.90	105.12
Less : Financial Expenses	68.02	110.28	98.59	101.92	66.82	77.30
Total	49.37	268.94	196.48	144.12	57.09	27.82
Profit before Extraordinary items and tax	49.37	268.94	196.48	144.12	57.09	27.82
Less: Extraordinary Items	-	-	-	-	-	-
Profit before Tax	49.37	268.94	196.48	144.12	57.09	27.82
- Current Tax	12.00	54.82	38.45	26.00	21.22	7.09
- Deferred Tax Liability/ (Asset) (Net)	(2.31)	4.84	(4.93)	4.12	(8.03)	(6.00)
Net Profit for the period/year	39.68	209.27	162.96	114.00	43.90	26.73
<u>Capital Employed</u>						
Segment Assets						
Retail & Distribution	2,444.40	2,093.46	1,693.14	1,547.28	1,303.02	1,014.64
Manufacturing (net of revaluation reserve)	1,258.58	1,182.29	936.17	854.26	729.74	648.79
Unallocated Corporate Assets	241.99	219.19	260.93	257.79	91.83	186.55
Total (A)	3,944.97	3,494.94	2,890.25	2,659.33	2,124.59	1,849.98
Segment Liabilities						
Retail & Distribution	1,370.31	1,031.91	864.86	682.75	544.57	328.36
Manufacturing	371.69	343.28	235.68	343.59	291.21	244.57
Unallocated Corporate Liabilities	964.93	905.28	740.40	710.13	405.42	410.18
Total (B)	2,706.93	2,280.47	1,840.94	1,736.47	1,241.20	983.11
Capital Employed (A-B)	1,238.04	1,214.46	1,049.31	922.86	883.39	866.87
<u>Capital Expenditure</u>						
Retail & Distribution	53.97	133.72	148.12	76.01	64.84	19.55
Manufacturing	41.99	77.72	78.90	118.64	38.50	96.47
Unallocated	0.72	1.64	0.52	1.21	0.14	0.15
Total	96.69	213.07	227.54	195.86	103.48	116.18
<u>Depreciation/ Amortisation</u>						
Retail & Distribution	52.25	80.17	54.95	47.03	42.19	36.96
Manufacturing	35.52	54.65	56.46	44.23	43.78	34.81
Unallocated	1.11	1.16	1.16	1.21	1.32	1.58
Total	88.88	135.98	112.58	92.47	87.28	73.35
<u>Non Cash Expenditure other than Depreciation</u>						
Retail & Distribution	4.58	14.34	11.89	11.95	5.22	0.41
Manufacturing	1.11	1.38	(0.40)	1.30	(0.01)	0.05
Unallocated	-	-	-	-	-	-
Total	5.70	15.72	11.49	13.24	5.22	0.46

Secondary Segment :-No export sales made during the period/years, hence there is no reportable geographical segment as per Accounting Standard-17 on Segment Reporting as notified the Companies Act, 1956 ("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014

**ANNEXURE 5D : DIVIDEND (UNCONSOLIDATED)**

(₹ in Million)

Particulars	For the six months ended September 30, 2014	For the Year ended March 31,			2011	2010
		2014	2013	2012		
Equity Dividend						
Equity Share Capital	100.02	99.92	99.35	92.72	92.72	92.72
Share Warrant	-	-	-	-	-	-
Rate of Dividend	-	21.00%	19.00%	Nil	Nil	Nil
Amount of Dividend	-	20.94	18.20	NA	NA	NA
Preference Dividend						
Preference Share Capital	113.51	113.51	113.51	206.51	265.01	265.01
Rate of Dividend	-	0.10%	0.10%	Nil	Nil	Nil
Amount of Dividend	-	0.11	0.62	NA	NA	NA
Tax on Dividend	-	3.58	3.20	NA	NA	NA

Note : Arrears of cumulative dividend on Preference shares have been paid in FY 2013 for the FY 2008 to FY 2012 amounting ₹ 0.51 million



ANNEXURE 5E: RELATED PARTY TRANSACTIONS (UNCONSOLIDATED)

1. List of Related parties are given below:

a) Enterprises where significant influence exists

Name	Six months ended 30.09.14	Year ended 31.03.14	Year ended 31.03.13	Year ended 31.03.12	Year ended 31.03.11	Year ended 31.03.10
Sports Station India Private Limited				√	√	√
KNS Trading Private Limited	√	√	√	√	√	√
SSIPL Luxury Fashions Private Limited				√	√	√
Adigear Enterprises				√	√	√
Adigear International					√	√
Sports Lifestyle Private Limited	√	√	√	√	√	√
Ridhi Enterprises	√	√	√	√	√	√
Field Spares Sales & Services						√
SSIPL Foundation	√	√	√			

b) Key Management Personnel & Relatives

Related Party	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Key Management Persons:						
Rishab Soni	√	√	√	√	√	√
Lalit Kishore (Resigned on July 31, 2014)	√	√	√	√	√	√
Ashok Mathur (Demised on August 28, 2011)				√	√	√
Sunil Taneja	√	√	√	√	√	√
Amit Mathur (Appointed on Sept 5, 2011)	√	√	√	√		
Rahul Sood (Resigned on Jun 30, 2014 and re-appointed on Oct 27, 2014)	√	√				
Kanika Verma	√	√				
Kamal Pande (Appointed on January 04, 2014 and resigned on July 31, 2014)	√	√				
Relatives of Key Management Persons:						
Rishab Soni's Relatives						
Nandita Soni - Spouse	√	√	√	√	√	√
Ashok Mathur's Relatives						
Amit Mathur – Son				√	√	√
Rohini Mathur -					√	√



Daughter		
SandeepKakkar's Relatives		
AshimaMakkar - Spouse	√	√
Rahul Kakkar - Brother	√	√
SushmaKakkar - Mother	√	√

c) **Enterprises over which the company has control :**

Related Party	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
SSIPL Lifestyle Private Limited (w.e.f. January 14, 2011)	√	√	√	√	√	
M/s Shree Shoes (Partnership Firm) (w.e.f. Aug 1, 2013)	√	√				
Shubh Footwear Products Private Limited (w.e.f. Oct 7, 2013)	√	√				

2. **Transactions with related parties :**

(₹ in Million)						
Nature of transaction	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Adigear International						
Balance written off	-	-	-	-	0.13	-
Field Spares Sales & Services						
Interest Paid on Security Deposit	-	-	-	-	-	0.12
Security Deposit Repaid	-	-	-	-	-	0.82
KNS Trading Private Limited						
Sale of Goods (Net)	0.73	3.72	-	-	-	-
Security Deposit Repaid	-	-	-	-	-	0.00
Rishab Soni						
Salary & Allowances	9.82	20.29	16.69	15.61	12.94	12.91
Purchase of share by the company	-	-	-	-	0.05	-
Sunil Taneja						
Salary & Allowances	2.17	4.35	3.02	-	-	2.89
Ashok Mathur						
Salary & Allowances	-	-	-	-	-	2.9
Amit Mathur						
Salary & Allowances	-	-	-	0.14	0.60	0.51
Nandita Soni						
Rent Paid	0.27	0.54	0.45	0.36	0.36	0.18



Purchase of share by the company	-	-	-	-	0.04	-
Ridhi Enterprises						
Commission paid	1.50	2.48	4.19	3.95	3.09	2.35
Deposit Received	-	7.58	-	-	-	-
Deposit Repaid	2.08	-	-	-	-	-
Rohini Mathur						
Salary & Allowances	-	-	-	-	0.67	0.64
Ashima Makkar						
Interest Paid on deposits	0.01	0.02	-	-	-	-
Commission paid	0.30	0.65	-	-	-	-
Rahul Kakkar						
Interest Paid on deposits	0.01	0.02	-	-	-	-
Commission paid	0.30	0.65	-	-	-	-
Sushma Kakkar						
Rent Paid	0.15	0.33	-	-	-	-
Kanika Verma						
Salary & Allowances	1.55	3.14	-	-	-	-
Kamal Pande						
Salary & Allowances	1.83	1.31	-	-	-	-
Rahul Sood						
Consultancy Charges	-	0.60	-	-	-	-
Sports Lifestyle Private Limited						
Sale of Goods	143.55	238.81	68.31	0.72	12.04	10.81
Sale of fixed assets	-	-	-	-	-	0.15
Rent recovered	-	-	-	-	0.15	0.09
Investment in Equity Shares	-	-	-	0.50	0.50	-
Goods In Transit	-	-	-	1.80	-	-
Deposit/Loan Repaid (Net of amount received)	-	-	-	0.07	-	-
Balance written off	-	-	-	-	0.01	-
Sports Station India Private Limited						
Sale of Goods	-	-	-	775.24	397.59	391.74
Interest received	-	-	-	-	21.75	24.00
Loan Repaid	-	-	-	-	96.80	-
Interest Received	-	-	-	9.48	-	-
Incentive on Sales	-	-	-	170.25	-	-
Gift voucher	-	-	-	-	0.27	-
SSIPL Lifestyle Private Limited						
Sale of Goods	212.51	559.32	494.32	-	-	-
Purchase of	-	-	1.45	-	-	-



Goods (Net)						
Interest Received	6.60	15.67	25.89	2.31	-	-
Loan Given	-	15.00	25.70	100.00	-	-
Loan received back	-	55.00	38.90	-	-	-
Advance given	-	-	-	-	1.74	-
Advances received back	-	-	-	1.74	-	-
Deposit received back	-	17.00	-	-	-	-
Investment in subsidiary	-	-	7.01	63.00	0.09	-
Guarantee Given	-	100.00	-	-	-	-
M/s Shree Shoes (Partnership Firm)						
Sale of Goods	425.04	66.62	-	-	-	-
Purchase of Goods (Net)	-	0.66	-	-	-	-
Sale of fixed assets	2.04	1.72	-	-	-	-
Profit From Partnership Firm	6.08	7.38	-	-	-	-
Rent Received	0.84	0.18	-	-	-	-
Loan/Advance Given	-	11.60	-	-	-	-
Loan/Advance Received Back	11.60	-	-	-	-	-
Investment made	-	2.45	-	-	-	-
SSIPL Foundation						
Donation Given	1.43	1.00	0.72	-	-	-
	830.42	1,138.07	686.65	1,145.17	548.82	450.11

3. Outstanding Balances at the period/year end :

(₹ in Million)						
Particulars	Six months ended September 30, 2014	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2010
Amount Recoverable against Trade Receivable						
Sports Station India Private Limited	-	-	-	243.11	245.24	254.55
Sports Life Style Private Limited	99.06	96.87	32.18	-	1.94	0.32
KNS Trading Private Limited	2.63	2.44	-	-	-	-
SSIPL Lifestyle Private Limited	379.06	302.27	204.05	-	-	-
M/S Shree Shoes	169.55	65.96	-	-	-	-
Amount Recoverable against Advances/Security deposits						
Sports Station India Private Limited	-	-	-	158.20	158.20	255.00
SSIPL Lifestyle Private Limited	188.00	188.00	245.00	100.00	1.74	-
M/S Shree Shoes	-	11.60	-	-	-	-
Receivable against Business Transactions						
Ridhi Enterprises	-	-	0.01	-	0.13	0.00
M/S Shree Shoes	-	1.72	-	-	-	-
Interest Income accrued but not Due						
Sports Station India Private Limited	-	-	-	2.13	3.37	5.4
Interest Income accrued and Due						
SSIPL Lifestyle Private Limited	2.97	-	5.43	-	-	-



Payable against Business Transactions						
Ridhi Enterprises	0.22	0.21	-	0.25	-	-
Sport Lifestyle Private Limited	-	-	-	2.29	-	-
Adigear International	-	-	-	-	-	0.13
Rahul Sood	-	0.09	-	-	-	-
AshimaMakkar	0.02	0.05	-	-	-	-
Rahul Kakkar	0.02	0.04	-	-	-	-
Payable against Deposits						
Sports Life Style Private Limited	-	-	-	-	0.07	0.07
AshimaMakkar	0.15	0.15	-	-	-	-
Rahul Kakkar	0.15	0.15	-	-	-	-
Ridhi Enterprises	5.50	7.58	-	-	-	-
Remuneration payable						
Rishab Soni	0.40	-	-	-	-	-
Sunil Taneja	0.19	-	-	-	-	-
Kanika Verma	0.18	-	-	-	-	-
Kamal Pande	-	0.36	-	-	-	-
Guarantee Given Outstanding						
Sports Station India Private Limited	-	-	-	0.30	0.30	0.30
SSIPL Lifestyle Private Limited	100.30	100.30	0.30	-	-	-
Adigear Enterprises	-	-	-	0.10	0.10	0.10
Sports Life Style Private Limited	0.10	0.10	0.10	0.10	0.10	0.10
KNS Trading Private Limited	0.10	0.10	0.10	0.10	0.10	0.10
SSIPLLuxury Fashion Private Limited	-	-	-	0.10	0.10	0.10
Guarantee Received Outstanding						
Sports Station India Private Limited	-	-	-	1.10	131.10	131.10
SSIPL Lifestyle Private Limited	1.10	1.10	1.10	-	-	-
Investment in Equity Shares						
Sports Lifestyle Private Limited	2.50	2.50	2.50	2.50	2.00	1.5
SSIPL Lifestyle Private Limited (Subsidiary)	70.10	70.10	70.10	63.09	0.09	-
Investment in Partnership firm						
M/s Shree Shoes	15.91	9.83	-	-	-	-

Note :

- (i) Sale and purchase are inclusive of VAT/CST.
- (ii) The remuneration to Key management personnel does not include the provisions made for Gratuity and leave benefits, as they are determined on basis of actuary of the company as a whole.



ANNEXURE 6: UNCONSOLIDATED STATEMENT OF TAX SHELTERS

(₹ in Million)

Sr. No.	Particulars	As at September 30, 2014	2014	2013	2012	2011	2010
A	Profit before Tax as per Profit & Loss Statement	49.37	268.94	196.48	144.12	57.09	27.82
B	Tax Rate	33.99%	33.99%	32.445%	32.445%	33.2175%	33.99%
C	Tax at notional rate on profits	16.78	91.41	63.75	46.76	18.96	9.46
D	Permanent Differences						
	Donation disallowed	1.47	1.38	0.72	0.33	0.31	0.06
	(Profit)/Loss on sale of Fixed Assets	0.41	1.39	1.28	0.37	4.01	0.16
	Share of Profits in Partnership Firm	(6.08)	(7.38)				
	Employees' Contribution to PF / ESI u/s 36(1)(va)	-	-	-	-	-	-
	Deduction u/s 80IC	(19.82)	(81.62)	(79.61)	(61.98)	(27.41)	(24.35)
	Deduction u/s 80G	(0.73)	(0.55)	-	-	-	(0.01)
	Fines & Penalties	0.14	0.38	-	-	-	0.10
	Provision for Wealth Tax	0.02	0.02	0.02	0.01	0.00	0.00
	Other Allowances	-	(0.12)	(12.54)	(29.03)	-	-
	Other Disallowances	-	-	-	8.33	21.08	9.49
	Stamp duty paid for increase in Authorised share Capital	-	-	-	0.04	-	-
	ROC fees for increase in Authorised share capital	-	-	-	0.14	-	-
	Interest on late deposit of TDS	-	0.94	0.01	0.05	-	-
	Total (D)	(24.59)	(85.56)	(90.11)	(81.75)	(2.01)	(14.54)
E	Timing Differences						
	Difference Between Book Depreciation and Income Tax Depreciation	42.07	42.74	25.64	20.66	23.55	17.32
	Differences due to expenses Disallowable under section 43 B of the Income Tax Act, 1961	2.57	(1.43)	(7.01)	2.92	(1.82)	7.40
	Merger Expenses u/s 35 DD	-	-	-	-	(0.31)	(0.31)
	Disallowances / Allowances of 40(a)	-	-	-	-	-	(0.13)
	Brought Forward Business Losses	-	-	-	-	-	-
	Foreign Exchange Fluctuation Loss / (gain) on Capital Asset	-	-	-	-	-	-
	Provision for Fixed Deposits	-	-	-	(0.09)	(0.21)	0.30
	Provision for Doubtful Advances/Debtors	-	-	-	(0.76)	0.76	-
	Software (Capitalised in the Books of Accounts)	(9.45)	(15.56)	(14.87)	-	-	-
	Repair & Maintenance (Capitalised in the Books of Accounts)	(24.73)	(46.81)	(43.54)	(21.90)	(17.35)	(6.67)
	Disallowance u/s 40(A) (7) Gratuity	-	-	5.00	-	-	-
	Provision for Lease Equalisation	(0.47)	5.02	44.19	-	-	-
	Total (E)	9.99	(16.04)	9.39	0.83	4.63	17.90
F	Net Adjustment (F=D+E)	(14.60)	(101.60)	(80.71)	(80.92)	2.62	3.37
G	Taxable Profit / (Loss) as per ROI (G=A+F)	34.77	167.34	115.76	63.20	59.71	31.19
H	Tax Expense / (Savings) there on (H=F*B)	(4.96)	(34.53)	(26.19)	(26.26)	0.87	1.14
I	Total Tax on Profits / (Loss) (I=C+H)	11.82	56.88	37.56	20.50	19.83	10.60
J	Tax Savings on Mat Credit (J)	-	(2.05)	-	-	-	(3.75)
K	Interest 234A / 234B / 234C (K)	-	0.86	0.89	1.12	1.38	0.23
L	Total Tax on Profits / (Loss) as per ROI (L=I+J+K)	11.82	55.69	38.45	21.62	21.22	7.09
M	Tax Liability as per provisions of Sec 115 JB of the Income Tax Act 1961 (M)	9.07	54.82	36.80	26.00	15.61	6.34
N	Current Tax Provision for the Year [N= Higher of (L) & (M)]	11.82	55.69	38.45	26.00	21.22	7.09
O	Tax Savings on Extraordinary Items (O)	-	-	4.07	-	-	-
P	Tax on Profits before Extraordinary Items (P = N+O)	11.82	55.69	42.52	26.00	21.22	7.09

Note :

- The above statement has been prepared based on the Return of Income Filed by the company for the respective years. However, the figures for the year ended September 30, 2014 are based on provisional computation of total income prepared by the company and are subject to changes.



2. The above statement has been prepared based on the tax computation for the respective years. However, the figures for the year ended September 30, 2014 are based on provisional computation of total income prepared by the company and are subject to changes.



ANNEXURE 7 : TABLE REFLECTING RECONCILIATION OF AUDITED RESERVES & SURPLUS WITH RESTATED RESERVES & SURPLUS (UNCONSOLIDATED)

Particulars	As at September 30, 2014	(₹ in Million)				
		As at March 31,				
		2014	2013	2012	2011	2010
Reserves & Surplus as per audited financial statements	1,275.14	1,251.66	1,087.63	885.08	758.70	740.81
Less : Revaluation Reserve	250.63	250.63	250.63	250.63	250.63	250.63
Reserves & Surplus as per audited financial statements (excluding Revaluation Reserve)	1,024.51	1,001.03	837.00	634.45	508.07	490.18
Adjustments prior to March 2009 & up to previous year	0.00	(0.56)	(10.81)	17.58	18.96	19.43
Provision for redemption of Preference Shares	-	-	-	(45.21)	14.81	13.22
Prior period Adjustments	-	-	-	0.17	0.05	(0.68)
Exceptional items (Service Tax on Rent)	-	-	-	29.03	(16.23)	(8.81)
Extra-ordinary items (IPO Expenses)	-	-	12.54	(8.33)	(4.21)	-
Deferred Tax surplus	-	0.00	(1.33)	(2.37)	2.22	(3.48)
Tax adjustment of earlier years	-	0.56	(0.95)	(1.69)	1.98	(0.72)
Reserves & Surplus as per restated financial statements	1024.51	1001.03	836.45	623.64	525.65	509.14



ANNEXURE 8: ACCOUNTING RATIOS (UNCONSOLIDATED)

(₹ in Million)

Sr. No.	Particulars		For the six months ended September 30, 2014	2014	For the Year Ended March 31, 2013	2012	2011	2010
A	Net worth as per Annexure-1 (₹ in Million)		1238.04	1214.47	1049.32	922.87	883.39	866.87
B	Net Profit as restated as per Annexure -2 (₹ in Million)		39.68	209.27	162.96	114.00	43.90	26.73
C	Add : Extra-ordinary items (₹ in Million)		-	-	0.21	5.63	2.81	-
D	Net Profit (before extra-ordinary items) as restated (₹ in Million)	B+C	39.68	209.27	163.17	119.63	46.71	26.73
E	No. of equity shares outstanding at the end of the period		10,002,269	9,992,469	9,934,919	9,272,388	9,272,388	9,272,388
F	Weighted average number of equity shares outstanding during the period for Basic Earnings Per Share		9,997,449	9,972,602	9,577,142	9,272,388	9,272,388	9,272,388
G	Potential Weighted average number of shares outstanding during the period for Dilutive Earning Per Share		10,000,180	9,979,935	9,596,330	9,885,621	9,866,519	10,965,548
H	<u>Earnings per share before extraordinary items</u>							
	Adjusted Earnings per Share - Before Extra-ordinary items (Basic) (₹)	D/F	3.97	20.98	17.04	12.90	5.04	2.88
	Adjusted Earnings per Share - Before Extra-ordinary items (Diluted) (₹)	D/G	3.97	20.97	17.00	12.10	4.73	2.44
	Return on Net worth (%)	B/A	3.21%	17.23%	15.55%	12.96%	5.29%	3.08%
I	<u>Earnings per share after extraordinary items</u>							
	Adjusted	B/F	3.97	20.98	17.02	12.29	4.73	2.88



	Earnings per Share - After Extra-ordinary items (Basic) (₹)							
	Adjusted Earnings per Share - After Extra-ordinary items (Diluted) (₹)	B/G	3.97	20.97	16.98	11.53	4.45	2.44
	Return on Net worth (%)	A/B	3.21%	17.23%	15.53%	12.35%	4.97%	3.08%
J	Net Asset value per Share (₹)	A/E	123.78	121.54	105.62	99.53	95.27	93.49

Note :

1. Basic/Diluted EPS for the six months period ended September 30, 2014 is not annualised
2. For detailed calculation of Earnings Per Share refer point no. 15 of "Annexure 5B "
3. The calculation has been made as per the requirement of AS 20 issued by the Institute of Chartered Accountants.
4. The ratios have been computed as below:

(d) Before Extraordinary items :

		Net profit/(loss) before extraordinary items as restated, attributable to equity shareholders
(iv)	Basic Earnings per share (₹) =	-----
	--	
		Weighted average number of equity share outstanding during the period
		Net profit/(loss) as restated before extraordinary items, attributable to equity shareholders
(v)	Diluted Earnings per share (₹) =	-----
	--	
		Potential Weighted average number of equity shares outstanding during the period
(vi)	Return on Net Worth % =	-----
	--	
		Net profit/ (loss) before extraordinary items , as restated
		Net worth as restated at the end of the period

(e) After Extraordinary items :

		Net profit/(loss) after extraordinary items as restated, attributable to equity shareholders
(iv)	Basic Earnings per share (₹) =	-----
	--	
		Weighted average number of equity share outstanding during the period
		Net profit/(loss) as restated after extraordinary items, attributable to equity shareholders
(v)	Diluted Earnings per share (₹) =	-----
	--	
		Potential Weighted average number of equity shares outstanding during the period



$$(vi) \quad \text{Return on Net Worth \%} = \frac{\text{Net profit/ (loss) after extraordinary items , as restated}}{\text{Net worth as restated at the end of the period}}$$

$$(f) \quad \text{Net Assets Value per Equity Share (₹)} = \frac{\text{Net Worth}}{\text{Number of equity share outstanding at the end of the period}}$$

5. Net worth means sum of Equity share capital, Reserves and Surplus minus revaluation reserve
6. The Figures disclosed above are based on the restated financial statements of the Company.



Annexure 9:

RESTATED UNCONSOLIDATED CAPITALIZATION STATEMENT AS AT SEP 30, 2014

(₹ in Million)

Particulars	Pre Issue	Post Issue (Refer Note No. 4 below)
Long Term Debt	98.20	-
Current maturity of long-term debt	40.24	-
Short Term Debt	718.14	-
Total Debt	856.58	-
Shareholders' Funds		
- 10,002,269 Equity Shares of ₹ 10/- each	100.02	-
- 11,351,185 Redeemable Preference Shares of ₹ 10/- each	113.51	
- Share Application money pending allotment	-	
Reserve & Surplus*		
- Share Premium	483.04	-
- Statutory Reserve	151.01	-
- General Reserve	32.32	-
- Share option outstanding	0.67	-
- Profit & Loss Account	357.47	-
Total Shareholders' Funds	1,238.04	-
Long term Debts / Shareholder's funds	0.08	-
Total Debt / Shareholders' Funds	0.69	-

Note :

- Short term debts represents debts which are due within twelve months from September 30, 2014 exclude interest accrued and due.
- Long term debt represents debt other than short term debt, as defined above and current maturity of Long-term debt maturity within 12 months.
- The figures disclosed above are based on the restated statement of assets and liabilities September 30, 2014.
- The corresponding post issue figure will be determined upon the finalisation of issue price.

* Excluding Revaluation Reserve



MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

*You should read the following discussion of our financial condition and results of operations together with our restated consolidated financial statements for the six month period ended September 30, 2014 and each of fiscals 2014, 2013, 2012 and 2011 , including the notes thereto and the report thereon, which appear elsewhere in this Draft Red Herring Prospectus. You should also read the section titled "**Risk Factors**" on page 11, which discusses a number of factors and contingencies that could impact our financial condition and results of operations. The following discussion relates to our Company, unless otherwise stated, is based on restated financial statements.*

*These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI ICDR Regulations and restated as described in the report of our Auditors dated February 26, 2015, which is included in this Draft Red Herring Prospectus under "**Financial Statements**". The restated financial statements have been prepared on a basis that differs in certain material respects from generally accepted accounting principles in other jurisdictions, including US GAAP and IFRS. We do not provide a reconciliation of our restated financial statements to US GAAP or IFRS and we have not otherwise quantified or identified the impact of the differences between Indian GAAP and US GAAP or IFRS as applied to our restated financial statements.*

*Accordingly, the degree to which the financial statements in this Draft Red Herring Prospectus will provide meaningful information to a prospective investor in countries other than India depends entirely on such potential investor's level of familiarity with Indian accounting practices. Our fiscal year ends on March 31 of each year; therefore, all references to a particular fiscal are to the twelve-month period ended March 31 of that year. See also the section titled "**Certain Conventions, Use of Financial, Industry and Market Data and Currency of Presentation**" on page 8.*

*This discussion contains forward-looking statements and reflects our current plans and expectations. Actual results may differ materially from those anticipated in these forward-looking statements. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. Given these uncertainties, prospective investors are cautioned not to place undue reliance on such forward-looking statements. Factors that could cause or contribute to such differences include, but are not limited to, those discussed in the sections titled "**Risk Factors**", "**Forward-Looking Statements**" and "**Our Business**" on pages 11, 10 and 121, respectively. In this section "our Company" and "it" refers to SSIPL Retail Limited and "we", "us" and "our" refers to our Company along with its subsidiary SSIPL Lifestyle Private Limited, step down subsidiary Shubh Footwear Products Private Limited and a partnership firm Shree Shoes.*

Overview

We are primarily engaged in the retail, marketing and distribution of sports and lifestyle products including footwear, apparel, accessories and equipment. We specialise in the retail of a comprehensive range of sports and lifestyle brands while focussing on sports footwear. We believe that we are one of the leading companies having 19 years of experience across the verticals of manufacturing, and distribution and 16 years of organised retail expertise of internationally established sports and lifestyle brands in the Indian market. We have partnered with various leading global brands such as Nike, Puma, Lotto, Levi's, Clarks and United Colors of Benetton across the retail and manufacturing spheres. We also retail certain domestic brands such as Mmojah and Cobblerz.

Retail Business

We are retailers of international brands in the sportswear category in India. As on December 31, 2014, we have an extensive network of 440 stores, spread across 92 cities. Our retail stores are targeted at specific market segments and carry a comprehensive range of footwear, apparel and accessories. We are the largest retail partners for Nike and Lotto in India

With over 16 years of experience in organised retailing in India, we have carved a niche for ourselves in the retail market and have helped our partner brands in establishing a strong retail presence in India. As on December 31, 2014, we operate 411 Exclusive Brand Outlets ("**EBOs**") for Nike, Levi's, Lotto, United Colors



of Benetton, Clarks, and Mmojah.

We also retail various international and domestic brands through multi-brand concept stores of SSIPL Lifestyle Private Limited, our wholly owned subsidiary, viz. ShoeTree, ShoeTree Sports, and Value Station. ShoeTree retails various casual footwear brands, including Clarks, Johnston & Murphy, Puma, Carlton London and Cobblerz. ShoeTree Sports retails amongst others, brands like Nike, Lotto, Puma, and Crocs. Value Station retails Nike, Levi's, Lotto and United Colors of Benetton.

Our retail concepts stores are focussed on providing a standard elevated shopping experience to customers and are developed after taking into account the store location, the demographic profile of consumers of that area and the store size. The range of products based on their price points, design and fashion quotient could vary from one location to another depending on the demographic factors of the store.

We also distribute fitness equipments for Nike, in India. We also are the exclusive licensee for Smiley footwear in India.

Manufacturing Business

We manufacture footwear for certain international brands such as Nike, Puma, Lotto and United Colors of Benetton. We manufacture various kinds of footwear such as sports shoes and thongs, on the basis of specifications provided by the respective partner brands.

We have manufacturing facilities in Haryana, Himachal Pradesh and Uttarakhand. As at December 31, 2014, our Company operates a total of seven manufacturing facilities with a total production capacity of 4.89 million pairs of footwear and thongs per annum. Our first athletic footwear manufacturing facility in India was set up in 1995 at Kundli, Haryana and subsequently an additional manufacturing facility was set up in 2014. Further, we have set up three manufacturing facilities in Paonta Sahib, Himachal Pradesh in the year 2003, 2005 and 2010. We have also acquired a footwear manufacturing unit in Paonta Sahib, Himachal Pradesh in 2013. Another facility in Selaqui, Uttarakhand was established in 2009.

We are the largest authorised manufacturer of Nike footwear in India and have been manufacturing footwear for Nike for over 19 years. We are the largest footwear manufacturer for Puma and Lotto for the Indian market.

Significant Factors Affecting Results of our Operations

Our business, results of operations and financial condition are affected by a number of factors, including:

Managing relationships with our partner brands

We have been associated with various international and domestic brands for several years in India. These associations have given us an insight in how global brands function and has helped us understand the brand ethos of various brands and their strategy in India.

Our Company's retail business constituted 71.85%, 77.05%, 76.43% and 71.90% of our total revenues in the six months period ended September 30, 2014 and Fiscals 2014, 2013 and 2012 respectively. As regards our Company's retail business, our Company has derived and may continue to derive a significant portion of its income from a few major brands. For the six months period ended September 30, 2014 and Fiscals 2014, 2013 and 2012, its three largest brands accounted for approximately, 92.81%, 93.64%, 93.05% and 93.74% of its total revenue from its retail business.

Our Company's manufacturing business constituted 28.15%, 22.95%, 23.57% and 28.10% of our total revenues in the six months period ended September 30, 2014 and Fiscals 2014, 2013 and 2012 respectively. As regards our Company's manufacturing business, our Company has derived and may continue to derive a significant portion of its income from a few major brands. For the six months period ended September 30, 2014 and Fiscal 2014 its three largest brands accounted for approximately ₹ 1,154.15 million, and ₹ 1677.14 million of its total revenue from its manufacturing business.

Our Company constantly seeks to diversify and expand its brand and product portfolio in its business by partnering with new brand companies.



It is therefore imperative that our Company manages its existing relationships with our partner brands well and also forge new relationships while taking care that such existing clients and arrangements are not adversely disturbed.

Acceptance of our products by consumers

People in different geographical locations of India have different shopping patterns and tastes. In particular, the performance of our retail stores is sensitive to local consumer tastes and spending patterns. The success of our operations depends in part on the partner brand's marketing abilities, our own ability to select new merchandise from our suppliers that gain customer acceptance, and our ability to make available sufficient quantities of attractive and popular merchandise to satisfy consumer demand. Any non acceptance of new merchandise identified by us or failure on the part of brand companies in their marketing abilities may have an adverse impact on our Company.

Our sales and expansion into new markets are dependent, in part, on the strength and reputation of the brands that we carry, and are also subject to consumers' perception of the merchandise that we sell.

Expansion of retail stores

Our extensive network of retail stores allows us to reach a wide range of consumers and ensures effective penetration of the products that we retail across India.

As on December 31, 2014, we have an aggregate retail gross floor area of over 453,000 square feet and a network of 440 stores across India, of which 389 are EBOs of international brands namely Nike, Lotto, Levi's, Clarks and United Colors of Benetton, 22 EBOs of Mmojah, and 29 stores are concept stores under the name of ShoeTree, ShoeTree Sports and Value Station.

Our ability to effectively execute our expansion strategy depends on our ability to open new retail stores successfully, which depends on many factors, including, among other things, our ability to:

- identify suitable store locations, the availability of which is outside of our control;
- negotiate acceptable lease terms;
- successfully integrate new outlets into our existing operations;
- identify and satisfy the merchandise preferences of new geographic areas; and
- adequately train store personnel.

With an experience of setting up stores in various parts of India and working with various international and domestic brands, we are geared to take on opportunities for expansion, both in terms of opening new stores in any part of India and working with new brands. Our business would be adversely effected if we are unable to execute our expansion plans or if our partner brands impose restrictions in respect of opening of any new stores.

Strengthen infrastructure for manufacturing

Our manufacturing business allows us to exercise control over the manufacturing costs as well as the quality of the products manufactured. Manufacturing footwear for the Indian market within India is not only economical for international brands but also facilitates customisation of designs to meet the requirements of Indian consumers. The Company intends to strengthen our infrastructure by adding capacity, upgrading equipment and improving internal processes of quality control and safety which will further help our Company cater to the local requirements of customers by manufacturing high quality products.

Significant Accounting Policies

The restated financial statements have been prepared by applying the necessary adjustments to the audited financial statements of our Company. For a full description of our significant accounting policies adopted in the preparation of the restated financial statements, see "**Financial Statements**" at page 189 of this Draft Red Herring Prospectus.



Indian GAAP requires that we adopt accounting policies and make estimates that our Directors believe are most appropriate in the circumstances for the purposes of giving a true and fair view of our results of operations and the understanding of our financial condition and results of operations. The preparation of our financial statements may require us to make difficult, complex and subjective judgments in selecting the appropriate estimates and assumptions that affect the amounts reported in our financial statements. There can be no assurance that our judgments will prove correct or that actual results reported in future periods will not differ from our expectations reflected in our accounting treatment of certain items. While we believe that all aspects of our financial statements should be studied and understood in assessing our current and expected financial condition and results, we believe that the following critical accounting policies, as described in our restated financial statements, warrant additional attention:

A. Basis of preparation of Consolidated Financial Statements:

- (i) The Restated Consolidated Summary Statements of the group are based on the consolidated financial statement of the group prepared in accordance with the Accounting Standard 21 'Consolidated Financial Statements' specified under section 133 of the Act, read with rule 7 of the Companies (Account) Rules, 2014.

The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements.

- (ii) The financial statements of the company and the subsidiary are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balance/transactions in full as per Accounting Standard-21 on Consolidated Financial Statements.
- (iii) The difference between the cost of investment in the subsidiary, over the net assets at the time of acquisition of shares in the subsidiary is recognised in the financial statements as Goodwill or Capital Reserve as the case may be. Goodwill arising on consolidation is amortised over the period of five year.
- (iv) Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the group's shareholders. Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the group.

B. Use of Estimates

The preparation of financial statements requires the management of the group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provisions for doubtful debts and advances, employee benefits, provision for income taxes, impairment of assets and useful lives of fixed assets.

C. Revenue Recognition :

Revenue is recognised when it is earned and no significant uncertainty exists as to its realisation or collection. Sales is net of returns, discounts and value added Tax/ Sales Tax. Export sales is accounted as revenue on the basis of Bill of Lading. Other income is recognised on accrual basis.

D. Fixed Assets and Depreciation :

(i) Tangible Assets

- (a) Fixed Assets are stated at cost which is inclusive of cost of acquisition, construction, erection, installation and capitalisation of pre-operative expenses. Depreciation on fixed assets is provided pro-rata to the period of use, on the written



down value method. The depreciation rates for all assets upto the year ended 31.03.2014 except Furniture and Fixtures of Retail Stores are as per Schedule XIV of the Companies Act, 1956 and for the Furniture and Fixtures for Retail Stores is based on an estimated useful life of five years on monthly pro-rata basis. Effective from 01.04.2014, Depreciation is charged on the basis of useful life of the fixed assets on monthly pro-rata basis. The Company has adopted useful life of assets (except for Furniture and Fixtures of Retail Stores) as given in Part 'C' of schedule II of the Companies Act, 2013. In respect of the Furniture and Fixtures for Retail Stores, the management based on technical advice and nature of industry has estimated that the useful life of Furniture and Fixtures for Retail Stores are of five years, no change in useful life as estimated earlier.

- (b) Each retail shop is treated as a project. All capital expenses incurred in relation to a Project prior to the completion of project and commencement of trading at the shop are treated as Pre-operative expenses and are capitalised along with Shop Interiors/Fixtures/Leasehold Improvements.

(ii) **Intangible Assets**

Computer Software are capitalised and depreciated on an estimated useful life of three years.

E. **Inventories**

Inventories are valued at lower of cost and net realisable value. Cost includes all expenses incurred in bringing the goods till their first location in the group and is determined on FIFO basis but excludes VAT/Excise Duty for which credit has been obtained by the group.

F. **Retirement and other Employees Benefits :**

i) **Long Term Employee Benefits**

(a) **Defined Contribution Plans**

The group's contribution to defined contribution plans i.e. Provident Fund is recognised in Statement of Profit & Loss on accrual basis.

(b) **Defined Benefit Plans**

The group's liabilities under Payment of Gratuity Act (Funded) and long term compensated absences are determined on the basis of actuarial valuation made by the independent Actuary at the end of each financial year using the Projected Unit Credit Method. Obligation is measured at the present value of estimated future Cash flows using a Discounted Rate that is determined by reference to Market yield at the Balance date on Government Bonds where the currency and the terms of the Government Bonds are consistent with the currency and estimated terms of the defined benefit obligation.

(c) **Other Long Term Employee Benefits**

Other long term benefit is provided on the basis of valuation as at the date carried out by independent actuary. The actuarial valuation method used by independent actuary for measuring the liability is the Projected Unit Credit Method

- ii) Actuarial gains and losses comprise experience adjustments and the effects of the changes in actuarial assumptions are recognised immediately in the Profit & Loss Account as income or expense.

- iii) Employee benefits which fall due wholly within twelve months after the end of the period in which the employees render the related service are recognised at the amount expected to be paid for it.



G. Foreign Currency Transactions

Transactions in foreign currency are recorded at the rates of exchange prevailing on the date of transaction. All foreign currency Assets/ liabilities are re-stated at the exchange rate prevailing at the date of balance sheet and the difference is taken to Profit and Loss account as foreign exchange fluctuation loss/ gain.

H. Earning per share :

Basic earnings are calculated by dividing the net profit/ (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earning per share are calculated by dividing the net profits attributable to ordinary equity holders and potential equity holders by the weighted average number of ordinary equity shares outstanding during the year and weighted average number of equity shares that would be issued on conversion of all the diluted potential ordinary shares into ordinary shares.

I. Borrowing Costs :

Borrowing costs that are directly attributable to the acquisition and construction of a qualifying asset are capitalised along with the cost of that asset upto the date when such assets are ready for its intended use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

J. Investments :

Long term investments are stated at cost after deducting provision made, if any, for other than temporary diminution in the value. Current investments are stated at lower of Cost and fair value.

K. Taxation :

- (i) Provisions for current tax are made on the basis of estimated taxable income for the current accounting year in accordance with the Income Tax Act, 1961.
- (ii) The deferred tax for timing differences between the book profits and tax profits for the year is accounted for, using the tax rates and laws that have been substantively enacted as at the Balance Sheet Date. Deferred tax assets arising from timing differences are recognised to the extent there is reasonable certainty that these would be realised in future.
- (iii) Deferred tax assets, in case of unabsorbed losses and depreciation, are recognised only if there is virtual certainty that such deferred tax asset can be realised against future taxable profits.

L. Contingent Liabilities and Provisions :

- (i) Contingent Liabilities are possible but not Probable Obligations as on the Balance Sheet date, based on the available evidence.
- (ii) Provisions are recognised when there is a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made.
- (iii) Provisions are determined based on best estimate required to settle the obligation at the Balance Sheet date.
- (iv) Liabilities of contingent nature are not provided for in the books and are disclosed by way of notes on accounts.

M. Operating Leases :

Leases, where significant portion of risk and reward of ownership are retained by the Lessor, are classified as Operating Leases and lease rentals thereon are charged to the Profit and Loss Account.



N. Impairment of Assets :

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/ external factors. An asset is treated as impaired when the carrying cost of the assets exceed its recoverable value. An impairment loss, if any, is charged to the Profit and Loss Account in the year, in which an asset is identified as impaired. Reversal of impairment losses recognised in prior year is recorded when there is an indication that the assets no longer exist or have decreased.

O. Government Grants :

Government Grants are recognised when there is reasonable assurance that the same will be received. Revenue grants are recognised in the Profit and Loss Account. Capital grants relating to specific fixed assets are reduced from the gross value of the respective fixed assets. Other capital grants are credited to capital reserve.

P. Employees' Stock Option Scheme (ESOS) :

The group calculates Employees' Stock compensation expense based on the fair value method wherein the fair value of the options given to employees under the Employees' Stock Option scheme (ESOS) of the group is recognised as deferred stock compensation expense and is amortised over the vesting period of options.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies in relation to the preparation of the financial statements of the Company over last four years.

Components of revenue and expenses

Revenue

Our total revenue comprises of our revenue from operations and other income. Our revenue from operations includes our revenue from sale of various products and other operating income.

Revenue from Operations (net of excise duty and VAT)

Our revenue from operations substantially comprises of retail of various products and sales of manufactured goods. The gross turnover is adjusted for excise duty paid by us and VAT, to arrive at our revenue from operations (*net of excise duty and VAT*).

Other income

Our other income primarily comprises of interest income, Interest on Fixed Deposits, Consumable trades on bank deposits, Liability no longer required written back, Excess provision written back and Miscellaneous Income.

Expenses

Our total expenses, also expressed as a percentage of our total revenue, as reflected in our restated consolidated financial statements for the six month period ended September 30, 2014 and fiscal 2014, fiscal 2013 and fiscal 2012 is 98.83%, 96.43%, 97.34% and 97.44% respectively.

Our total expenses comprise of the following: cost of material consumed, purchases of stock-in-trade, changes in inventories of finished goods, stock in trade and work in progress, employee benefits expense, finance costs, depreciation and amortisation expense, and other expenses.

Cost of raw materials consumed



Our cost towards raw materials consumed consist primarily of costs of adhesive, packing material, rubber, sole upper, consumables and others. Cost of raw materials consumed indicates the difference between the opening and closing stock, as adjusted for raw materials purchased during the period. This cost pertains to the manufacturing segment.

Purchases of Stock-in-Trade

Our purchases of stock in trade indicate the purchases of goods including footwear, apparel, accessories and equipments for trade/ retail during the fiscal. This cost pertains to the retail segment.

Changes in inventories of finished goods, stock in trade and work in progress

Our changes in inventories include changes in the opening stock and the closing stock of our (i) finished products and stock in trade, primarily shoes and thongs, and (ii) Work - in - Progress, primarily upper and sole.

Employee benefit expense

Our employee benefit expenses comprise of salaries and wages, bonus and incentive on sales, contribution to provident funds and ESIC funds, gratuity, leave encashments, staff welfare expenses, training and development expense, recruitment expenses and ESOS expenses.

Finance costs

Our finance costs primarily comprise of interest paid on our debt facilities, including term loans, working capital loans and vehicle loans, other finance costs such as interest paid in relation to delayed payment of income tax, as well other associated borrowing costs such as loan processing charges and other bank charges such as commission on credit card sales, charges on cash pick-up from retail stores, letter of credit and bank guarantee charges.

Other Expenses

Our other expenses primarily comprise of (a) Manufacturing expenses; and (b) Administrative, selling and distribution expenses.

Manufacturing expenses further comprise of expenses for power and fuel, factory rent, repair and maintenance of plant, machinery and buildings, and insurance.

Administrative, selling and distribution expenses primarily comprise of rental expense for stores and warehouses, commissions paid on sales, mall maintenance expenses, rates and taxes among other things pertaining to registration of lease documents, communication expenses, expenses pertaining to travelling and conveyance, repairs and maintenance of plant and machinery and building, legal and professional fees, printing and stationery expenses, electricity expenses, insurance charges, security expenses, payment to auditor, store audit expense, advertisement expenses, consumables, royalty, logistics and distribution, loss on foreign currency transactions and translation and doubtful advances/debts written off.

Operational Parameters Analysis

Number of Stores

The following table gives detail of number of stores at the beginning of each year, stores opened during the year, stores for the six month period September 30, 2014 and for the Fiscals 2014, 2013, 2012 and 2011:

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
No. of stores at the beginning of the Fiscal	427	339	289	213	186
Stores opened during the	37	107	76	86	48



Fiscal					
Stores closed during the Fiscal	18	19	26	10	21
Total stores at the end of the Fiscal	446	427	339	289	213

Our Company has increased our stores from 186 stores as on April 1, 2010 to 427 stores as on March 31, 2014 with a 23.09% over the last four Fiscals.

Our Presence

A significant number of our stores are present in Tier-II and Tier-III cities. As of September 30, 2014, 42.83% of our stores are located in Tier-II and Tier-III cities. The breakup of our presence in Metro and Tier-I, Tier-II and Tier-III cities is depicted below:

Particulars	For the six month period ended September 30, 2014	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012	As on March 31, 2011
Metro & Tier-I	255	249	207	181	132
Tier-II	113	106	85	67	52
Tier-III	78	72	47	41	29
Total	446	427	339	289	213

Size and Income from Stores

The following table gives detail about size of stores, average retail space, sales and average sales price per square feet for the six month period September 30, 2014 and for the Fiscals 2014, 2013, 2012 and 2011.

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
Total retail space in stores (in Sq.Ft.)	453,841	432,325	362,334	299,526	226,511
Average retail space (Sq.Ft.)*	437,643	398,081	312,340	260,587	199,048
Sales (Revenue from Operation) (₹ in millions)**	3,262.65	6,280.77	5,390.84	4,208.73	3,132.85
Average sales per Sq.Ft. (in ₹)	*** 7,189	14,528	14,878	14,051	13,831

*Average retail space means the weighted average Sq. Ft. calculated on the basis of the number of days a store was operational during the year.

**The gross sales amount is inclusive of VAT and business of stores running as on March end and not considered of closed retail stores

***Average sales per sq. ft. is for the 6 months period only

We have increased our retail space from 226,511sq. ft. in Fiscal 2011 to 432,325 sq.ft.in Fiscal 2014 at a CAGR 24.04%.

Tier wise Sales Break-up

The following table gives detail about gross sales as per our classification of cities:

(₹ in million)

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
Metro & Tier-I	2,359	4,569	3,969	3,230	2,424
Tier-II	686	1,329	1,124	787	577
Tier-III	217	383	298	191	132
Total	3,263	6,281	5,391	4,209	3,133

* Business of stores running as on March/September end and not considered of closed stores.



Inventory Turnover

Inventory turnover ratio is the number of times we are able to turn our inventory in a year and is determined as the cost of goods sold during the year to the average of the opening and closing inventory. This helps us to better align the supply chain planning and store wise demand for inventory.

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
Inventory Turnover ratio	1.28	2.79	2.95	3.39	4.09
Average Inventory (in days)	143	131	124	108	89

Average Billing/Transaction Size

Average billing is the average value of the cash memo, also referred to as the 'Ticket Size,' which is determined by sales divided by number of cash memos. Average billing helps us to understand the profile of our customers and accordingly improve our merchandising planning based on the average power of our customers. The following table sets forth the details of average billing:

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012
Average billing per cash memo (in ₹)	3,159	3,171	2,947	2,780

Gross Margins

Gross Margins is the difference between revenue from operation and the cost of goods sold. Cost of Goods Sold (COGS) includes cost of raw material consumed, purchase of finished goods and direct expenses. Our revenues from operations, COGS and Gross Margins are as follows:

(₹ in million)

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
Revenue from Operation	4220	7,619	6,721	5,711	3,725
Cost of Goods Sold	2,446	4,285	3,875	3,398	2,498
Gross Margin	1775	3,334	2,847	2,313	1,227
Gross Margin %	42%	44%	42%	41%	33%

Like to Like Sales / Same store sales

"Like to Like Sales" means the sales of a particular store vis – a – vis the previous year i.e stores which have been operational for 12 months in a year. Our "Like to Like Sales" is as follows:

Particulars	For the six month period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012	Fiscal 2011
No. of stores open atleast a year	367	337	283	209	161
Current year sales (₹ in mn.)	2,985	5,516	4,613	3,408	2,594
Previous year sales (₹ in mn.)	2,716	5,266	3,997	2,994	2,409
Like to Like Gross Sales Growth (%)	10%	5%	15%	14%	8%



Our Results of Operations

The following table sets forth certain information with respect to our revenues, expenses and profits, also expressed as a percentage of our total revenue, for the six month period ended September 30, 2014 and for fiscal 2014, fiscal 2013 and fiscal 2012, as derived from our restated consolidated financial statements:

Particulars	For six months ended Sept 30, 2014		Fiscal 2014		Fiscal 2013		Fiscal 2012	
	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue	Amount	% of total revenue
INCOME								
Revenue from Operations	-							
Turnover	4,529.14	107.15	8,165.67	107.06	7,205.75	106.97	6,082.48	106.35
Less: Excise Duty & VAT	(308.90)	7.39	(549.82)	(7.21)	(484.41)	(7.19)	(371.37)	(6.49)
Net Turnover	4,220.24	99.84	7,615.85	99.85	6,721.34	99.78	5,711.10	99.85
Income from Job work	-	0.00	3.28	0.04	-	-	-	-
Other Income	6.82	0.16	7.86	0.10	15.05	0.22	8.37	0.15
Total (A)	4,227.05	100.00	7,626.99	100.00	6,736.39	100.00	5,719.47	100.00
EXPENDITURE								
Cost of materials consumed	691.27	16.35	1,067.45	14.00	918.62	13.64	1,017.49	17.79
Purchase of Stock in Trade	1,941.21	45.92	3,432.83	45.01	2,952.55	43.83	2,611.99	45.67
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	(278.60)	(6.59)	(312.06)	(4.09)	(43.82)	(0.65)	(273.20)	(4.78)
Employee Benefits Expense	567.06	13.42	940.44	12.33	783.78	11.65	667.56	11.67
Finance Cost	89.97	2.13	138.16	1.81	117.13	1.74	119.90	2.10
Depreciation and Amortization Expense	126.93	3.00	212.64	2.79	182.81	2.71	159.56	2.79
Other Expenses	1,039.75	24.60	1,875.16	24.59	1,646.31	24.44	1,269.91	22.20
Total (B)	4,177.60	98.83	7,354.63	96.43	6,557.40	97.34	5,573.20	97.44
Profit before taxation	49.45	1.17	272.37	03.57	178.99	2.66	146.27	2.56
Profit after tax but before share of results of subsidiary and minority interest	37.02	0.88	212.63	2.79	181.60	2.70	112.79	1.97
Adjustment on consolidation for pre acquisition profit	-		0.52	-	(3.47)		(5.60)	
Profit after tax before minority interest	37.02	0.88%	213.14	2.79%	178.12	2.64	107.20	1.87
Less : Share of minority interest	0.03		-	-	-	-	1.66	
Profit	36.99	0.88	213.14	2.79	178.12	2.64	108.85	1.90

Adjustments for restatement

	For six months ended Sept 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net Profit / (Loss) after Tax as per the audited Financial Statements	36.34	199.17	182.02	67.37
Restatement to prior period items				
- Prior period	-	(15.82)	15.82	(0.17)
- Exceptional Items	-	-	-	(53.70)
- Extra-ordinary Items	-	-	(12.54)	8.33
- Tax adjustments	-	(0.46)	0.95	1.69
- Deferred Tax	-	1.67	(0.34)	2.37
- Adjustment for unrealised profit on GIT	(0.65)	0.65	-	-
Total Adjustments	(0.65)	(13.97)	3.90	(41.48)



Net Profit / (Loss) after Tax as restated	36.99	213.14	178.12	108.85
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Six month period ended September 30, 2014

Revenue

Our total revenue for the six month period ended September 30, 2014, was ₹4227.05 million. The total revenue comprised of revenue from operations and other income.

Revenue from operations

Our revenue from operations for six month period ended on September 30, 2014, was ₹4220.24 million. Our revenue from retail and distribution accounted for ₹3032.17 million which was 71.85% of revenue from operations and our revenue from manufacturing accounted for ₹1188.07 million i.e.28.15% of revenue from operations.

Other Income

Our other income for the six month period ended on September 30, 2014 was ₹6.82million which was which was 0.16% of total revenue.

Expenses

Our total expenditure for the six month period ended on September 30, 2014 was ₹4177.60million which was 98.83% of total revenue. This was primarily attributable to cost of material consumed amounting to ₹691.27 million which was 16.55% of total expenditure; and purchases of stock in trade amounting to ₹1941.21million which was 46.47% of total expenditure. Further, changes in inventories of finished goods was ₹(13.61) million, stock in trade and work in progress was ₹(264.99) million, employee benefits expenses was ₹567.06million; finance expenses was ₹89.97million; depreciation and amortisation expenses was ₹126.93million and other expenses was ₹1039.75 million.

Profit after tax, as restated

As a result, profit in for the six month period ended on September 30, 2014 was ₹36.99 million.

Fiscal 2014 compared with fiscal 2013

Revenue

Our total revenue increased by ₹890.60 million, or 13.22% from ₹6736.39 million in fiscal 2013 to ₹7626.99 million in fiscal 2014.

Revenue from Operations (net of excise duty and VAT)

Our revenue from operations increased by ₹897.80 million, or 13.36% from ₹6721.34 million in fiscal 2013 to ₹7619.14 million in fiscal 2014. This increase was largely due to ₹319 million increase in revenue from sale of footwear, ₹576 million increase in revenue from sale of apparels and others to include accessories and equipment.

Our revenue from retail and distribution increased by ₹737.00 million, or 14% from ₹5135.73 million in fiscal 2013 to ₹5872.73 million in fiscal 2014 due to increase in the number of retail outlets by 88 stores, full year revenue generation from 50 stores; and increase in revenue from existing stores. Similarly, the total revenue from manufacturing increased by ₹160.80 million, or 10.00% from ₹1585.61 million in Fiscal 2013 to ₹1746.41 million in fiscal 2014. This increase was due to an increase in the price of products sold and the number of units sold.



Other income

Other income decreased by ₹7.20 million, or 47.82% from ₹15.05 million in fiscal 2013 to ₹7.85 million in Fiscal 2014 due to a decrease in written off liability no longer required.

Expenses

Our total expenses increased by ₹797.23 million, or 12.16%, from ₹6557.40 million in Fiscal 2013 to ₹7354.63 million in Fiscal 2014.

Cost of materials consumed

Our cost of materials consumed increased by ₹148.83 million, or 16.20%, from ₹918.62 million in Fiscal 2013 to ₹1,067.45 million in Fiscal 2014. This increase was primarily due to increase in purchase of raw material from ₹925.08 million in Fiscal 2013 to ₹1,166.81 million in Fiscal 2014. This increase in cost of raw materials was primarily driven by an increase in the purchase of packing material, sole and upper due to an increase of the production of products for Nike and Lotto.

Purchases of stock in trade

Our purchases of stock in trade increased by ₹480.28 million, or 16.27%, from ₹2952.55 million in Fiscal 2013 to ₹3432.83 million in Fiscal 2014. This increase in purchases of stock in trade was primarily driven by increased purchase of Apparel, accessories and equipment.

Our cost of purchase of apparel and other items including accessories and equipment increased by ₹514.41 million, or 31%, from ₹1648.28 million in fiscal 2013 to ₹2162.69 million in fiscal 2014. This was partially offset by a decrease in cost of purchase of footwear by ₹34.13 million, or 3%, from ₹1304.27 million in Fiscal 2013 to ₹1270.14 million in Fiscal 2014.

Changes in inventories of Finished goods, stock in trade and work in progress

Our cost of changes in inventories of finished goods, stock in trade and work-in-process decreased by ₹268.24 million or 612%, from ₹(43.82) million in Fiscal 2013 to ₹(312.06) million in Fiscal 2014. This decrease was due to an increase in changes in inventory of footwear by ₹428.51 million, or 974.00%, from ₹44.01 million in Fiscal 2013 to ₹(384.50) million in fiscal 2014, due to clearance of stock by sale to Reebok India Private Limited.

Employee benefit expenses

Our employee benefit expenses increased by ₹156.67 million, or 19.99%, from ₹783.78 million in Fiscal 2013 to ₹940.44 million in Fiscal 2014. This increase in our employee benefit expenses was driven by an increase in the salaries and staff welfare expenses. The increase in salaries and wages was due to increase in annual increments and an increase in the number of employees. The salaries and wages increased by ₹130.80 million, or 19.44%, from ₹672.74 million in Fiscal 2013 to ₹803.54 million in Fiscal 2014.

Finance costs

Our finance costs increased by ₹21.03 million, or 17.95%, from ₹117.13 million in Fiscal 2013 to ₹138.16 million in Fiscal 2014. This increase was primarily due to ₹10.51 million increase in interest expenses paid to our lender banks, due to an increase in borrowing cost of ₹4.02 million due to an increase in the working capital for new retail stores and an increase in bank charges of ₹5.23 million due to an increase in the credit card commission and cash pick up charges pertaining to the new retail stores and an increase in revenue.

Other expenses

Our Manufacturing Expenses increased by ₹70.84 million, or 53.14%, from ₹133.31 million in Fiscal 2013 to ₹204.15 million in Fiscal 2014. This increase was primarily due to an increase in power and fuel expenses, and upper/bottom production charges.



Our administrative, selling and distribution expenses increased by ₹158.01 million, or 10.44%, from ₹1513.00 million in Fiscal 2013 to ₹1671.01 million in Fiscal 2014. This increase was primarily due to increase in rental and mall maintenance expenses, commission paid, electricity expenses, expenses for logistics and distribution.

Profit before tax

Primarily due to the reasons described above, our profit before tax increased by ₹93.37 million, or 52.17%, from ₹178.99 million in Fiscal 2013 to ₹272.37 million in Fiscal 2014.

Tax

Due to an increase in our profit before tax, our provisions for tax liabilities increased by 16.40 million, or 198.34%, from ₹8.27 million in fiscal 2013 to ₹24.67 million in fiscal 2014. Our current tax increased by ₹21.56 million, from ₹47.34 million in fiscal 2013 to ₹67.59 million in Fiscal 2014 and our deferred tax assets was ₹64.85 million in 2013, as compared to ₹72.70 million in Fiscal 2014.

Net profit, as restated

Our profit after tax increased by ₹ 35.02 million, or 19.66 %, from ₹178.12 million in Fiscal 2013 to ₹ 213.14 million in Fiscal 2014.

Fiscal 2013 compared with fiscal 2012

Revenue

Our total revenue increased by ₹1016.92 million, or 17.78% from ₹5719.47 million in Fiscal 2012 to ₹ 6736.39 million in Fiscal 2013.

Revenue from Operations (net of excise duty and VAT)

Our revenue from operations increased by ₹1,010.23 million, or 17.69% from ₹5,711.10 million in Fiscal 2012 to ₹ 6,721.34 million in Fiscal 2013. This increase was largely due to a ₹438.41million increase in revenue from sale of footwear, ₹571.83million increase in revenue from sale of apparels and others which include accessories and equipment.

Our revenue from retail and distribution increased by ₹ 1,029.41million, or 25% from ₹ 4,106.32 million in Fiscal 2012 to ₹ 5,135.73 million in Fiscal 2013 due to an increase in the number of retail outlets by 50 stores, full year revenue generation from 76 stores; and increase in revenue from existing stores. The total revenue from manufacturing decreased by ₹ 19.17 million, or 1% from ₹ 1,604.78 million in Fiscal 2012 to ₹ 1,585.61 million in Fiscal 2013 due to discontinuation of manufacturing products for Reebok India Private limited since October 2012.

Other income

Other Income increased by ₹6.69 million, or 79.95% from ₹8.37 million in Fiscal 2012 to ₹15.05 million in Fiscal 2013 due to an increase in written off the liability no longer required.

Expenses

Our total expenses increased by ₹984.20 million, or 17.66%, from ₹5573.20million in Fiscal 2012 to ₹ 6557.40 million in Fiscal 2013.

Cost of materials consumed

Our cost of materials consumed decreased by ₹98.87million, or 9.72%, from ₹1017.49 million in Fiscal 2012 to ₹918.62 million in fiscal 2013. This decrease was primarily due to a decrease in the purchase of packing sole and upper due to the discontinuation of manufacturing products for Reebok India Private Limited in October 2012. This decrease was partially offset by an increase in the cost of consumables.



Purchases of stock in trade

Our purchases of stock in trade increased by ₹340.57 million, or 13.04%, from ₹2,611.99 million in Fiscal 2012 to ₹ 2,952.55 million in Fiscal 2013. This increase was primarily due to increase in purchase of footwear apparel, accessories and equipment. Our cost of purchase of footwear increased by ₹ 213.01 million, or 20%, from ₹ 1,091.27 million in Fiscal 2012 to ₹ 1,304.27 million in Fiscal 2013. Similarly, our cost of purchase of apparel and other items including accessories and equipment increased by ₹127.56 million, or 8%, from ₹ 1,520.72 million in Fiscal 2012 to ₹ 1,648.28 million in Fiscal 2013.

Changes in inventories of finished goods, stock in trade and work in progress

Our cost of changes in inventories of finished goods, stock in trade and work-in-process increased by ₹229.38 million or 83.96%, from ₹ (273.20) million in Fiscal 2012 to ₹(43.82) million in Fiscal 2013. This increase was due to a decrease in change of inventory of footwear by ₹141.84 million, or 145%, from ₹(97.83) million in Fiscal 2013 to ₹44.01 million in Fiscal 2014 as a consequence of Reebok India Private Limited dishonouring its orders.

Employee benefit expenses

Our employee benefit expenses increased by ₹116.23 million, or 17.41%, from ₹667.56 million in Fiscal 2012 to ₹783.78 million in Fiscal 2013. This increase in our employee benefit expenses was driven by a general increase in the salaries, and staff welfare expenses. The increase in salaries and wages was due to increase in annual increments and an increase in annual increments. The salaries and wages increased by ₹101.07 million, or 17.68%, from ₹571.67 million in Fiscal 2012 to ₹672.74 million in Fiscal 2013.

Finance costs

Our finance costs decreased by ₹2.77 million, or 2.31%, from ₹119.90 million in Fiscal 2012 to ₹117.13 million in Fiscal 2013. This decrease was primarily due to ₹16.35 million decrease in short term borrowings.

Other expenses

Our manufacturing expenses increased by ₹14.30 million, or 12.01%, from ₹119.01 million in Fiscal 2012 to ₹ 133.31 million in Fiscal 2013. This increase was primarily due to an increase in power and fuel expenses, and upper/bottom production charges.

Our Administrative, selling and distribution expenses increased by ₹362.11 million, or 31.46%, from ₹ 1,150.89 million in fiscal 2012 to ₹ 1,513.00 million in Fiscal 2013. This increase was primarily due to increase in rental and mall maintenance expenses, electricity expenses, commission paid, expenses for logistics and distribution.

Profit before tax

Primarily due to the reasons described above, our profit before tax increased by ₹32.72 million, or 22.37%, from ₹ 146.27 million in Fiscal 2012 to ₹ 178.99 million in Fiscal 2013.

Tax

Due to an increase in our profit before tax, our provisions for tax liabilities increased by ₹1.63 million, or 24.55%, from ₹ 6.64 million in Fiscal 2012 to ₹ 8.27 million in Fiscal 2013. Our current tax increased by ₹ 19.32 million, from ₹ 28.02 million in Fiscal 2012 to ₹ 47.34 million in Fiscal 2013 and our deferred tax assets increased by ₹ 49.94 million from ₹ 14.91 million in 2012 to ₹ 64.85 million in Fiscal 2013.

Net profit, as restated

Our profit after tax increased by ₹ 69.27 million, or 63.64 %, from ₹ 108.85 million in Fiscal 2012 to ₹ 178.12 million in Fiscal 2013.



Liquidity and Capital Resources

As of September 30, 2014, we had cash and bank balances of ₹ 61.45 million. Cash and bank balances consist of cash on hand, cheques on hand and deposit accounts including fixed deposits. Our primary liquidity requirements have been to finance our working capital requirements. We have met these requirements from cash flows from operations, proceeds from the issuance of equity shares, and short-term and long-term borrowings. Our business requires a significant amount of working capital. We expect to meet our working capital requirements for the next 12 months primarily from the cash flows from our business operations and working capital borrowings from banks as may be required.

Cash flows

Set forth below is a table of selected information from the Company's statements of cash flows for the periods indicated.

Particulars	(₹ in million)			
	Period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012
Net cash from/ (used in) operating activities	251.00	151.40	355.95	361.90
Net cash from/ (used in) investing activities	(135.18)	(263.71)	(271.66)	(418.85)
Net cash from/ (used in) financing activities	(109.19)	93.56	(141.14)	131.24
Net increase/ (decrease) in cash and cash equivalents	6.63	(18.76)	(56.86)	74.30
Opening cash and cash equivalents	50.13	68.89	125.75	51.45
Closing cash and cash equivalents	56.77	50.13	68.89	125.75

Net cash from/used in operating activities

Net cash from operating activities in the period ending September 30, 2014 was ₹ 251.00 million and our operating profit before working capital changes for that period was ₹ 280.56 million. The difference was primarily attributable to an increase of ₹ 512.96 million due to an increase in trade payable and other current liabilities. This was partially off-set by an increase of ₹ 496.31 million due to increase in inventories, trade receivables, loans and advances and other receivables.

Net cash from operating activities in Fiscal 2014 was ₹ 151.40 million and our operating profit before working capital changes for that period was ₹ 647.07 million. The difference was primarily attributable to a ₹ 591.67 million increase in trade receivable, inventory and loan and advance. This was partially off-set by an increase of ₹ 147.06 in trade payable & other current liability.

Net cash from operating activities in Fiscal 2013 was ₹ 355.95 million and our operating profit before working capital changes for that period was ₹ 512.70 million. The difference was primarily attributable to a ₹ 172.34 million increase in trade receivable, Inventory and decrease in loans and advances. This was partially off set by an increase of ₹ 64.25 million trade payable and other current liability.

Net cash from operating activities in fiscal 2012 was ₹ 361.90 million and our operating profit before working capital changes for that period was ₹ 411.48 million. The difference was primarily attributable to a ₹ 676.11 million increase in inventory, loans and advances and other receivable. This was partially off-set by ₹ 657.98 million due to an increase in trade payables and other current liability and decrease in trade receivable.

Net cash used in investing activities

For the period ending September 30, 2014, our net cash used in investing activities was ₹ 135.18 million. This reflected the payments of ₹ 140.73 million towards the purchase of fixed assets, and payments of ₹ 0.60 million towards payment of investments. These payments were partially offset by sale of fixed assets and fixed deposit of ₹ 5.92 million and ₹ 0.23 million from interest received.

In fiscal 2014, our net cash used in investing activities was ₹ 263.71 million. This reflected the payments of ₹ 283.15 million towards the purchase of fixed assets, and payments of ₹ 1.10 million towards purchase of



investment. These payments were partially offset by sale of fixed assets of ₹ 10.04 million, fixed deposit of ₹ 10.07 million and ₹ 0.42 million from interest received.

In Fiscal 2013, our net cash used in investing activities was ₹ 271.66 million. This reflected the payments of ₹ 320.31 million towards purchase of fixed assets, adjustment on amalgamation of ₹ 160.79 million in fixed assets, payment of ₹ 0.10 million towards purchase of investment and payment of ₹ 1.55 million towards fixed deposit. These payments were partially offset by adjustment for cease of subsidiary of ₹ 192.10 million and sale of fixed assets of ₹ 17.31 million and sale of fixed assets and Interest received ₹ 1.68 million.

In Fiscal 2012, our net cash used in investing activities was ₹ 418.85 million. This reflected the payments of ₹ 421.43 million towards the purchase of fixed assets, ₹ 61.99 million adjustment for purchase of subsidiary in fixed assets, and payments of ₹ 0.50 million towards purchase of investment. These payments were partially offset by a fixed deposit of ₹ 36.80 million, sale of fixed assets of ₹ 20.10 million, interest received amounting to ₹ 5.17 million and capital subsidy received from government amounting to ₹ 3.00 million.

Net cash from financing activities

For the period ending September 30, 2014, our net cash used in financing activities was ₹ 109.19 million. This reflected the ₹ 89.06 million paid as interest, ₹ 24.63 million paid as dividend, ₹ 0.67 million paid as short term borrowing. These cash flows were partially off-set by ₹ 0.73 million received towards equity shares under ESOS 2008, and ₹ 4.45 million received as long term borrowing.

In Fiscal 2014, our net cash generated from financing activities was ₹ 93.56 million. This reflected the ₹ 259.57 million received as short term borrowing, ₹ 4.31 million received as equity shares under ESOS 2008 and ₹ 0.12 million received as adjustment on consolidation. These cash flows were partially off-set by ₹ 136.86 million paid towards interest, ₹ 22.02 million paid towards dividend and ₹ 11.57 million paid towards long term borrowing.

In Fiscal 2013, our net cash used in financing activities was ₹ 141.14 million. This reflected the ₹ 117.85 million paid as short term borrowing, ₹ 117.79 million paid as interest, ₹ 7.01 million due to adjustment on consolidation. These cash flows were partially off-set by ₹ 96.38 million received towards long term borrowings, and ₹ 5.12 million received towards equity shares under ESOS 2008.

In Fiscal 2012, our net cash generated from financing activities was ₹ 131.24 million. This reflected the ₹ 318.42 million received as short term borrowings, ₹ 14.28 million received as long term borrowing and ₹ 7.00 million due to adjustment on consolidation. These cash flows were partially off-set by ₹ 118.46 million paid towards interest, and ₹ 90.00 million paid towards redemption of preference shares.

Capital Expenditures

For six months ended September 30, 2014 and for fiscal 2014, 2013 and 2012, our capital expenditures were ₹ 140.73 million, ₹ 281.71 million, ₹ 320.31 million and ₹ 421.43 million, respectively. The following table provides a breakdown of our capital expenditure spend by category during the periods indicated.

(₹ in million)				
Particulars	Period ended September 30, 2014	Fiscal 2014	Fiscal 2013	Fiscal 2012
Capital Expenditure				
Retail & Distribution	90.67	189.52	240.89	155.48
Manufacturing	49.34	90.04	78.90	118.64
Unallocated	0.72	2.16	0.52	147.31
Total	140.73	281.71	320.31	421.43

Contractual obligations and commitments

Our Company's contractual obligations as of September 30, 2014 comprised an estimated amount of ₹ 1036.76 million for contracts remaining to be executed on capital account (net of advances). We expect that such obligations and commitments will not have any material effect on our liquidity and cash flows in future periods. We also have certain lease obligations with respect to the land on which certain of our printing



facilities are situated. The following table sets forth our Company's contractual obligations and commitments as of Sept 30, 2014

(₹ in Millions)

Particulars	Payments due by period			
	Total	Less than 1 year	2-5 years	More than 5 years
Long term borrowings	144.86	40.41	104.45	0
Deferred payment liabilities				
Short term borrowings	788.37	-	-	-
Operating leases	95.69	61.05	24.46	10.18
Contracts remaining to be executed on capital account and not provided for (net of advance)	7.84	7.84	-	-

Our Company's total amount of secured loans was ₹886.57 million as of September 30, 2014, with a current portion (consisting of cash credit and buyers credit facilities) of ₹788.37 million (which includes cash credit and working capital loan). Our Company's secured loans comprised of term loans and cash credit facilities. All of our Company's loans are currently Indian Rupee-denominated. For details of our loans, please see "**Financial Statements**" on page 189.

Contingent Liabilities

As of September 30, 2014, we had the following contingent liabilities that have not been provided for in our financial statements:

(₹ in millions)

Particulars	Amount
Claims against company not acknowledged as debts	11.26
Guarantees given	3.69
Taxation Matters in respect of which the Company is in appeal :	93.84
Excise Duty Liability on Closing Stock	5.46
Details of Foreign currency exposure not hedged by a derivative instrument or otherwise :	
Payables	24.62
Working Capital loan	125.89
Advance to suppliers	39.12

Off-Balance Sheet Arrangements

The Company does not have any off-balance sheet arrangements, derivative instruments or other relationships with any entities that would have been established for the purpose of facilitating off balance sheet arrangements.

Quantitative and qualitative disclosure about market risk

Interest rate risk

We are exposed to market rate risk due to changes in interest rates on our credit facilities that we entered into. As at September 30, 2014, we had ₹933.23 million of outstanding indebtedness, which exposed us to market risk as a result of changes in interest rates. We undertake debt obligations to support our working capital needs and capital expenditure. Upward fluctuations in interest rates increase the cost of debt and interest cost of outstanding variable rate borrowings. We do not currently use any derivative instruments to modify the nature of our debt so as to manage our interest rate risk.

Inflation

Inflationary factors such as increases in the cost of our product and overhead costs may adversely affect our operating results. Although we do not believe that inflation has had a material impact on our financial position or results of operations to date, a high rate of inflation in the future may have an adverse effect on our ability to maintain current margins if the selling prices of our products do not increase with these increased costs.

Unusual or infrequent events or transactions



Except as disclosed in this Draft Red Herring Prospectus, there are no events or transactions which may be described as “unusual” or “infrequent”.

Known trends or uncertainties

Our business has been impacted and we expect will continue to be impacted by the trends identified above in “Factors Affecting our Results of Operations” and the uncertainties described in “***Risk Factors***” on page 11. To our knowledge, except as we have described in this Draft Red Herring Prospectus, there are no known factors, which we expect to have a material adverse impact on our revenues or income from continuing operations.

Future relationship between expenditure and revenues

Except as described in “***Risk Factors***”, “***Our Business***”, “***Management’s Discussion and Analysis of Financial Condition and Results of Operations***” on pages 11, 121 and 319, respectively, to the best of our knowledge, there is no future relationship between expenditure and income that will have a material adverse impact on the operations and finances of our Company.

Competitive conditions

We compete in the branded footwear and apparel industry specifically in the sports footwear and apparel segments. For details, see “***Our Business - Competition***” on page 135.

Transactions with related parties

We have certain transactions with our related parties. For details, see “***Financial Statements - Statement of Related Party Transactions and Balances, as Restated***” on page 246.

Significant Dependence on a Single or Few Customers

We expect that a significant portion of our income will continue to be attributable to a limited number of brand partners in the near future. If we were to lose one or more of our major brand partners or if any one of our major brand partners significantly reduces its business with us or became financially troubled, our business, prospects, financial condition and results of operations would be adversely affected.

As a result of our significant reliance on a few brand partners, we may face certain issues including pressure to lower its rates or margins. The loss or significant decrease in the volume of business from one or more of our major brand partners for any reason may have an adverse effect on our business, financial condition and results of operations. For more information, see the section titled “***Risk Factors***” on page 11.

Increase in our Revenue

In addition to an increase in the volume of our business and the introduction of new products in the ordinary course of our business would also be expected to contribute to increase our revenue.

New Products or Business Segment

We have commenced digital retailing through our multi-brand e-commerce portal “www.ssiponline.com” as an extension of our business. We also intend to partner with new partner brands in the future. For more information, see the section titled “***Our Business***” on page 121.

Significant Regulatory Changes

Except as described in “***Regulations and Policies in India***” on page 138, there have been no significant regulatory changes that could affect our income from continuing operations.

Competitive Conditions



For information on our competitive conditions and our competitors, see the sections titled “**Risk Factors**” and “**Our Business**” on pages 11 and 121, respectively.

Taxes

For details regarding taxation and the regulatory environment in which the Company operates, see the sections titled “**Statement of Possible Tax Benefits available to the Company and its Shareholders**” and “**Regulations and Policies in India**” on pages 94 and 138, respectively.

Significant Developments after September 30, 2014

There has been no material development in relation to our Company since September 30, 2014, except as disclosed elsewhere in this Draft Red Herring Prospectus and as disclosed below.

1. Allotment of shares to OIJIF - Pursuant to share subscription agreement dated October 20, 2014, our Company has allotted 16,667 equity shares to Oman India Joint Investment Fund on January 08, 2015. For more details in this respect, please refer to section “**Capital Structure**” on page 64.
2. Transfer of retail business from SSIPL Retail to SSIPL Lifestyle - With effect from October 1, 2014, Company has transferred its business of Levi’s and Nike accessories to SSIPL Lifestyle Private Limited (its subsidiary) vide a master franchise agreement dated October 7, 2014. For more details in this respect, please refer to section “**Our Business**” on page 121.
3. Redemption of preference shares - Pursuant to a Termination Agreement dated October 20, 2014 executed with HBP Holding Limited, 11,351,185 Redeemable Preference Shares of ₹ 10 each were redeemed at par by our Company on January 07, 2015. For more details in this respect, please refer to section “**Financial Statements**” on page 189.



FINANCIAL INDEBTEDNESS

1. As on December 31, 2014, the aggregate outstanding borrowings of our Company and its subsidiaries is:

		(in ₹ million)
Sr. No.	Nature of borrowing	Amount
1.	Secured borrowings	868.65
2.	Unsecured borrowings	NIL
TOTAL		868.65

2. Details of secured borrowings availed by our Company

(a) *Axis Bank Limited*

Sanction letter dated May 20, 2009 as amended by sanction letters dated August 24, 2009, January 29, 2010, August 11, 2010, December 13, 2011, March 30, 2012, April 11, 2013, and September 02, 2014, term loan agreement dated May 06, 2013, foreign currency loan agreement dated June 11, 2012 as amended on September 14, 2012, March 10, 2014 and September 05, 2014, deeds of guarantee dated May 06, 2013 executed by Rishab Soni and Amit Mathur, deed of guarantee dated May 31, 2013 executed by Sunil Taneja, deeds of hypothecation dated May 06, 2013 and deeds of undertaking dated May 06, 2013 and December 26, 2014 executed by our Company, declarations with respect to connected lending and beneficial ownerships dated December 01, 2014.

Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/repayment/commi ssion	Security
Term loan (fund rupee based): ₹ 70 million	₹ 31.01 million	For general capital expenditure of our Company to open new exclusive business outlets.	<p>Rate of interest: Base rate + 2.50% i.e. 12.5% per annum.</p> <p>Penal interest: 1% per annum for delay in submission of stock statements/financial follow-up reports; 2% for overdrawing the account on the overdue amount.</p> <p>Repayment: 12 equal quarterly installments commencing after one year from the date of first disbursement.</p>	<p>Primary security: Exclusive charge on the project assets to be created by way of using the term loan.</p> <p>Collateral security:</p> <ul style="list-style-type: none"> First pari passu charge on the present and future current assets of our Company. First pari passu charge by way of equitable mortgage on the following fixed assets of our Company: <ul style="list-style-type: none"> (a) factory land and building located at Khewat No. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and (b) Land measuring 5 bigha at Khewat Khatoni No.
Cash credit facility (fund based): ₹ 368 million	₹ 363.56 million	CC Facility/WCDL/FC DL Facility: To meet the working capital requirements.	<p>Rate of interest:</p> <p>CC Facility: Base rate + 2.50%</p> <p>WCDL: Base rate + 2.00% for a tenor of six months.</p> <p>FCDL: To be decided at the time of disbursement.</p> <p>Penal interest: 1% per annum for delay in submission of stock statements/financial follow-up reports; 2% for overdrawing the account on the overdue amount.</p>	
<p>Limits:</p> <p>Cash credit of ₹ 368 million ("CC Facility")</p> <p>Sub – limits:</p> <p>(i) Working capital demand loan ("WCDL") facility of ₹ 100 million</p> <p>(ii) Foreign currency</p>				



Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/repayment/commission	Security
demand loan ("FCDL") facility of ₹ 100 million			Repayment: CC Facility: Repayable on demand. WCDL/FCDL: Six months on roll over basis.	106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.
Non-fund based: ₹ 30 million	₹ 9.89 million	LC: To purchase indigenous /imported raw materials, packing materials, stores and spares, import of machineries required for day to day operations. BG: To guarantee the advance/security deposits in favor of sales tax, excise, custom authority, other government/semi-government departments etc., inter alia, in connection with trade/activities of our Company. SBLC/LOU: For import of raw materials. LER: For undertaking forward transactions for tenor up to one year for hedging the foreign exchange exposure.	Rate of interest/commission: LC: Commission/charges of 0.75% per annum (all inclusive). BG: Commission of 1% per annum. SBLC/LOU: Commission of 1.25% per annum payable annually. LER: To be determined mutually at the time of drawdown Penal interest: 1% per annum for delay in submission of stock statements/financial follow-up reports; 2% for overdrawing the account on the overdue amount. Repayment: LC: At the end of 180 days. BG: At the end of 18 months inclusive of claim period. SBLC/LOU: At the end of 195 days. LER: At the end of one year from the date of draw down.	Personal guarantee: Amit Mathur, Rishab Soni and Sunil Taneja. Additional security for LC Facility: In addition to the Primary and Collateral security above, the goods procured under the LC facility will also act as security against procuring the said LC. Additional security for BG Facility: Counter guarantee of our Company in addition to the Primary and Collateral security above.
Limits: Letter of credit ("LC") of ₹ 30 million Sub-limit: (i) Bank guarantee (Inland/Foreign) ("BG") of ₹ 20 million (ii) Stand by letter of credit/letter of undertaking ("SBLC/LOU") of ₹ 30 million (within limit of LC) (iii) Loan equivalent risk ("LER") of ₹ 10 million (within LC limit)				

The following are certain restrictive provisions and material terms that are applicable in relation to the above loan availed by our Company from the lender:

1. Our Company is required to obtain the lender's prior written consent to:
 - (i) enter into any scheme of merger, amalgamation, compromise or reconstruction;
 - (ii) to permit any change in the ownership or control of our Company whereby the effective beneficial ownership or control of our Company shall change;
 - (iii) to effect any material change in the management of the business of our Company;
 - (iv) to make any amendments in its Memorandum and Articles;
 - (v) to avail of or obtain any further loan or facility on the property constituting the security during the currency of the loan;



- (vi) declare any dividend if any instalment towards principal or interest remains unpaid on its due date; or
 - (vii) make any change in the capital structure of our Company.
2. Our Company is not permitted provide surety or guarantee any third party liability or undertake any similar obligations towards a third party.
 3. Substantial change in the constitution or management of our Company without the prior written consent of the lender, would be considered an event of default entitling the lender to, recover the entire loan amount, suspend withdrawals of the loan, and take physical possession of the assets hypothecated/mortgaged with it and sell/transfer them to recover dues.
 4. The lender is empowered to withdraw in part or in full, or stop financial assistance, at any stage, without giving notice or reason.
 5. Our Company is barred from utilising the loan for the following:
 - (i) subscription to or purchase of securities;
 - (ii) extending loans to subsidiary companies/associates of our Company;
 - (iii) making inter-corporate deposits; or
 - (iv) any speculative purpose.
 6. Our Company, is required to obtain prior written consent of the lender, to conclude any fresh borrowing arrangements (either secured or unsecured) with any other banks or financial institutions and to create any charge over its fixed assets.
 7. The lender has a right to revise the pricing of any or all of the credit facilities if there is deterioration in the credit rating of our Company.
 8. Our Company shall not be permitted to prepay the loan unless acceptable to the lender, and on mutually acceptable terms.
 9. In case our Company wants to prematurely repay the foreign currency loan, the same may be repaid only at the sole discretion of the lender and the acceptance of the prepayment request shall be subject to terms and conditions including prepayment premium as may be stipulated by the lender.
 10. Our Company shall, under the cash credit facility, maintain a margin of 25% of raw material, stock-in-process, finished goods, stores and book debts.
 11. Our Company shall, under the term loan, maintain a debt equity ratio of 2.27.
 12. Our Company shall maintain net working capital at 25% for FY 2014.
 13. Our Company shall maintain a minimum debt service coverage ratio of 1.25 during the loan term.
- (b) **ING Vysya Bank**

Sanction letter dated July 06, 2012 and loan agreement dated July 26, 2012 as amended by sanction letter dated October 19, 2013 and November 10, 2014, facility agreement dated December 18, 2014, deeds of hypothecation dated July 26, 2012, December 16, 2013 and December 18, 2014, deeds of guarantee dated July 26, 2012, December 16, 2013 and December 18, 2014.



Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/Repayment	Security
Term loan facility: ₹ 71.50 million	₹ 65.97 million	For general capital expenditure of our Company to open new exclusive business outlets.	<p>Rate of interest: Base rate + 1.80 i.e 12.60% per annum.</p> <p>Penal interest: 2% per annum payable monthly (during the period of non-compliance on the limit outstanding /sanction) for any non-compliance of any conditions of sanction or irregularity in the account.</p> <p>Repayment: 60 equal monthly installments of ₹ 1.833 million, with a moratorium period of six months.</p>	<p>Primary security: Charge on the assets to be created out of the term loan.</p> <p>Collateral security: First pari passu charge by way of equitable mortgage on the following fixed assets of our Company: (a) factory land and building located at Khewat No. 71, Khasra No. 75, Khata Number 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and, (b) land measuring 5 bigha at Khewat Khatoni no. 106/157, Khasra No. 265/101 and 267/102 situated at village Bangram, Paontasahib, District Sirmaur, Himachal Pradesh.</p> <p>Personal guarantee: Amit Mathur, Rishab Soni, and Sunil Taneja.</p>
Cash credit (stock in trade and book debts) facility: ₹ 210 million	₹ 87.42 million	To meet working capital requirements.	<p>Rate of interest: IVBR + 1.55% i.e. 12.35% per annum.</p> <p>Repayment: Repayable on demand.</p>	<p>Primary security: Hypothecation of stock and book debts.</p> <p>Collateral security: First pari passu charge by way of equitable mortgage on the following fixed assets of our Company: (a) factory land and building located at Khewat No. 71, Khasra No. 75, Khata No. 96, Sersa Road, Kundli, Sonapat (Haryana) measuring 57 kanals and 3 marlas; and (b) land measuring 5 bigha at Khewat Khatoni No. 106/157, Khasra No. 265/101 and 267/102 situated at Bangram village, Paontasahib, Sirmaur District, Himachal Pradesh.</p> <p>Personal guarantee: Amit Mathur, Rishab Soni, and Sunil Taneja.</p>

The following are certain restrictive provisions and material terms that are applicable in relation to the above loan availed by our Company from the lender:

1. Our Company must intimate to the lender, without delay, any changes that may take place in the constitution or composition of the management irrespective of whether it has any impact on the risk profile of our Company.
2. Our Company shall not repay during the currency of the lender's exposure any unsecured loans and advances availed from friends/relatives/partners/directors.



3. Our Company is required to obtain the lender's prior written consent to:
 - (i) make any change to its constitution or management/board;
 - (ii) permit any transfer of controlling interest;
 - (iii) formulate any scheme of amalgamation or merger or reconstruction;
 - (iv) raise any term loans/debentures, incur major capital expenditures or make any investments either directly or through its subsidiaries;
 - (v) invest/lend/extend advances to the group or subsidiary companies;
 - (vi) extend corporate/financial/performance guarantees on behalf of its subsidiaries or group concerns or third parties;
 - (vii) declare any dividend if any instalment towards principal or interest remains unpaid on its due date; or
 - (viii) enter into any contractual obligations of a long term nature which affects our Company financially to a significant extent.
4. Our Company is required to intimate the lender upon the occurrence of a change in control of our Company or if the Promoter of our Company ceases to directly or indirectly, legally or beneficially hold less than 51% of the voting share capital of our Company. The lender is then, at its sole discretion, entitled to cancel the facility and declare outstanding amounts, together with accrued interest due and payable immediately.
5. Upon default in payment of instalments of principal or interest, the lender is entitled to cancel the facility and/or declare the dues payable immediately.
6. Our Company is required to maintain adjusted net worth at ₹ 2030 million as on March 31, 2015 with net working capital of ₹ 910 million.

(c) **Canara Bank**

Sanction letter dated November 30, 2005 as amended by sanction letters dated August 16, 2006, June 14, 2007, January 17, 2008, September 10, 2008, January 01, 2010, April 20, 2011, May 04, 2012, July 13, 2012 and November 22, 2013, loan agreement dated August 08, 2012, letters dated August 08, 2012 and July 03, 2014 issued by our Company to Canara Bank, supplemental common hypothecation agreement dated August 08, 2012 and July 03, 2014 guarantee agreements dated August 08, 2012 and July 03, 2014 executed by Rishab Soni, Amit Mathur and Sunil Taneja.

Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/Repayment	Security
Term loan facility: ₹ 50 million	₹ 27.50 million	Purchase of machineries, construction of building and IT equipments.	<p>Rate of interest: 13.75% per annum.</p> <p>Penal interest: 2% per annum in the event of default in payment of any one instalment or in regularising or in clearing the account as per terms agreed upon.</p> <p>Repayment: 20 equal quarterly installments of ₹ 2.5 million each, with a moratorium period of</p>	<p>Primary security: Exclusive charge by way of hypothecation of plant and machinery worth ₹ 49.50 million and other fixed assets worth ₹ 38.70 million</p> <p>Collateral security: Pari passu 1st charge by way of equitable mortgage of factory land and building at Plot No. 75, Sersa Road, Kundili, Sonapat</p>



Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/Repayment	Security
			three months.	measuring 57 Kanals and 3 marlas in favour of MBA and the construction of Building on the said property for the term loan of ₹ 50 million by Canara Bank
Fund based facility: ₹ 252 million	₹ 219.15 million for OCC.	OCC/ODBD: To meet working capital requirements.	Rate of interest: OCC/ODBD: 13.70% per annum (floating).	Primary security: First pari passu charge by way of hypothecation of stock and book debts.
Limits: Open cash credit (“ OCC/ODBD ”): ₹ 252 million		WCDL: To meet working capital requirements.	WCDL: 13.70% per annum (floating).	Collateral security:
Sub limit: Working capital demand loan (“ WCDL ”): ₹ 100 million		BE: Discounting of documentary bills for trade transaction.	BE: As applicable to OCC/ODBD.	• First pari passu charge by way of equitable mortgage on factory land and building situated at Plot No. 75, Sersa Road, Kundli, Sonapat, Haryana measuring 57 kanals and 3 marlas.
Bill discounting (“ BE ”): ₹ 50 million			Repayment: OCC/ODBD: Repayable on demand. WCDL: 6 months with rollover facility. BE: Usance period of 90 days.	
Non-fund based facility: -		ILC/FLC: To open non-revolving documentary letter of credits for purchase of raw materials on document against payment or document against acceptance basis.	Repayment: ILC: Usance period of 90 days FLC: Usance period of 180 days from the date of shipment.	• First pari passu charge by way of equitable mortgage on land measuring 5-0 Bigha comprised in Khewat Khatoni No. 106/157, Khasra No. 265/101 and 267/102 situated at village – Bangram, Paontasahib, District Sirmaur, Himachal Pradesh, along with all buildings constructed /to be constructed thereon and all machineries, plant, miscellaneous fixed assets etc. installed/to be installed thereon. • First pari passu charge by way of hypothecation on all other fixed assets including plants and machinery, tools, electrical installations, moulds etc.



Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/Repayment	Security
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Personal guarantee:
Amit Mathur, Rishab
Soni and Sunil Taneja.

The following are certain restrictive provisions and material terms that are applicable in relation to the above loan availed by our Company from the lender:

1. Our Company is required to obtain the lender's prior written consent to:
 - (i) undertake any new project scheme or expansion;
 - (ii) invest by way of share capital or lend or advance funds to or place deposits with any associate, allied, or sister or any other concern;
 - (iii) enter into any borrowing arrangements (secured or unsecured) with any other bank or financial institution or any other concern;
 - (iv) undertake any scheme of merger, demerger, or amalgamation; or
 - (v) part with, alienate, or encumber the secured property.
2. Our Company shall be required to intimate the bank before effecting any change in its constitution.
3. In case of prepayment of loan or pre-closure by transfer of our Company's loan account to other banks or financial institutions, a prepayment penalty of 2% would be payable on the outstanding liability.
4. Our Company shall not divert working capital funds for activities other than that which is permitted under the facility.
5. The lender may revoke in part or in full or withdraw/stop financial assistance, at any stage, without giving notice or reason.
6. An event of default would include the non-payment of dues by our Company under the loan facility and entitle to lender to, inter alia, cancel the facility and/or declare the dues immediately payable.
7. Our Company, under the fund based facility, is required to maintain a margin of 25% of stocks and book debts.

3. Vehicle loans by our Company

(a) **HDFC Bank**

Loan agreement dated December 28, 2012 for availing a vehicle loan of ₹ 2.3 million.*

Sanctioned amount	Outstanding amount as on December 31, 2014	Interest/Repayment	Security
₹ 2.30 million	₹ 0.84 million	Rate of interest: 10.25% per annum. Penal interest: 2% per month on unpaid EMI. Repayment: 35 monthly instalments of approximately ₹ 0.07 million each commencing from February 05, 2013.	Hypothecation of the vehicle.

**This loan has been foreclosed/terminated by our Company on January 12, 2015*



(b) **ICICI Bank Limited**

Loan agreement dated February 27, 2013 for availing a vehicle loan of ₹ 6.4 million.

Sanctioned amount	Outstanding amount as on December 31, 2014	Interest/Repayment	Security
₹ 6.4 million	₹3.74 million	Rate of interest: 9.8% per annum. Penal interest: 24% per annum. Repayment: 48 monthly instalments of approximately ₹ 0.16 million each commencing from April 01, 2013.	Hypothecation of the vehicle.

4. **Details of the secured loan availed by SSIPL Lifestyle Private Limited**

Axis Bank Limited

Sanction letter dated March 26, 2013 as amended by sanction letter dated May 23, 2013 and April 09, 2014, foreign currency loan agreement dated May 14, 2013, counter indemnity guarantee and undertaking dated May 14, 2013 executed by SSIPL Lifestyle Private Limited, deed of guarantee dated May 14, 2013 executed by our Company, letter of arrangement (cash credit) dated May 14, 2013, declaration along with an undertaking dated April 17, 2014.

Sanctioned amount	Outstanding amount as on December 31, 2014	Purpose	Interest/Repayment	Security
Fund based: ₹ 90 million Limits: Cash credit facility ("CC") of ₹ 90 million. Sub-limits: (i) Working capital demand loan ("WCDL") of ₹ 90 million (ii) Foreign currency demand loan ("FCDL") of ₹ 90 million	₹ 59.30 million	To meet the working capital requirements.	Rate of interest: CC: Base rate + 3.25% i.e. 13.50% per annum. WCDL: Base rate +2.50% i.e. 12.75% per annum. FCDL: To be decided at the time of disbursement (minimum spread of 200 basis points to be maintained over and above the cost of funds). Penal interest: 1% per annum for delay in submission of stock statements/financial follow-up reports; 2% for overdrawing the account on the overdue amount. Repayment: CC: Repayable on demand. WCDL: Six months on rollover basis. FCDL: Six months on rollover basis.	Primary security: Exclusive charge by way of hypothecation of the entire present and future current assets of SSIPL Lifestyle. Collateral security: Exclusive charge on the entire present and future fixed assets of SSIPL Lifestyle Private Limited. Guarantee: Corporate guarantee of our Company.
Non-fund based:	₹ 0.20 million	BG: To guarantee the advance	Rate of interest/commission:	BG:



₹ 10 million	/security deposits in favor of sales tax, excise, custom authority, other government /semi-government departments etc. for purchase of various items.	BG: Commission of 1% per annum. LC: 1% per annum plus applicable taxes. Penal interest: 1% per annum for delay in submission of stock statements /financial follow-up reports; 2% for overdrawing the account on the overdue amount. Repayment: BG: Maximum up to 18 months (including the claim period) from the date it is availed. LC: Maximum 90 days from the date it is availed.	<ul style="list-style-type: none"> Counter guarantee of SSIPL Lifestyle Private Limited. Primary and collateral security under the CC mentioned above. Fixed deposit equivalent to 10% of the guarantee amount. LC: Goods procured under the LC. Primary and collateral security under the CC mentioned above.
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The following are certain restrictive provisions and material terms that are applicable in relation to the above loan availed by SSIPL Lifestyle Private Limited from the lender:

- SSIPL Lifestyle is required to obtain the lender's prior written consent to:
 - enter into any scheme of merger, amalgamation, compromise or reconstruction;
 - to effect any material change in the management of the business of SSIPL Lifestyle;
 - declare any dividend if any instalment towards principal or interest remains unpaid on its due date; and
 - conclude any fresh borrowing arrangement with any other bank.
- The lender may revoke in part or in full or withdraw/stop financial assistance, at any stage, without giving notice or reason.
- SSIPL Lifestyle Private Limited is barred from utilising the loan for the following:
 - subscription to /purchase of securities;
 - extending loans to subsidiary companies/associates or for making inter-corporate deposits; or
 - any speculative purposes.
- SSIPL Lifestyle Private Limited shall not, in its Board of Directors, induct a person who is a director on the Board of a company which has been identified as a willful defaulter.
- SSIPL Lifestyle Private Limited shall not be entitled to directly or indirectly assign its rights or obligations under the agreement in part or in whole to any person.
- SSIPL Lifestyle is not permitted to avail of any borrowings from any bank without seeking the lender's approval.
- Our Company is not permitted to withdraw the loan /security deposit given to SSIPL Lifestyle Private Limited of up to ₹ 195 million till the currency of the working capital loan.
- In case SSIPL Lifestyle Private Limited wants to prematurely repay the foreign currency loan, the same may be repaid only at the sole discretion of the lender and the acceptance of the prepayment



request shall be subject to terms and conditions including prepayment premium as may be stipulated by the lender.

9. Our Company, under the cash credit facility, is required to maintain a margin of 25% of finished goods and book debts.

5. **Vehicle loan by our subsidiary SSIPL Lifestyle Private Limited**

Kotak Mahindra Prime Limited

Loan agreement dated February 29, 2012 for availing a vehicle loan of ₹ 1.084 million.

Sanctioned amount	Outstanding amount as on December 31, 2014	Interest/Repayment	Security
₹ 1.084 million	₹ 0.07 million	<p>Rate of interest: 10.94 %</p> <p>Penal Interest: Not provided.</p> <p>Repayment: Repayable in 35 monthly instalments of approximately ₹ 0.036 million each commencing from April 01, 2012.</p>	Hypothecation of the vehicle.

Confirmations

Our Company confirms that neither our Company nor its subsidiaries have incurred any penalties on account of default under any of the loan facilities availed by them.



SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below, there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company and its Subsidiaries, Directors, Promoters and Group Entities, and there are no defaults, non-payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in creation of full security as per terms of offer/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than an unclaimed liability of our Company or Subsidiaries and no disciplinary action has been taken by SEBI or any stock exchanges against our Company, Subsidiaries, Promoters, Directors and Group Entities.

Neither our Company, Promoters, members of the Promoter Group, Subsidiaries and Directors have been declared as wilful defaulters by the RBI or any other Governmental authority and, there are no violations of securities laws committed by them in the past or pending against them, except as mentioned below.

I. *Litigation involving our Company*

1. **Litigation against our Company**

(a) **Criminal Matters**

There is no criminal litigation pending against our Company.

(b) **Tax Matters**

Income Tax

1. Our Company has received a notice dated April 22, 2014 issued under section 201(1) of the ITA, from the Deputy Commissioner of Income tax, Circle 51 (1), New Delhi (“**Assessing Officer**”) intimating our Company regarding the initiation of proceedings under section 201(A) of the ITA, in relation to Financial Year 2012-13 requiring our Company to provide details and documents in this regard. The representatives of our Company have attended the hearing and submitted details to the Assessing Officer. By an order dated January 29, 2015 the Assistant Commissioner of Income Tax (Circle 77(1), New Delhi whereby our Company has been held to be an assessee in default and a demand of ₹ 0.21 million has been raised. Our Company intends to file an appeal to this order.
2. Our Company has received a notice dated April 11, 2014 from the Deputy Commissioner of Income tax, Circle 9 (1), New Delhi (“**Assessing Officer**”) in relation to Assessment Year 2012-13 and requiring our Company to provide details and documents in this regard. Pursuant to issuance of this notice, another notice dated May 29, 2014 was issued by the Assessing Officer in relation to Assessment Year 2012-13. Since the documents were not furnished, our Company has been asked to show cause as to why penalty proceedings should not be initiated. The hearing was fixed for June 06, 2014. The representatives of our Company have attended the hearing and submitted certain details with the Assessing Officer. The assessment is currently under process.

Separately, our Company has received a notice dated January 10, 2014 issued under section 201(1) of the ITA, from the Deputy Commissioner of Income tax, Circle 51 (1), New Delhi (“**DCIT**”) intimating our Company regarding the initiation of proceedings under section 201(1)(A) of the ITA, in relation to Financial Year 2011-12 and requiring our Company to provide details and documents in this regard. The representatives of our Company have attended the hearing and submitted the details with DCIT and DCIT passed order dated March 11, 2014 and raised demand of ₹ 1.95 million. Our Company has filed an appeal against the order of the DCIT to CIT(A) and the date of hearing is not fixed yet.

Our Company has received the notice dated June 6, 2013 under Section 143(2) of the ITA from the Deputy Commissioner of Income-tax Circle-9(1), New Delhi in relation to the Assessment



Year 2011-12 and to furnish information under Section 142(1) of the ITA. The Additional Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) by way of an assessment order dated March 21, 2014, disallowed the claim of our Company for certain deductions and made additions of approximately ₹ 6.94 million on account of excess claims relating to royalty, excess interest paid to specified persons, advertisement and promotion, foreign travelling, non-deduction of TDS, disallowance under section 14A, undisclosed income in form 26AS and income not related to eligible business, while computing our Company’s total taxable income for Assessment Year 2011-12. Accordingly, the Assessing Officer, served a notice of demand dated March 21, 2014, under section 156 of the ITA, and raised a demand of approximately ₹ 3.25 million upon our Company. Our Company has filed an appeal against the said assessment order before the CIT(A) and the matter is currently pending.

3. Our Company has received a notice dated August 29, 2011 under section 143(2) of the ITA, which has been issued by the Deputy Commissioner of Income Tax Circle 9(1) (“**DCIT**”) in relation to Assessment Year 2010-11. A notice was issued to appear before the DCIT and produce such documents/other evidence in support of its return of income. The Additional Commissioner of Income Tax, Range 9, New Delhi, (“**Assessing Officer**”) by way of an assessment order dated March 26, 2013, disallowed the claim of our Company for certain deductions and made additions of approximately ₹ 7.43 million on account of excess claims relating to royalty, excess interest paid to specified persons, advertisement and promotion, foreign travelling and income not related to eligible business, while computing our Company’s total taxable income for Assessment Year 2010-11. Accordingly, the Assessing Officer, served a notice of demand dated March 26, 2013, under section 156 of the ITA, and raised a demand of approximately ₹ 3.51 million upon our Company. Our Company has filed an appeal against the said assessment order before the CIT(A). The CIT(A) has allowed the appeal in full order dated May 30, 2014. The income tax authority has filed an appeal against the order of CIT(A) (allowing the appeal) with ITAT on August 11, 2014.
4. Our Company received notice dated February 28, 2011 under Section 143(2) of the ITA from the office of Deputy Commissioner of Income-tax Circle 9(1), New Delhi in relation to the Assessment Year 2009-10. The Deputy Commissioner of Income Tax Circle 9(1), New Delhi (“**Assessing Officer**”), by way of an assessment order dated December 29, 2011, disallowed our Company’s claim for certain deductions and made additions of approximately ₹ 19.37 million on account of excess claims relating *inter alia* to royalty, excess interest paid to specified persons, advertisement and promotion, foreign travelling and income not related to eligible business, while computing our Company’s total taxable income for Assessment Year 2009-10, and initiated penalty proceedings. Accordingly, the Assessing Officer assessed the total taxable income of our Company at nil as against the profit declared by our Company at approximately ₹ 7.34 million in its return of income. While, the Assessing Officer after considering disallowances, assessed the taxable income at nil, our Company filed an appeal before the CIT(A) against the additions made by the Assessing Officer. In this regard, the CIT(A) by way of its order dated January 31, 2013, (“**CIT(A) Order**”) partly allowed the appeal in our Company’s favour. However, our Company has not yet received the order under section 250 of the ITA, giving effect to the CIT(A) Order. Separately, the income tax authority has filed an Appeal No. 2366/2013) against the CIT(A) Order before the ITAT. The matter is currently pending before the ITAT.
5. Our Company received notice dated July 19, 2010 under Section 143(2) of the ITA from the office of the Deputy Commissioner of Income Tax Circle 9(1), New Delhi in relation to the Assessment Year 2008-09. The Deputy Commissioner of Income Tax Circle 9(1), New Delhi (“**Assessing Officer**”), by way of an assessment order dated December 28, 2010, disallowed our Company’s claim for certain deductions and made additions of approximately ₹ 25.95 million on account of excess claims relating to royalty, excess interest paid to specified persons, advertisement and promotion, foreign travelling, while computing our Company’s total taxable income for Assessment Year 2008-09, and initiated penalty proceedings. Accordingly, the Assessing Officer assessed the total taxable income of our Company at nil as against the profit declared by our Company at approximately ₹ 81.83 million in its return of income. While, the Assessing Officer after considering disallowances, assessed the taxable income as nil, our Company filed an appeal before the CIT(A) against the additions made by the Assessing Officer. In this regard, the CIT(A) by way of its order dated June 27, 2011, (“**CIT(A) Order**”) allowed



the appeal in Company's favour. However, our Company has not received the order under section 250 of the ITA, giving effect to the CIT(A) Order. The income tax authority filed an appeal (no. 4611/Del/2011) against the CIT(A) Order before the ITAT. The matter is currently pending before the ITAT.

6. Our Company received notice dated September 23, 2008 under Section 143(2) of the ITA from the office of the Assistant Commissioner of Income Tax Circle 9(1), New Delhi in relation to the Assessment Year 2007-08. The Assistant Commissioner of Income Tax Circle 9(1), New Delhi (“**Assessing Officer**”), by way of an assessment order dated December 18, 2009, disallowed our Company’s claim for certain deductions and made additions of approximately ₹ 26.7 million on account of excess claims relating to legal and professional fee, unexplained unsecured loans and interest thereon, while computing our Company’s total taxable income for Assessment Year 2007-08, and initiated penalty proceedings. Accordingly, the Assessing Officer assessed the total taxable income of our Company at approximately ₹ 38.1 million (loss) as against the loss declared by our Company at approximately ₹ 64.8 million in its return of income. Our Company filed an appeal against the said assessment order before the CIT(A)-XII, New Delhi (“**CIT(A)**”). The CIT(A) by way of its order dated February 28, 2011, (“**CIT(A) Order**”) partly allowed the appeal in Company's favor. However, our Company has not received the order under section 250 of the ITA, giving effect to the CIT(A) Order. Further, both our Company and the income tax authority have filed appeals (no. 2938/DEL-2011 and no. 3258/DEL-2011 respectively) against the CIT(A) Order before the ITAT. The matter is currently pending before the ITAT.
7. Revere Pentland Private Limited (now merged with our Company) received notice dated August 27, 2008 from the office of the Assistant Commissioner of Income-tax Circle 15(1), New Delhi in relation to the Assessment Year 2006-07. The Additional Commissioner of Income Tax, Circle 15(1), New Delhi, (“**Assessing Officer**”) by way of an assessment order dated November 28, 2008, disallowed the claim of Revere (now merged with our Company) for certain deductions and made additions of approximately ₹ 5.06 million on account of disallowing certain incomes eligible for deduction under section 80-IC of the ITA while computing the total taxable income of Revere for Assessment Year 2006-07. Accordingly, the Assessing Officer, served a notice of demand dated November 28, 2008, under section 156 of the ITA. Revere filed an appeal against the said assessment order before the CIT(A). The CIT(A), by way of its order dated May 21, 2010 (“**CIT(A) Order**”) allowed the appeal in favor of Revere. The income tax authority has filed an appeal (no. 4201/10) against the CIT(A) Order before the ITAT. The matter is currently pending before the ITAT.
8. Our Company (Moja Shoes Private Limited) has received a notice dated August 30, 2011, from the Deputy Commissioner of Income Tax, Circle 5(1), New Delhi (“**Assessing Officer**”) intimating our Company of initiation of re-assessment proceedings in relation to Assessment Year 2006-07. As required the revised return for Assessment Year 2006-07 has been filed with the income tax authority and the concerned officer. No further notice has been received from the income tax authority.
9. The Assistant Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) had by way of an penalty order dated March 21, 2012 imposed a penalty for an amount aggregating to ₹ 0.23 million under section 271(1)(c) of the ITA and raised a demand for an amount aggregating to ₹ 0.23 million under section 156 of the ITA for Assessment Year 2005-06. Aggrieved against the said penalty order, our Company filed an appeal before the CIT(A). The CIT(A) by way of its order dated May 24, 2013 allowed our Company’s appeal and directed the Assessing Officer to delete the imposed penalty. Our Company has not yet received the final appeal order from the Assessing Officer.
10. The Assistant Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) by way of an assessment order dated September 14, 2009, for Assessment Year 2004-05, disallowed the claim of Sierra (now merged with our Company) for certain deductions and made additions of approximately ₹ 5.6 million on account of excess claim of defectives products for Assessment Year 2004-05. Subsequently, the Assessing Officer by way of a penalty order dated September 30, 2009 issued under section 271(1)(c) of the ITA, imposed a penalty of ₹ 2 million and raised a demand under section 156 of the ITA, for an amount aggregating to ₹ 2 million. Aggrieved against such penalty order, our Company filed an appeal before the CIT(A). The



CIT(A) by way of its order dated August 31, 2010 dismissed the appeal. Our Company had filed a rectification application to CIT(A) subsequent to which CIT(A) rectified the order by way of its Order dated September 10, 2010 and partly allowed the appeal. Our Company and the income tax authority has filed an appeal against the order of the CIT(A). The income tax authority's appeal has been dismissed by ITAT by Order dated January 17, 2012 and the appeal of our Company is currently pending before the ITAT.

11. The Deputy Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) had by way of a penalty order dated May 30, 2011, imposed a penalty for an amount aggregating to ₹ 0.09 million under section 271(1)(c) of the ITA and raised a demand under section 156 of the ITA amounting to ₹ 0.09 million upon our Company for Assessment Year 2003-04. Our Company had filed an appeal against the said penalty order before the CIT(A). The CIT(A) by way of its order dated September 25, 2013 allowed the appeal and directed the Assessing Officer to delete the imposed penalty. Our Company has not yet received the final appeal order from the Assessing Officer.
12. The Deputy Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) had by way of an penalty order dated May 03, 2011, imposed a penalty of ₹ 0.06 million under section 271(1)(c) of the ITA and raised a demand under section 156 of the ITA amounting to ₹ 0.06 million upon our Company for Assessment Year 2002-03. Our Company had filed an appeal against the said penalty order before the CIT(A). The CIT(A) by way of its order dated September 25, 2013 allowed our Company's appeal and directed the Assessing Officer to delete the imposed penalty. Our Company has not yet received the final appeal order from the Assessing Officer.
13. The Deputy Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) by way of a penalty order dated March 03, 2011, imposed a penalty of ₹ 0.07 million under section 271(1)(c) of the ITA and raised a demand under section 156 of the ITA amounting to ₹ 0.07 million upon our Company for Assessment Year 2001-02. Our Company had filed an appeal against the said penalty order before the CIT(A). The CIT(A) by way of its order dated September 25, 2013 allowed the appeal of our Company and directed the Assessing Officer to delete the imposed penalty. Our Company has not yet received the final appeal order from the Assessing Officer.
14. The Deputy Commissioner of Income Tax, Circle 9(1), New Delhi, (“**Assessing Officer**”) by way of a penalty order dated March 03, 2011, imposed a penalty of ₹ 0.06 million under section 271(1)(c) of the ITA and raised a demand under section 156 of ITA amounting to ₹ 0.06 million upon our Company for Assessment Year 2000-01. Our Company filed an appeal against the said penalty order before the CIT(A). The CIT(A) by way of its order dated September 25, 2013 allowed our Company's appeal and directed the Assessing Officer to cancel the imposed penalty. Our Company has not yet received the final appeal order from the Assessing Officer.
15. Our Company has received a notice dated January 28, 2015, under section 133(6) of ITA, from the office of the Income Tax Officer, Income Tax Ward No. 3(4), Noida (“**Assessing Officer**”) requiring our Company to provide details and documents in connection with the transaction with Shir Staya Bhan Chauhan proprietor of M/s Vishal Box Industries.
16. Our Company has received a notice dated January 27, 2015, under section 133(6) of ITA, from the office of the Income Tax Officer, Income Tax Ward No. 2(1), Dehradun (“**Assessing Officer**”) requiring the Company to provide details and documents in connection with the transaction with M/s Om Sai Enterprises.
17. SSIPL Retail Limited has received a notice dated February 02, 2015 from the office of the Income Tax Office (TDS) Rohtak in relation to the FY 2014-15 for non filing of the e-TDS quarterly statement. Our Company responded by letter dated February 16, 2015 for correction of TAN as the amount has been mistakenly deposited under the TAN of the factory rather than TAN of the Head Office and also referring to the letter dated January 15, 2015, wherein the Company made the same request.



Indirect Tax

1. The Deputy Commissioner, Commercial Tax, Division-3, Noida, by way of an order dated November 10, 2008, imposed a penalty on our Company of approximately ₹ 0.14 million, on account of delay in payment of sales tax, for August, 2008. Aggrieved by the order, our Company filed an appeal (No. 081465715089) before the Additional Commissioner (Appeals), Commercial Tax, Noida, *inter alia* praying for quashing the penalty. The matter is currently pending before the Additional Commissioner (Appeals), Commercial Tax, Noida. Our Company has paid the disputed amount under protest.
2. The Deputy Commissioner, Commercial Tax, Division-3, Noida, by way of an order dated March 19, 2010, raised a demand on our Company of approximately ₹ 0.08 million alleging tax evasion and rejecting the books of accounts maintained by our Company. The demand has been confirmed in appeal filed by our Company before the Additional Commissioner (Appeals), Commercial Tax, Noida. The matter is currently pending before the Commercial Tax Tribunal, Noida. Our Company has paid the disputed amount under protest.
3. The Deputy Commissioner, Commercial Tax, Division-3, Noida, by way of an order dated November 10, 2008, imposed a penalty on our Company of approximately ₹ 0.07 million alleging evasion of tax. Being aggrieved by the order, our Company filed an appeal before the Additional Commissioner, Commercial Tax, Noida, *inter alia* praying for quashing the said penalty. The matter is currently pending before the Additional Commissioner (Appeals), Commercial Tax, Noida.
4. The Deputy Commissioner, Commercial Tax, Division-3, Noida, by way of an order dated November 7, 2008, imposed a penalty on our Company of approximately ₹ 0.04 million alleging evasion of tax. Being aggrieved by the order, our Company filed an appeal before the Additional Commissioner, Commercial Tax, Noida *inter alia* praying for quashing the said penalty. The matter is currently pending before the Additional Commissioner, Commercial Tax, Noida.
5. The Deputy Excise and Taxation Commissioner, UT Chandigarh, by way of an order dated October 17, 2011, raised a demand on our Company of approximately ₹ 2.48 million alleging evasion of tax pursuant to survey at Company's stores. Being aggrieved by the order, our Company filed an appeal before the Deputy Excise and Taxation Commissioner, UT Chandigarh ("DETC") *inter alia* praying that in the circumstances of the case, the order of the Excise and Taxation officer be quashed and the demand raised be set aside. The matter is currently pending before the DETC.
6. The Excise and Taxation Officer, Shimla ("**Assessing Officer**") by way of an order dated July 20, 2013, raised a demand on our Company of approximately ₹ 0.12 million on account of evasion of tax. Our Company filed an Appeal (No. 115/2013-14) before the Additional Excise and Taxation Officer Shimla ("**Additional Commissioner**") against the order of the Assessing Officer. The Additional Commissioner upheld the order of the Assessing Officer and dismissed the appeal. Being aggrieved by the order of the Additional Commissioner, our Company filed an Appeal before Hon'ble Tax Tribunal, Himachal Pradesh *inter alia* praying for rejection of the demand raised by the Assessing Officer. The matter is currently pending before the Hon'ble Tax Tribunal, Himachal Pradesh Value Added Tax
7. The Joint Commissioner of Sales Taxes, Behala Circle, Kolkata by way of an order dated June 30, 2011, raised a demand on our Company of approximately ₹ 0.08 million on account of non-submission of C forms. Being aggrieved by the order, our Company filed an appeal before the Sr. Joint Commissioner of Sales Taxes, Bahala Circle, Kolkata *inter alia* praying for granting further time for submission of C forms. The matter is currently pending before the Sr. Joint Commissioner of Sales Tax, Kolkata.
8. Our Company (then known as Moja Shoes Private Limited) received a notice of demand dated February 28, 2005 from the Assessing Authority, Sonapat ("**Assessing Authority**"), under the Haryana Local Area Development Tax Act, 2000 ("**LADT Act**") directing our Company to pay ₹ 1.45 million towards tax due under LADT Act for Assessment Year 2000-01. Our Company filed an appeal against the said assessment order before the Joint Excise and Taxation



Commissioner (Appeals), Rohtak, Haryana (“**Commissioner**”). The Commissioner by its order dated May 31, 2005 directed our Company to pay the entire demand amount of ₹ 1.45 million in ten monthly installments subject to payment of surety bond by our Company. Our Company filed an appeal against the order of the Commissioner dated May 31, 2005, before the Haryana Tax Tribunal (“**Tax Tribunal**”). The Tax Tribunal by its order dated March 13, 2006 directed our Company to deposit the entire claim amount in 10 monthly installments. The Tax Tribunal also directed the Commissioner to re-hear the matter after our Company had deposited five monthly installments. As per the order of the Tax Tribunal, our Company deposited 50% of the claim amount before the concerned Commissioner, upon which, the matter was re-heard by the Commissioner, which by his order dated January 17, 2007, set aside the impugned order of the Assessing Authority and remanded the matter back to the Assessing Authority. The matter is currently pending before the Assessing Authority. Against the order of the Commissioner remanding the matter to the Assessing Authority, our Company has filed an appeal before the Tax Tribunal essentially on the ground that the order was silent on the aspect of limitation. This appeal is currently pending before the Tax Tribunal.

9. Our Company (then known as Moja Shoes Private Limited) received a notice of demand dated March 28, 2006, by the Assessing Authority, Sonapat (“**Assessing Authority**”), under the Haryana Local Area Development Tax Act, 2000 (“**LADT Act**”) directing our Company to pay ₹ 0.85 million as the principal amount and ₹ 0.85 million as penalty towards tax due under the LADT Act for Assessment Year 2001-02. Our Company filed an appeal, along with the petition of hearing of appeal without payment of demand, against the aforesaid assessment order before Joint Excise and Taxation Commissioner (Appeals), Rohtak, Haryana (“**Commissioner**”). The Commissioner by its order dated July 12, 2006 directed our Company to deposit the entire demand amount of approximately ₹ 1.70 million by August 15, 2006. Our Company filed an appeal against the Commissioner’s order before the Haryana Tax Tribunal (“**Tax Tribunal**”). The Tax Tribunal has by its order dated January 10, 2007 directed our Company to deposit the tax amount of a sum of ₹ 0.85 million before the concerned tax authority. Further, as regards the payment of the penalty amount of ₹ 0.85 million, a stay was granted to our Company from making payment of the said penalty amount on the condition that our Company will file surety to the satisfaction of the Assessing Authority with respect to the balance amount along with the payment of tax. The said amount of ₹ 0.85 million has been paid by our Company under protest
10. As per the order of the Assessing Authority, Sonapat, dated March 30, 2006, the tax liability of our Company (then known as Moja Shoes Private Limited) for Assessment Year 2002-03, under the Haryana Local Area Development Tax Act, 2000 worked out to be approximately ₹ 0.5 million. Further a penalty of approximately ₹ 0.18 million was also imposed on our Company by the same order. However, no demand of tax was made since our Company had deposited tax in excess. Our Company preferred an appeal dated April 29, 2006 against the aforesaid order before the Joint Excise and Taxation Commissioner (Appeals), Rohtak, Haryana (“**Commissioner**”) challenging the levy of the said tax and the penalty. The appeal has been dismissed by the Commissioner by its order dated July 24, 2007.
11. Our Company has received a notice dated November 1, 2014, under the Uttarakhand Value Added Tax Act 2005 and the CST Act, from the Deputy Commissioner of UVAT, Vikasnagar, Dehradun (“**Assessing Officer**”), requiring the Company to appear and produce documents in relation to the returns filed for FY 2011-12.
12. Our Company has received a notice dated December 1, 2014, under the Uttarakhand Value Added Tax Act 2005 and the CST Act, from the Deputy Commissioner of UVAT, Vikasnagar, Dehradun (“**Assessing Officer**”), requiring the Company to appear and produce documents in relation to the returns filed for FY 2012-13.
13. A vehicle carrying goods of the Company was seized on March 30, 2013 and the Company paid an amount of ₹ 0.06 million as security deposit for release of the vehicle. The Company has requested the Deputy Commissioner, Trade Tax, Uttarakhand for release of the security deposit contesting the seizure of vehicle.
14. A vehicle carrying goods of the Company was seized on July 5, 2013 and the Company paid an amount of ₹ 0.37 million as security deposit for release of the vehicle. The Company has



requested the Deputy Commissioner, Trade Tax, Uttarakhand for release of the security deposit contesting the seizure of vehicle.

(c) **Civil Matters**

1. Civil Suit no. 69/1 was filed by Jeevan Singh (“**Plaintiff**”) against our Company before the Ld. Civil Judge (Senior Division), Paonta Sahib, District Sirmour, Himachal Pradesh. The Plaintiff contended that he suffered financial losses amounting to ₹ 0.7 million when our Company terminated a contract for carriage of employees without providing prior and adequate notice of termination to the Plaintiff. The Plaintiff prayed for recovery of the amount along with interest as damages. The Ld. Civil Judge found our Company in breach of the contract but dismissed the matter holding it not maintainable due to procedural irregularities committed by the Plaintiff in filing the suit. The matter was then appealed by the Plaintiff before the Ld. District Judge Sirmour at Nahan, Himachal Pradesh. Our Company has filed its cross-objection to the appeal wherein our Company has contended that it is not liable for unlawful termination of the contract and has also sought dismissal of the appeal. The matter is currently pending before the District Judge, Nahan, Himachal Pradesh.
2. Civil Suit No. 216/2009 was filed by Abheya Realter Private Limited (“**Plaintiff**”) against our Company and others, in the Calcutta High Court seeking payment of ₹ 8.5 million on account of arrears of rent accrued, and amounts payable for the unexpired lock-in period of a lease deed entered into by our Company with the Plaintiff. The Plaintiff has alleged that our Company had wrongfully terminated the lease agreement dated August 26, 2008, during the lock-in period of three years. Our Company has filed its reply dated March 30, 2010 and the matter is currently pending before the Calcutta High Court. As on date of this Draft Red Herring Prospectus, our Company is not in occupation of the aforesaid premises.
3. Civil Suit no. 27/2009 was filed by High Street Fashions Private Limited (“**Plaintiff**”) against our Company, in the Court of District and Sessions Judge, Jaipur seeking payment of outstanding dues i.e. ₹ 1.3 million along with interest. High Street has alleged that our Company placed an order for manufacturing 15,300 pairs of socks on October 18, 2005, amounting to ₹ 1.3 million with High Street. However, our Company has not made the payment for the same. Our Company has filed its reply in respect of the matter, which is currently pending before the District Judge, Jaipur.
4. Civil Suit No. 118/10/11 was filed by Raghuvir Singh before Civil Judge, Senior Division, Paonta Sahib, District Sirmour, Himachal Pradesh against Kishan Devi, our Company and Others praying for the grant of decree of declaration and permanent injunction against the Defendants for inter alia illegal possession of the property situated at Bhagani. Our Company filed a written statement contending that our Company had purchased the property with the permission of Government of Himachal Pradesh to install a unit and hence our Company is the bonafide purchaser of property. The suit is currently pending before the Civil Judge, Paonta Sahib, Himachal Pradesh.
5. Civil Suit no. (808/2013) was filed by Lunar Rubbers Private Limited (“**Plaintiff**”) against Nike India Private Limited and our Company (“**Defendants**”) before the Delhi High Court alleging infringement of its trademark and passing off. The Plaintiffs have sought a perpetual injunction on the Defendants in order to restrain the Defendants from carrying out the alleged infringement and passing off, and have also prayed for ₹ 5 million as damages. Our Company has filed a written statement denying infringement of the Plaintiff’s trademark and has prayed for dismissal of the suit. The matter is currently pending before the Delhi High Court.
6. Civil Suit no. 1921/2013 was filed by Ashok Kumar Gupta and Others (“**Plaintiffs**”) against Raj Kamal Gupta and others, including our Company, in relation to certain commercial property owned by O.P. Gupta (father of Ashok Kumar Gupta and Raj Kamal Gupta) in Greater Kailash, New Delhi. Our Company has been made a party to aforesaid suit as it has taken on lease the aforesaid commercial property. The Plaintiffs have prayed that the gift-deed registering the property in Raj Kamal Gupta’s name was obtained through fraudulent means and should be declared null and void. They have also prayed that till such time that the suit is disposed off, Raj



Kamal Gupta and our Company be directed to pay a monthly rent of ₹ 0.5 million for use of the property. The matter is currently pending before the Delhi High Court.

7. Civil Suit No. 1140 of 2014 has been filed by Reebok India Company (“**Reebok**”) against our Company before the Delhi High Court. Reebok has alleged that our Company has violated a manufacturing agreement dated January 07, 2011 and a settlement agreement dated February 28, 2013 by supplying inferior quality goods to Reebok, and that our Company was liable to reimburse the cost of the faulty goods, along with associated costs to Reebok. Reebok has also alleged that despite repeated requests, our Company has refused to carry out a joint inspection of the defective goods, and on independent inspection by Reebok, the cost of repair of the defective goods along with other costs incurred by Reebok, amounted to ₹ 77.18 million including interest. Reebok has filed an application dated March 31, 2014 bearing I.A. No. 7426 of 2014 seeking that our Company be directed to deposit or in the alternative furnish a bank guarantee for ₹ 77.18 million. Reebok has also filed an application dated March 31, 2014 bearing I.A. No. 7427 of 2014 seeking the appointment of a local commissioner to take possession of and examine the allegedly defective goods, prepare its inventory and direct the receiver to destroy defective goods identified and hand over marketable goods to Reebok. Our Company has sought dismissal of the suit with exemplary costs against Reebok and contended that on the contrary, Reebok is liable to pay our Company ₹ 44.73 million because of differential Sales Tax, VAT and interest, may be incurred by our Company. Our Company has served Reebok with a notice dated October 08, 2014 in relation to delay on certain payments to be made to our Company. In case of failure on Reebok’s part to make the due payments, appropriate proceedings for winding up will be initiated against Reebok. This matter is currently pending before the Delhi High Court

(d) **Labour Matters**

1. Case No. R/115/2012 was filed by Devendra Kumar before the Panipat Labour Court against our Company, alleging that his employment was wrongfully terminated by our Company. Devendra Kumar has prayed for reinstatement along with wages for the duration where he was unemployed. Our Company has filed its written statement wherein in it has contended that Devendra Kumar was not unlawfully terminated but left the employment of our Company by his own will and thereafter entered into a settlement with our Company in pursuance of which he received full and final payment of wages. Our Company has prayed that the case be dismissed and heavy costs be imposed on Devendra Kumar. The dispute is currently pending.
2. A complaint dated July 19, 2012 was filed by Layak Ram against our Company with the Labour Inspector-cum-conciliation officer (“**Officer**”) stating that our Management violated the settlement order dated June 20, 2007 (“**Settlement Order**”) by not allowing him to resume his duties in our unit. Subsequently, the Directorate of Labour and Employment (Government of Himachal Pradesh) by an order dated June 04, 2013 authorized the Officer to file a complaint under section 29 of the Industrial Disputes Act, 1947 in the competent court against our Company’s management for violating the Settlement Order. Our Company’s representative, pursuant to summons dated September 17, 2014, appeared before the Additional Chief Judicial Magistrate, Paonta Sahib, Himachal Pradesh (“**Court**”) on October 09, 2014. Subsequently vide our letter dated October 10, 2014, our Company informed Layak Ram and the court that we would resume the services of Layak Ram from October 17, 2014. Subsequently, it was alleged by Layak Ram in a letter dated 07 December, 2014 to the labour officer that our Company has refused his appointment The matter is currently pending before the Court and fixed for recording of evidence of Layak Ram on April 04, 2015.

(e) **Other Matters**

1. Two notices (no. DS/NHP/0017494/Enf 505/Damages) dated December 31, 2014 have been issued to Sierra (now the Company) summoning Sierra to appear before the Employee Provident



Fund Organization and to pay interest/penalties for belated remittances made during the period April 1, 1996 – March 14, 2014 aggregating to approximately ₹0.32 million.

2. A notice (no. E/DLS/935405/DLI/Ex/523) dated February 09, 2015 has been issued by the Assistant Provident Fund Commissioner to our Company stating that our Company is found to have failed to submit an application in prescribed proforma for extension of EDLI exemption along with relevant documents beyond June 30, 2014 and to show cause as to why compliance should not be secured from our Company. Our Company has filed a reply dated March 09, 2015 stating that the Company's Group Insurance Scheme with LIC of India (in lieu of the EDLI Scheme) ceased to continue from July 01, 2014 and that thereafter, our Company has been regularly contributing to EPFO in respect of Employee Deposit Insurance Scheme, 1976 because of which our Company is not seeking further extension of EDLI from the EPFO. No further correspondence has been exchanged thereafter.
3. A notice (no. 687/Dehradun-Bo./2013-14) dated February 04, 2015 has been issued by the Upper Labour Commissioner, Uttarakhand asking our Company to resubmit certain documents with respect to the Bonus Payment for FY 2013-14 such as A/B/C schedule-II, profit-loss account and balance sheet for purposes of verification within 7 days of receipt of this notice.
4. Our Company, along with Nike India Private Limited, has received a cease and desist notice dated February 17, 2015 from Khadim India Limited ("**Khadim**") alleging the wrongful use of Khadim's registered trade mark "PRO" by selling, marketing, promoting and advertising footwear having the mark "PRO" which is similar to and/or is an obvious and fraudulent imitation of Khadim's intellectual property. Khadim has asked our Company and Nike India Private Limited to, inter alia, (i) desist from using the mark PRO in any form, (ii) handover, without compensation, all products, packing materials and stocks bearing the mark "PRO" to Khadim for purposes of destructing them, (iii) remove all advertisements and news bearing "PRO" and (iv) give an undertaking to the effect that the trademark PRO will not be used by or registered in the name of our Company or Nike India Private Limited, within 10 days from receipt of the notice; failure of which would render our Company and Nike India Private Limited vulnerable to civil and/or criminal action.

3. Litigation by our Company

(f) Criminal Matters

1. Complaint no. 1962 of 2014 was filed by our Company against Suman Enterprises and Sumanjeet Kaur, (collectively referred to as "**Accused**") under section 138 read with section 141 and 142 of the Negotiable Instruments Act, and section 200 of the Code of Criminal Procedure, 1973, in the court of Additional Chief Metropolitan Magistrate, Patiala House, New Delhi. Our Company has alleged failure on the part of the Accused for making payment of approximately ₹ 0.84 million towards the goods supplied by our Company to the Accused under the sale and purchase agreement executed between them. Our Company has contended that when the Accused finally presented our Company with six cheques for the aforesaid amount, the cheques were dishonored. Our Company has *inter alia* prayed for imposing a fine upon the Accused equal to twice the cheque amount, i.e. ₹ 0.84 million. The matter is currently pending before the Additional Chief Metropolitan Magistrate, New Delhi.
2. Complaint no. 2138/1/11 was filed by our Company against Lloyed International through its proprietor Anil Shukla ("**Noticees**") under section 138, 141 and 142 of the Negotiable Instruments Act, and section 200 of the Code of Criminal Procedure, 1973, in the Court of Additional Chief Metropolitan Magistrate, Patiala House Courts, New Delhi. Our Company had alleged that an approximate amount of ₹ 1.01 million had not been paid by the Noticees to our Company against the purchase of certain footwear products of Levi's brand from our Company. Further, our Company alleged that a cheque issued by the Noticees towards part payment of the outstanding amount, of an approximate amount of ₹ 0.5 million, had been dishonoured. Our Company has *inter alia* prayed for imposition of fine equal to twice the aforesaid amount. The matter is currently pending before the Additional Chief Metropolitan Magistrate, New Delhi.



3. Complaint No 147 – C was filed by our Company with the Badarpur Police Station, New Delhi against Rajeshwar Singh Rana (“**Rana**”) under sections 405, 406 and 420 of the Indian Penal Code. Our Company has alleged that Rana had with an intention to defraud our Company, executed a lease deed dated May 15, 2012 with our Company. Under the terms of the lease deed, our Company was required to pay an amount aggregating to ₹ 1.1 million to Rana as interest free refundable deposit. The said amount was required to be paid in 2 installments of ₹ 0.83 million and ₹ 0.27 million respectively. Rana upon receiving the amount aggregating to ₹ 0.83 million from our Company, unilaterally terminated the lease deed and is absconding since. Our Company has in its complaint prayed that appropriate criminal proceedings be initiated against Rana. The matter is under process for filing but pending consideration by the court.
4. **Adverse findings against our Company as regards compliance with the securities laws**

There are no adverse findings against our Company as regards compliance with the securities laws.
5. **Outstanding litigation against other companies whose outcome could have an adverse effect on our Company**

Except as disclosed in this section, there are no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, show cause notices or legal notices pending against any company whose outcome could have a material adverse effect on the position of our Company.
6. **Outstanding dues to small scale undertaking(s) or any other creditors**

Other than in the ordinary course of business, there are no outstanding dues to small scale undertaking(s) or any other creditors.
7. **Proceedings initiated against our Company for economic offences**

There are no proceedings initiated against our Company for any economic offences.

Potential litigation against our Company

Except as stated in this section, there are no potential litigations against our Company that we are presently aware of or in connection with which, we have received any notice.

II. Litigation involving our Subsidiaries

A. SSIPL Lifestyle Private Limited (“SSIPL Lifestyle”)

1. Litigation against SSIPL Lifestyle

(a) Criminal matters

None

(b) Taxation matters

Income Tax

1. Sports Station as well as SSIPL Lifestyle has received a notice dated April 22, 2014 issued under section 201(1) of the ITA, from the Deputy Commissioner of Income tax, Circle 51 (1), New Delhi (“**DCIT**”) intimating SSIPL Lifestyle of initiation of proceedings under section 201(A) of the ITA, in relation to Financial Year 2012-13 and requiring SSIPL Lifestyle to provide details and documents in this regard. The representatives of SSIPL Lifestyle have attended the hearing and submitted the details with DCIT pursuant to which the Assistant Commissioner of Income Tax, Circle 77(1), New Delhi has, by an order dated January 29, 2015, held SSIPL Lifestyle to be an assessee in default and a demand of ₹ 0.12 million has been raised. SSIPL Lifestyle intends to file an appeal in respect of the same.



2. SSIPL Lifestyle has received a notice dated December 30, 2013, from the office of the Income Tax Officer, Income Tax Ward No. 9(2), New Delhi ("**Assessing Officer**") intimating SSIPL Lifestyle of initiation of assessment proceedings under section 143 (2) of the ITA, in relation to Assessment Year 2012-13 and requiring SSIPL Lifestyle to provide details and documents in this regard. SSIPL Lifestyle has attended the hearing on dated January 16, 2014 and submitted details with the office and the assessment is under process.
3. Separately, SSIPL Lifestyle has also received a notice dated January 10, 2014, under section 201(1) of the ITA, from the Deputy Commissioner of Income tax, Circle 51 (1), New Delhi ("**DCIT**") intimating SSIPL Lifestyle of initiation of proceedings under section 201(A) of the ITA, in relation to Assessment Year 2012-13 and requiring SSIPL Lifestyle to provide details and documents in this regard. SSIPL Lifestyle has attended the hearing and submitted the details with DCIT and DCIT passed order dated March 11, 2014 and raised demand of ₹ 0.11 million, SSIPL Lifestyle has filed an appeal against the order of the DCIT to CIT (Appeal) and the date of hearing has not been fixed yet.
4. Sports Station (now merged with SSIPL Lifestyle) has received a notice dated January 10, 2014 issued under section 201(1)/(1A) of Income Tax, from the Deputy Commissioner of Income tax, Circle 51 (1), New Delhi ("**Assessing Officer**") intimating Sports Station of initiation of proceedings under section 201(A) of the ITA in relation to Assessment Year 2012-13 (FY 2011-12) and requiring Sports Station to provide details and documents in this regard. The representatives of Sports Station have attended the hearing and submitted the details with DCIT and DCIT passed order dated March 11, 2014 and raised demand of ₹ 1.04 million. SSIPL Lifestyle has filed an appeal against the order of the DCIT to CIT (Appeal) and the date of hearing is not fixed yet.
5. SSIPL Lifestyle has received a notice dated August 6, 2013 under section 143(2) of the ITA which was issued by the Deputy Commissioner of Income Tax Circle – 9 (1) ("**Assessing Officer**") in relation to Assessment Year 2011-12. A notice has been issued to appear before the Assessing Officer on August 23, 2013 and produce such documents and other evidence, on which SSIPL Lifestyle may rely in support of its return of income. The Assessing Officer by way of an assessment order dated February 12, 2014, disallowed the claim of Sports Station (now merged with SSIPL Lifestyle) for certain deductions and made additions of approximately ₹ 4.83 million on account of excess claims relating to rates and taxes, excess interest paid to specified persons, while computing Sports Station's total taxable income for Assessment Year 2011-12. Accordingly, the Assessing Officer, served a notice of demand dated February 12, 2014, under section 156 of the ITA, and raised a demand of approximately ₹ 2.00 million upon Sports Station. Sports Station has filed an appeal against the said assessment order before the CIT(A). The CIT(A) by way of its order dated May 30, 2014, ("**CIT(A) Order**") allowed the appeal in Sports Station's favour. However, Sports Station has not yet received the order under section 250 of the ITA, giving effect to the CIT(A) Order.
6. Sports Station (now merged with SSIPL Lifestyle) has received a notice dated April 10, 2012 under section 143(2) was issued by the Assistant Commissioner of Income-tax ("**ACIT**") Circle – 9 (1) in relation to Assessment Year 2010-11. A notice has been issued to appear before the DCIT on May 9, 2012, produce such documents and other evidence, on which SSIPL Lifestyle may rely in support of its return of income. The Deputy Commissioner of Income Tax, Circle 9(1), New Delhi, ("**Assessing Officer**") by way of an assessment order dated March 22, 2013, disallowed the claim of Sports Station (now merged with SSIPL Lifestyle) for certain deductions and made additions of approximately ₹ 5.30 million on account of excess claims relating to rates and taxes, excess interest paid to specified persons, while computing the Sports Station's total taxable income for Assessment Year 2010-11. Accordingly, the Assessing Officer, served a notice of demand dated March 22, 2013, under section 156 of the ITA, and raised a demand of approximately ₹ 2.22 million upon Sports Station. Sports Station has filed an appeal against the said assessment order before the CIT(A). The CIT(A) by way of its order dated May 30, 2014, ("**CIT(A) Order**") allowed the appeal in Sports Station's favour. However, Sports Station has not yet received the order under section 250 of the ITA, giving effect to the CIT(A) Order. The income tax authority has filed an appeal against the order of CIT(A) with ITAT on August 11, 2014.



7. Sports Station (now merged with SSIPL Lifestyle) has received a notice dated February 18, 2011, from the office of Deputy Commissioner of Income-tax, Circle 9(1), New Delhi (“**Assessing Officer**”), requiring Sports Station to furnish information in relation to the assessment proceedings for Assessment Year 2009-10. The Assessing Officer, by way of an assessment order dated December 26, 2011, disallowed the Sports Station’s claim for certain deductions and made additions of approximately ₹ 5.93 million *inter alia* on account of excess claims relating to rates and taxes, excess interest paid to specified persons, disallowance under section 40(a), contribution to ESI, and depreciation on computer accessories, while computing the Sports Station’s total taxable income for Assessment Year 2009-10, and initiated penalty proceedings. Accordingly, the Assessing Officer assessed the total loss of Sports Station at ₹ 5.52 million as against the loss declared by Sports Station at approximately ₹ 11.45 million in its return of income. Sports Station filed an appeal against the said assessment order before the CIT(A). The CIT(A) by way of its order dated December 20, 2012, (“**CIT(A) Order**”) allowed the appeal in Sports Station's favour. However, Sports Station has not yet received the order under section 250 of the ITA, giving effect to the CIT(A) Order. The income tax authority filed an appeal (no. 1554/Del/2013) against the CIT(A) Order before the ITAT. The ITAT by way of its order dated February 28, 2014 dismissed the appeal of the income tax authority.
8. Sports Station (now merged with SSIPL Lifestyle) received notice dated August 2, 2010 under Section 143(2) of the ITA from Deputy Commissioner of Income-tax, Circle 9(1), New Delhi in relation to assessment year 2008-09. The Additional Commissioner of Income Tax, Range-9(1), New Delhi (“**Assessing Officer**”), by way of an assessment order dated December 20, 2010, disallowed Sports Station’s claim for certain deductions and made additions on account of expenses relating to unreasonable interest payments and excess claim of depreciation, while computing the total taxable income for Assessment Year 2008-09. Accordingly, the Assessing Officer computed the taxable income of Sports Station (now merged with SSIPL Lifestyle) at approximately ₹ 23.31 million, and issued a notice of demand for tax payment of ₹ 10.53 million. Sports Station filed an appeal against the said assessment order before the CIT(A). The CIT(A) by way of its order dated March 9, 2011, (“**CIT(A) Order**”) partly allowed the appeal in favor of Sports Station. Sports Station received the order under 154 and section 250 of the ITA, giving effect to the CIT(A) Order on August 17, 2011. Further, the income tax authority filed an appeal (no. 3256/Del-2011) before the ITAT against the CIT(A) Order. The ITAT by its order dated March 30, 2012 dismissed the appeal filed by the income tax authority in respect of interest paid to specified persons and rate of depreciation applied on computer and its accessories. Appeal of ITAT order is still pending.
9. The Assistant Commissioner of Income Tax, Circle 9(1), New Delhi (“**Assessing Officer**”), by way of an assessment order dated December 18, 2009, disallowed Sports Station’s claim for expenses and made additions on account of de-merger expenses, non-deduction of tax at source, unexplained unsecured loans and interest payments, while computing the total taxable income for Assessment Year 2007-08. Accordingly, the Assessing Officer computed the taxable income of Sports Station (now merged with SSIPL Lifestyle) at approximately ₹ 7.15 million. Pursuant to the Order of the Assessing Officer, a Rectification Order under Section 154 was passed on December 20, 2010. Sports Station filed an appeal against the said assessment order before the DCIT(A). The DCIT(A) by way of its order dated February 28, 2011, partly allowed the appeal in favor of Sports Station and recomputed the total taxable income at approximately ₹ 84.77 million (loss). Pursuant to the Order of the CIT(A), Order giving effect under Section 250 dated June 30, 2011 was passed. Sports Station filed an appeal (no. 2936/Del-2011) before the ITAT against the order of DCIT(A). The income tax authority also filed an appeal (no. 3262/Del-2011) before the ITAT against the order of the DCIT(A). The matter is currently pending with the ITAT and the ITAT by its order dated March 30, 2012 partially allowed the appeal of Sports Station and restored the matter afresh to CIT(A) in respect of deletion of unexplained secured loans and interest payments. Sports Station has not yet received fresh notice of hearing from CIT(A). Since the proceedings are pending before the ITAT, the tax implication and/or penalty amount is unascertainable.

Sales Tax



1. The Assessing Officer of Sales Taxes, Behala Circle, Kolkata (“**Assessing Officer**”) by way of its order dated June 27, 2008, raised a demand of approximately ₹ 0.01 million on SSIPL Lifestyle on account of non-submission of form F and disallowance of input tax credit. SSIPL Lifestyle filed a petition before the Assessing Officer *inter alia* praying for time for submission of form F. The matter is currently pending before the Deputy Commissioner.
2. The Assessing Officer of Sales Taxes, Behala Circle, Kolkata (“**Assessing Officer**”) by way of its order dated June 24, 2009, raised a demand of approximately ₹ 0.74 million on SSIPL Lifestyle on account of non-submission of form F. SSIPL Lifestyle filed a petition before the Senior Joint Commissioner *inter alia* praying for time for submission of form F. The matter is currently pending before the Senior Joint Commissioner.
3. The Deputy Commissioner, Maharashtra Value Added Tax (“**Assessing Officer**”) by way of its order dated June 15, 2010, raised a demand of approximately ₹ 0.33 million on SSIPL Lifestyle on account of input tax disallowance. SSIPL Lifestyle filed a petition before the Tribunal *inter alia* praying for grant of relief against the above demand. The matter is currently pending before the Tribunal.
4. The Deputy Commissioner, Maharashtra Value Added Tax (“**Assessing Officer**”) by way of its order dated June 15, 2010, raised a demand of approximately ₹ 0.40 million on SSIPL Lifestyle on account of non-submission of form F and denied a set off of approximately ₹ 0.05 million. SSIPL Lifestyle has filed a petition before the Deputy Commissioner *inter alia* praying for grant of more time for submission of form F and reinstate the set-off denied. The matter is currently pending before the Deputy Commissioner.
5. The Assessing Officer, by way of a provisional assessment order dated October 17, 2011 raised a demand of an amount aggregating to ₹ 1.17 million on SSIPL Lifestyle. SSIPL Lifestyle has filed a petition before the Deputy Excise and Taxation Officer *inter alia* praying for grant of relief against the above demand. The matter is currently pending before the Deputy Excise and Taxation Officer.
6. The Assessing Officer, Bhubaneswar Range, Bhubaneswar, by way of order dated February 28, 2012 raised a demand of an approximately ₹ 0.18 million on Sports Station (now SSIPL Lifestyle) alleging evasion of tax. SSIPL Lifestyle has filed a petition before the Joint Commissioner *inter alia* praying for grant of relief against the above demand and stay application for realization of the demand raised. The matter is currently pending before the Joint Commissioner.
7. The Assessing Officer, Bhubaneswar Range, Bhubaneswar, by way of order dated August 26, 2011 raised a demand of approximately ₹ 0.36 million on Sports Station (now SSIPL Lifestyle) alleging evasion of tax. SSIPL Lifestyle has filed a petition before the Joint Commissioner *inter alia* praying for grant of relief against the above demand. Stay has been granted subject to deposit of 50% of tax demanded. The matter is currently pending before the Joint Commissioner.
8. The Assessing Officer of Sales Tax, Behala Circle, Kolkata (“**Assessing Officer**”) by way of its order dated June 30, 2014, raised a demand of approximately ₹0.65 million against SSIPL Lifestyle for non-submission of F Forms, input tax disallowance and short payment of sales tax. SSIPL Lifestyle filed a petition before the Joint Commissioner, *inter-alia* praying to delete the impugned order of assessment after the examination of relevant documents. This matter is currently pending.

(d) **Civil Matters**

None

(e) **Other Matters**



1. A notice (no. DS/NHP/0939982/000/Enf 505/Damages/5573) dated December 17, 2014 has been issued to SSIPL Lifestyle by the Employee Provident Fund Organization with respect to payment of interest/penalties for belated remittances made during the period April 1, 1996 – December 17, 2014 aggregating to approximately ₹0.21 million.
2. A summon (no. 1684-85/LRPW Case no33/2015) dated January 29, 2015 has been issued by the Presiding Officer under Wages Payment Act & Sub Labour Commissioner, Lucknow to our Levi's showroom in Lucknow asking us to appear on February 16, 2015 and state our reply/ put forth evidence with respect to a complaint filed by Mr. Yashwant Kumar regarding non-payment of overtime dues of ₹ 141,498 for the period June 1, 2014 – November 30, 2014.

2. Litigation by SSIPL Lifestyle

(a) Criminal Matters

None

(b) Civil Matters

1. Sports Station (now merged with SSIPL Lifestyle) filed a Special Leave Petition no. 3315/2007 against Lila Mookerjee in the Supreme Court. In the Special Leave Petition, Sports Station has *inter alia* alleged that the Division Bench of Calcutta High Court, by its order dated January 20, 2006, (“**Appeal Order**”) erroneously upheld the order dated August 23, 2005, (“**Original Order**”) of the Single Judge of the Calcutta High Court. The Original Order had dismissed the petition filed by Sports Station against Lila Mookerjee under section 9 of the Arbitration and Conciliation Act, 1996, wherein Sports Station had *inter alia* alleged that, (a) it had entered into a Joint Retail Venture Agreement dated May 30, 2000, (“**JRV Agreement**”) with Amitava Mookerjee (constituted attorney of Lila Mookerjee), for establishing its business at the shop premises of which Lila Mookerjee was the leaseholder (b) it had appointed North East Handloom and Handicraft, a partnership firm (“**NEHH**”) as its management agent by a Management Agent Agreement dated April 29, 2003 (“**MA Agreement**”) on the representations of Kamal Jain being the managing partner of NEHH, (c) it terminated the MA Agreement by letter dated December 21, 2004, and (d) Lila Mookerjee, Amitava Mookerjee, alongwith Kamal Jain (“**Parties**”) did not allow free ingress and egress to Sports Station in terms of the JRV Agreement. Accordingly, by way of the Petition, Sports Station had *inter alia* prayed for an injunction to restrain the Parties from interfering with the peaceful possession and exclusive usage of the shop premises by Sports Station. By way of the Special Leave Petition, Sports Station has *inter alia* prayed for granting special leave to appeal against the Appeal Order and restrain the Parties from interfering with the peaceful possession and the exclusive usage of the shop premises by Sports Station. The matter is currently pending before the Supreme Court.
2. Eviction petition no.40./2014 was filed by late Narender Yadav (through his legal representative) (“**Plaintiff**”) against Rajender Sharma and SSIPL Lifestyle in the Tis Hazari Court alleging that Rajender Sharma has without permission of the Plaintiff and in violation of an agreement dated April 15, 1977, sublet the store property at Shop #4D-10, Building 4, Kishan Chand Complex, Paschim Vihar, New Delhi, to SSIPL Lifestyle and that the property is presently being occupied, legally and physically, by SSIPL Lifestyle instead of Ranjender Sharma. SSIPL Lifestyle has in response filed a written statement refuting the Plaintiff's claims/allegations by stating, *inter alia*, that it is Rajender Sharma who in fact has the physical, legal and exclusive possession of the said store as the arrangement between SSIPL Lifestyle and Rajender Sharma is that of a franchise in light of the franchise agreement dated January 29, 2009. The matter is currently pending before the court.

III. Litigation involving our Promoters

(a) Criminal Matter

There are no criminal litigations pending against our Promoters.



(b) **Tax Matters**

- (i) Sunil Taneja has received a notice dated September 26, 2014, from the Assessing Officer, Office of the Deputy Commissioner/Assistant Commissioner Circle 1(1), in connection with the return of income for assessment year 2013-14, seeking further information from him regarding such returns, and requiring him to attend his office either in person, or through a representative. Sunil Taneja has attended the office as required under the notice..
- (ii) Rishab Soni has received a summons to assesses/witnesses dated February 02, 2015, under Section 131 of the ITA, 1961 requiring him to personally attend his office to give evidence and/or produce books of accounts and other documents. Rishab Soni attended the office as required under the summons.

There are no tax matters pending against Amit Mathur and Kabir Taneja.

(c) **Civil Matter**

There are no civil litigations pending against our Promoters.

IV. Litigation involving our Group Companies

(a) **Criminal Matters**

There are no criminal litigations pending against our Group Companies.

(b) **Tax Matters**

Income Tax

There are no income tax matters pending against our group companies.

Indirect Tax

i. **Kasi Sales & Services Private Limited**

- 1. Kasi Sales & Services Private Limited has filed a Writ Petition before the Hon'ble Orissa High Court challenging the assessment order of the Deputy Commissioner of Commercial Taxes, Bhubaneswar which confirmed a demand of ₹ 54.32 million towards VAT disallowing the exemption claimed by the Company on sales in transit, sales to SEZ units, etc.
- 2. Kasi Sales & Services Private Limited has filed a Writ Petition before the Hon'ble Orissa High Court challenging the assessment order of the assessing authority which confirmed a demand of ₹ 8.20 million on account of entry tax on the ground that certain sales do not qualify as 'in transit' sale.
- 3. The Deputy Commissioner of Commercial Taxes, Bhubaneswar has issued a demand of ₹ 0.09 million under CST on account of failure to produce concessional forms entitling Kasi Sales & Services Private Limited to pay lower rate of tax.

ii. **Trisul Tread Private Limited**

- 1. Trisul Tread Private Limited has filed an appeal before the Joint Commissioner of Sales Tax, Bhubaneswar against the assessment order confirming a demand of ₹ 0.04 million towards VAT denying the claim of VAT adjustment on credit notes issued to customers.



2. Trisul Tread Private Limited is in appeal before the Joint Commissioner of Sales Tax, Bhubaneswar against the assessment order confirming a demand of ₹ 2.27 million towards entry tax on the ground that tax has not been paid by the company on certain goods brought within the State.
3. Trisul Tread Private Limited is in receipt of Notice of demand from the Sales Tax Officer, Bhubaneswar towards CST of ₹ 0.03 million on account of failure to produce concessional forms entitling the Company to pay lower rate of tax.

iii. **Kasi Trishul Motors Private Limited**

1. Kashi Trishul Motors Private Limited has filed a Writ Petition before the Hon'ble Orissa High Court challenging the assessment order demanding VAT of ₹ 0.82 million denying the submission of the company that the impugned goods were not sold but returned to the supplier.
2. Kashi Trishul Motors Private Limited has filed a Writ Petition before the Hon'ble Orissa High Court challenging the assessment order demanding entry tax of ₹ 0.12 million denying the submission of the company that the impugned goods were not sold but returned to the supplier.

Note: The above demands are exclusive of interest and penalty

iv. **Sports Station Retail Private Limited**

1. Sports Station has received a notice dated August 17, 2011 from the Income-tax Officer, Ward-9(2), New Delhi (“**Assessing Officer**”) under Section 143(2) of the ITA requiring Sports Station to attend the office of the Assessing Officer to submit further information in relation to the assessment proceedings for the Assessment Year 2004-05. The notice under Section 143(2) was issued pursuant to re-opening of the assessment under Section 147 read with Section 148 of the ITA. The Assessing Officer by way of an assessment order dated November 21, 2011 under Section 143(3) of the ITA has added back the share application money of 1.4 million as undisclosed income of the company under Section 68 of the ITA and raised a demand notice under section 156 for ₹ 0.95 million along with initiating penalty proceedings under Section 271(1)(c) for concealing the particulars of its income and furnished inaccurate particulars of income. Sports Station filed an appeal before the CIT(A), which confirmed the additions made by the Assessing Officer pursuant to the Order dated March 7, 2013. Sports Station also filed an Application dated May 27, 2013 for rectification of the CIT(A) Order. Sports Station also received a final show cause notice dated December 19, 2014 from the Income-tax Officer, Ward 24(2), New Delhi in relation to the penalty proceedings for the assessment year 2004-05.

Note: The above demands are exclusive of interest and penalty

(c) **Civil matters**

There are no civil matters pending against our group companies.

V. **Litigation involving our Directors**

(a) **Criminal Matters**

There are no criminal litigations pending against our Directors

(b) **Tax Matters**

There are no tax proceedings pending against any of our Directors except the notices received by Rishab Soni and Sunil Taneja as mentioned above.



(c) **Civil Matters**

1. Sanjiv Saraf has, in his capacity as director of Bhilangana Hydro Power Limited received a notice No.TC/203/383A/20-32491/705 dated 12.01.2015, from the Assistant Registrar of Companies, Uttar Pradesh, Kanpur on account of non-compliance with Section 203 of the Companies Act, 2013. Bhilangana Hydro Power Limited has in response to the notice, sought time for compliance of Section 203 of the Companies Act, 2013, stating that it is in the process of finding a suitable candidate to appoint as its company secretary. In response to this reply, it has received a notice No. TC/203/383A/UK/20-32491/269 dated February 04, 2015 requiring that Bhilanga Hydro Power Limited appoint a Company Secretary by February 19, 2015. Bhilanga Hydro Power Limited has, vide its letter dated February 24, 2015, sought time to appoint Company Secretary by end of April, 2015.
2. Sanjiv Saraf has, in his capacity as director of Uttarakhand Hydro Power Private Limited received a notice No.TC/203/383A/20-32661/766 dated January 12, 2015, from the Assistant Registrar of Companies, Uttar Pradesh, Kanpur on account of non-compliance with Section 203 of the Companies Act, 2013. Uttarakhand Hydro Power Private Limited has in response to the notice, sought time for compliance of Section 203 of the Companies Act, 2013, stating that it is in the process of finding a suitable candidate to appoint as its company secretary.

In addition to the above, during the ordinary course of business we are parties to matters before various consumer forums. Additionally, we are also required to file first information reports (FIRs) for purposes of claiming insurance. As on the date of this DRHP are involved in six matters before various consumer forums and we have filed eight FIRs for purposes of claiming insurance.



GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the GoI and various governmental agencies required for our present business and except as disclosed in the DRHP no further material approvals are required for carrying on our present business operations. In granting these approvals, the Government of India, the Reserve Bank of India or any other authority does not take any responsibility for our financial soundness or for the correctness of any of the statements made or opinions expressed in this behalf. For further details in connection with the regulatory and legal framework within which we operate, please refer to the section titled “*Regulations and Policies in India*” on page 138.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enables our Company to undertake its existing activities.

A. Approvals relating to the Offer

1. Our Board, pursuant to its resolution dated January 21, 2015 authorised the Offer subject to the approval of the shareholders of our Company under section 62(1)(c) of the Companies Act, 2013 and approvals by such other authorities as may be necessary;
2. The shareholders of our Company have pursuant to their resolution dated January 27, 2015 under section 62(1)(c) of the Companies Act, 2013, authorised the Offer;
3. Further, the IPO Committee has approved the DRHP pursuant to its resolution dated March 16, 2015.
4. In-principle approval from the NSE dated [●];
5. In-principle approval from the BSE dated [●];
6. Tano has obtained approval for Offer for Sale pursuant to its board resolution dated February 10, 2015 and Rajesh Sahgal has approved the Offer for Sale by letter dated February 23, 2015.

B. Approvals in relation to our Company

1. Certificate of incorporation dated October 5, 1994 granted to our Company by the RoC.
2. Fresh certificate of incorporation dated August 25, 2006 granted to our Company by the RoC consequent upon change of name from Moja Shoes Private Limited to SSIPL Retail Private Limited.
3. Fresh certificate of incorporation dated June 19, 2008 granted to our Company by the RoC consequent upon change of name from SSIPL Retail Private Limited to SSIPL Retail Limited.

C. Approvals pertaining to our business

We require various approvals and licenses for us to carry on our business across India. The approvals that we have obtained include the following:

I. Approvals in relation to foreign investment in the Company

- (a) The Ministry of Industry, Department of Industrial Development, Secretariat for Industrial Approvals, by its letter dated December 16, 1995 granted approval for investment by NRIs in our Company. Further, the RBI through its letter dated September 20, 1995 granted permission under Foreign Exchange Regulation Act, 1973 to issue 1,463,200 Equity Shares to such NRIs with repatriation benefits.
- (b) The Ministry of Commerce and Industry, Department of Industrial Policy and Promotion, by its letters dated May 31, 2006 as amended through letters June 15, 2006, November 06, 2006, June 04, 2007, August 03, 2007, and July 30, 2008 granted approval for foreign equity participation upto 35.27% in our Company subject to fulfilment of certain conditions.



II. *Taxation and other approvals*

(a) *Permanent Account Number (PAN), Tax Deduction and Collection Account Number (TAN) and Importer Exporter Code (IEC), Service Tax Registration Number*

- PAN AAACM2005L granted by the Income Tax Department, Government of India;
- TAN DELM08814B granted by the Income Tax Department, Government of India;
- IEC 0594060958 granted by the Ministry of Commerce and Industry, Government of India; and
- Service Tax Registration number AAACM2005LST004 granted by the Superintendent (Service Tax), New Delhi.

(b) *Value Added Tax/Tax Identification Number ("TIN") and Central Sales Tax ("CST") registrations*

Our Company has registered itself with the concerned authorities of each state where the Company operates its stores. Details of the registrations granted in this regard are set out below:

Sr. No.	Description	Authority	Reference/Registration Number	Date of Issue	Date of Expiry
1.	Certificate of registration for Orissa	Assistant Commissioner of Sales Tax, Puri Range, Bhuvneshwar	TIN: 21571119744 CST: 21571119744	October 9, 2007 with effect from August 20, 2007	Valid until cancelled
2.	Certificate of registration for Punjab	Excise and Taxation Officer – Amritsar-II	TIN: 03142035715 CST: 03142035715	August 27, 2007 with effect from August 21, 2007	Valid until cancelled
3.	Certificate of registration for Gujarat	Assistant Commissioner, Commercial Tax, Unit 9, Ahmedabad	TIN: 24073501285 CST: 24573501285	September 28, 2007 with effect from August 23, 2007	Valid until cancelled
4.	Certificate of registration for Chandigarh	Assistant Excise and Taxation Commissioner. UT-Chandigarh	TIN: 04620032239 CST: 04620032239	August 31, 2007 with effect from August 24, 2007	Valid until cancelled
5.	Certificate of registration for Andhra Pradesh	Commercial Tax Officer, VAT Registering Authority, Somajiguda Circle, Punjagutta Division	TIN: 28661131257 CST: 28661131257	July 9, 2009 with effect from September 1, 2007	Valid until cancelled
6.	Certificate of registration for the National Capital Territory of Delhi	Value Added Tax Officer, Central Registration Cell, Trade and Taxes Deptt. Govt. of NCT Delhi	TIN: 07050331845 CST: 07050331845	August 5, 2007 with effect from August 22, 2007	Valid until cancelled
7.	Certificate of registration for Maharashtra	Sales Tax Officer (MUM-VAT-C-108), Registration Branch, Mumbai	TIN: 27860623864V₹ CST: 27860623864C	May 5, 2007 with effect from August 22, 2007	Valid until cancelled
8.	Certificate of registration for Tamil Nadu	Commercial Tax Officer, Nungambakkam, Assessment Circle, Chennai	TIN: 33290461652 CST: 868371	August 29, 2007 with effect from August 27, 2007	Valid until cancelled
9.	Certificate of registration for West Bengal	Assistant Commissioner Sales Tax, Bahala Circle	TIN: 19634781032 CST: 19634781226	September 3, 2007	Valid until cancelled
10.	Certificate of registration for Uttar Pradesh	Assistant Commissioner of Commercial Tax officer, Noida	TIN: 09965703528C CST: ND5353799	August 30, 2007 with effect from August 25, 2007	Valid until cancelled
11.	Certificate of registration for Karnataka	Assistant Commissioner of Commercial Taxes, LVO-20 Bangalore	TIN: 29250769230 CST: 29250769230	August 30, 2007 with effect from August 1, 2007	Valid until cancelled
12.	Certificate of registration for	Commercial Tax Officer, Jaipur	TIN: 08344151335 CST: 08344151335	TIN: December 15, 2008 with effect from	Valid until cancelled



	Rajasthan			December 5, 2008 CST: December 18, 2008 with effect from December 15, 2008 ¹	
13.	Certificate of registration for Madhya Pradesh	Department of Commercial Taxes, Madhya Pradesh	TIN: 23685307965 CST: 23685307965	TIN: December 27, 2008 CST: February 5, 2009 with effect from December 30, 2008	Valid until cancelled
14.	Certificate of registration for Haryana	Assessing Authority, Sonapat	TIN: 06373007091 CST: SON/CST/7091	February 10, 2004 with effect from April 1, 2003	Valid until cancelled
15.	Certificate of registration for Uttarakhand	Assistant Commissioner, Commercial Tax	TIN: 05008395957 CST: 05008395957	October 17, 2008 with effect from October 1, 2008	Valid until cancelled
16.	Certificate of registration for Jammu	Assessing Authority, Commercial Tax, Circle (E), Jammu	TIN: 01281051509 CST: 01281051509	June 9, 2009 with effect from May 25, 2009	Valid until cancelled
17.	Certificate of registration for Jharkhand	Commercial Tax, Ranchi	TIN: 20230206026 CST: 20230206026	June 5, 2009 with effect from May 26, 2009	Valid until cancelled
18.	Certificate of registration for Himachal Pradesh	Assessing Authority, Nahan District, Sirmaur, Himachal Pradesh	TIN: 02040201030 CST: 02040201030	August 26, 2003 with effect from August 26, 2003	Valid until cancelled
19.	Certificate of registration for Bihar	Deputy Commissioner of Commercial Tax	TIN: 10155831066 CST: 10153818144	TIN: October 17, 2012 with effect from September 19, 2011 CST: October 17, 2012 with effect from September 21, 2012	Valid until cancelled
20.	Certificate of registration for Assam	Assistant Commissioner of Taxes	TIN: 18650154745 CST: 18979935647	October 15, 2011	Valid until cancelled
21.	Certificate of registration for Meghalaya	Superintendent of Taxes	TIN: 17130262081 CST: 17130262275	April 18, 2012 with effect from April 4, 2012	Valid until cancelled

(c) **Local Body Tax registrations under the Bombay Provincial Municipal Corporations (Local Body Tax) Rules, 2010**

We are registered as a dealer with municipal corporations under the Bombay Provincial Municipal Corporations (Local Body Tax) Rules, 2010 with respect to our stores. The details of such registrations are set out below:

Sr. No.	Brand/Store	Authority	Registration No.	Date of Issue	Date of Expiry
1.	Nike/City Centre Mall, Nashik	Nashik Municipal Corporation	NSK604167	September 3, 2013	Valid until cancelled
2.	Nike/G-5 Metro, Kalyan	Kalyan Dombivli Municipal Corporation	KDMC/LBT-TIN/0/13000750	April 30, 2013	Valid until cancelled
3.	Nike/RajramPuri, Kolhapur	Kolhapur Municipal Corporation	E1800858	October 18, 2013	Valid until cancelled
4.	Nike/Pune	Pune Municipal Corporation	PMC-LBT-013-0064697	May 14, 2013	Valid until cancelled
5.	Nike/G.B. Road, Thane	Thane Municipal Corporation	TMC-LBT-0019162-13	May 16, 2013	Valid until cancelled
6.	Nike/Maurya Shopping Centre, Vasai	Vasai-Virar Municipal Corporation	67-/556/2013/14	April 30, 2013	Valid until cancelled
7.	Nike/Empire Mall, Aurangabad	Aurangabad Municipal Corporation	1206118261	April 10, 2012	Valid until cancelled
8.	Nike/Empress City Mall, Nagpur	Nagpur Municipal Corporation	NMCLBT441314P036823	August 31, 2013	Valid until cancelled
9.	ICC Trade Tower, Senapati Bapat Road, Pune	Pune Municipal Corporation	PMC-LBT-013-0072720	July 31, 2013	Valid until cancelled
10.	Solapur	Solapur Municipal Corporation	1/02/13/08177	October 5, 2013	Valid until cancelled



(d) ***State tax registrations on Professions, Trades, Callings and Employments***

(i) **Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975**

We are registered as an employer under the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 and have been granted registration number P.T.-R.C. 27860623864P by the Profession Tax Officer, Registration Branch, Mumbai on February 16, 2008. Further, we have been enrolled under Maharashtra State Tax on Professions Act, 1975 and have been granted a certificate of enrolment dated February 16, 2008 bearing P.T.E.C number 99601617360P by the Profession Tax Officer, Registration Branch, Mumbai.

(ii) **West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979**

We are registered as an employer under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 and granted certification of registration dated January 18, 2008 bearing number RWC-2661373 by the Professional Tax Officer, West Bengal Central Unit-VI. Further, we have been enrolled under the West Bengal State Tax on Professions, Trades, Callings and Employments Act, 1979 and have been granted certificate of enrolment dated December 24, 2007 bearing number EWC-1610170.

(iii) **Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976**

We have been registered as an employer for our stores in Ahmedabad and Rajkot under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 and have been granted registration number PR0734000204. We have also been registered as an employer for our store in Vadodara under the Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976 by the Vadodara Mahanagar Seva Sadan and have been granted registration number PECO21009338.

(iv) **Andhra Pradesh Profession Act, 1987**

We have been registered as a profession tax payer under the Andhra Pradesh Profession Act, 1987 and have been granted certificate of registration bearing reference number PJT/12/2/R/604/2007-08 dated March 1, 2008 and PTIN Number 28643155432 by the Profession Tax Officer, Commercial Taxes Department, Hyderabad. Further, we have also been enrolled under the Andhra Pradesh Profession Act, 1987 and have been granted certificate of enrolment dated March 1, 2008 bearing reference number PJT/12/2/E/1895/2007-08 and PTIN Number 28809925187 by the Professional Tax Officer, Hyderabad.

(v) **Tamil Nadu Urban Local Bodies Tax on Profession, Trades, Calling and Employment Rules, 1998**

We have been registered as an employer under the Tamil Nadu Urban Local Bodies Tax on Profession, Trades, Calling and Employment Rules, 1998 and have been assigned profession tax assessment number 08-126-PE-0686 by certificate dated February 20, 2008, issued by the Commissioner, Revenue Department, Corporation of Chennai.

(vi) **Karnataka Tax on Professions, Trades, Callings and Employment, 1976**

We have been registered under Karnataka Tax on Professions, Trades, Callings and Employment, 1976 and have been allotted a professional tax code bearing number P05P:10937 dated March 28, 2008 by the Professional Tax Officer V Circle, Bangalore.



(vii) **Orissa State Tax on Profession, Trades, Callings and Employment Act, 2000**

We have been registered as a profession tax payer under the Orissa State Tax on Profession, Trades, Callings and Employment Act, 2000 and have been allocated registration number PRBH-II-739/PEBH-II-1100 by the Professional Tax Authority through certificate dated April 19, 2008.

(viii) **Madhya Pradesh Professional Tax Act, 1995**

We have been registered under the Madhya Pradesh Professional Tax Act, 1995 and have been granted certificate of registration dated January 27, 2009 with effect from January 30, 2009 bearing number 79075300344.

III. **Registrations under Labour Laws**

(a) **Employee State Insurance**

We have obtained Employee State Insurance registrations for the following offices:

Sr. No.	Description (Unit/Office)	Authority	Reference/Registration Number	Date of Issue	Date of Expiry
1.	Registered office situated at B-1/F-4, Mohan Cooperative Industrial Area, Mathura Road, New Delhi	Joint Director, Employee State Insurance Corporation, New Delhi	13/19955/22/DL-120/H	February 11, 2008 with effect from August 1, 2007	Valid until cancelled
2.	Office in Mumbai	Joint Director, Sub-Regional Office, ESI Corporation, Marol	13-19955-22 (Marol)	April 25, 2008 with effect from August 1, 2007	Valid until cancelled
3.	Office in Pune	Assistant Director Sub-Regional Office, ESI Corporation, Pune	33-13/19955-22/DL-120/H/PNA(2069)	June 16, 2008 with effect from August 1, 2007	Valid until cancelled
4.	Office in Ahmedabad	Assistant Director, Gujarat Regional Office, ESI Corporation, Ahmedabad	37-13-019955-001-0202	February 01, 2010	Valid until cancelled
5.	Office in Amritsar	Assistant Director, Regional Office, ESI Corporation Amritsar	Punjab/12/13/19955/22/415/P B/83	August 28, 2008 with effect from May 2, 2008	Valid until cancelled
6.	Office in Hyderabad	Assistant Director, Regional Office, ESI Corporation, Hyderabad	52-0090(13-19955-22)HYD	May 13, 2008 with effect from August 1, 2007	Valid until cancelled
7.	Office in Kolkata	Assistant Director, ESI Corporation, West Bengal region	13-19955-22 (Kol)-1789	May 13, 2008 with effect from August 1, 2007	Valid until cancelled
8.	Office in Lucknow	Assistant Director, Regional Office, ESI Corporation, Kanpur	13-19955-22/UP-4598/Lucknow	May 12, 2008 with effect from August 1, 2007	Valid until cancelled
9.	Office in Chandigarh	Assistant Director, Regional Office, ESI Corporation, Chandigarh	Punjab/17/13/19955/22/411/C hd/74	May 29, 2008 with effect from August 1, 2007	Valid until cancelled
10.	Office in Bangalore	Assistant Director, Regional Office (Karnataka), ESI Corporation, Bangalore	13/19955/22(BNG)	June 3, 2008 with effect from August 1, 2007	Valid until cancelled
11.	Office in Chennai	Regional Office	INSPN/13-19555-	May 6, 2008 with	Valid until



Sr. No.	Description (Unit/Office)	Authority	Reference/Registration Number	Date of Issue	Date of Expiry
		(Tamil Nadu), ESI Corporation	22/29/2008/KBKM	effect from August 1, 2007	cancelled
12.	Office in Vadodara	Assistant Director, ESIC, Alkapuri, Vadodara	13-19955-22/DL/120/H (BRD)(GRW)	September 2, 2008	Valid until cancelled
13.	Office in Jaipur	Regional Director, ESIC, Panchdeep Bhawan, Jaipur	15-13-019955-001-1002	December 30, 2009 with effect from October 26, 2009	Valid until cancelled
14.	Office in Dehradun	Deputy Director, ESIC, Dispensary, Dehradun	61-13-019955-001-0202	March 23, 2010 with effect from January 09, 2009	Valid until cancelled
15.	Office in Jammu	Deputy Director, ESIC, Jammu	19-13-019955-320-1002	August 09, 2010	Valid until cancelled
16.	Office in Shimla	Deputy Director, ESIC, Parwanoo	14-13-019555-000-0202/6129	November 03, 2010 with effect from June 22, 2010	Valid until cancelled

(b) ***Employee Provident Fund and Miscellaneous Provision Act, 1952 ("EPF Act")***

We have been registered under the EPF Act with effect from August 1, 2007 and have been granted registration no. DL/935405 by certificate bearing reference no. PFRC/98 Coord/DL935405/Coverage/17 dated January 01, 2008 issued by Assistant Provident Fund Commissioner, Office of the Regional Provident Fund Commissioner, New Delhi.

IV. ***Approvals obtained by different manufacturing units/factories***

As on date of this Draft Red Herring Prospectus we have seven footwear manufacturing facilities located at Kundli in Haryana, Bhagani, Bangaran and Ajjiwala in Ponta Sahib, Himachal Pradesh and Selaqui in Dehradun, Uttarakhand and three design and development centers (forming part of the aforesaid manufacturing facility at Kundli, Haryana).

1. **Kundli, Sonapat, Haryana**

Sr. No.	Description	Authority	Reference/Registration Number	Date of Issue	Date of Expiry
1.	Consent under the Water Act, Air Act and Hazardous Substances Rules	Haryana State Pollution Control Board	HSPCB/2013/3411	March 31, 2013 with effect from April 1, 2013	March 31, 2015
2.	Certificate of registration under the EPF Act	Office of the Provident Fund Commissioner Karnal, Haryana	HR/KL/15456	May 27, 1998 with effect from September 22, 1997	N. A
3.	Certificate of Registration under ESI Act	Regional Director, Employee State Insurance Corporation, Faridabad	13/19955/22/555	December 29, 2000 with effect from December 1, 2000	N.A.
4.	Certificate of registration under section 69 of the Finance Act, 1994	Superintendent (Service Tax), Central Excise and Service Tax Division, Kundli,	AAACM2005LST001	September 18, 2008	Valid
5.	Certificate of registration under Rule 9, of the Central Excise Rules, 2002	Assistant Commissioner, Central Excise, Range-II, Kundli, Sonapat, Haryana,	AAACM2005LXM001	September 8, 2003	Valid



6.	Certificate of registration under Weights and Measures Rules	Office of the Controller, Legal Metrology, Haryana	CLM/80/HAR/495	February 23, 2007	N.A.
7.	Sanction of a load usage of 1500 KWS	Uttar Haryana Bijli Vitran Nigam	Memo No. 2856	July 2, 2012	N.A.
8.	Permission to run a 750 KVA diesel generator set	Executive Engineer, Electrical Inspectorate, Haryana	Memo No. 3441	September 03, 2012	N.A.
9.	Permission to run two generator sets of 500 KVA	Executive Engineer, Electrical Inspectorate, Haryana	U771SMP/2988	April 24, 2008	N.A.

2. Bangaran, Paonta Sahib, Himachal Pradesh

Sr. No.	Description	Authority	Reference /Registration Number	Date of Issue	Date of Expiry
1.	Registration granted for the factory at Paonta Sahib as a small scale unit for manufacturing of sports shoes.	Single Window Clearance Agency, Paonta Sahib, Himachal Pradesh	Entrepreneurs Memorandum Number 02/10/12/00113	March 1, 2007	N.A.
2.	Authorisation for operating a facility for generation and storage of Hazardous Waste Rules	Himachal Pradesh State Pollution Control Board	PCB/HWMR(886)M/s SSIPL Retail/11/3031-35	May 22, 2013	March 31, 2017
3.	Consent to operate under Air Act and Water Act	Himachal Pradesh State Pollution Control Board	PCB(470)/SSIPL Retail Riviera Pentland (13006)13-12512-15	September 18, 2013	March 31, 2018
4.	Certificate of registration under the EPF Act	Regional Office, Kasumpti, Shimla, Himachal Pradesh	PN/SM/HP- 3140	January 01, 2004	Valid until cancelled
5.	Certificate of registration under the ESI Act	Regional Office, Employee State Insurance Corporation, Madhya Marg, Chandigarh	14/38180/22	February 04, 2004 with effect from December 1, 2003	Valid until cancelled
6.	No objection certificate for fire safety	Chief Fire Officer, Himachal Pradesh, Shimla-2	HOM(FS)(HQ)6-10/76-XL-SML, NOC-4538	July 25, 2013	July 24, 2015
7.	Certificate of registration granted, under Weights and Measures Rules for manufacturing/packing footwear.	Controller, Weights and Measures	991/DEL/NORTH-WEST/HQ/epe2005	October 6, 2005	N.A.
8.	Certificate for extension of load usage from 250 KVA to 450 KVA	Senior Executive Engineer, Himachal Pradesh State Electricity Board	Not provided for	February 20, 2008	N.A.
9.	Permission granted for installing Diesel Generating Set of capacity 1x250 KVA to be used as standby source of power.	Himachal Pradesh State Electricity Board	HPSEB/CE(Comm.)/PC-DGS(XXV)/2008-6223-29	July 21, 2008	N.A.
10.	Certificate of	Assistant	AAACM2005LST002	September 18, 2007	Until either the



	registration under section 69 of the Finance Act, 1994	Commissioner, Central Excise Division, Shimla (Himachal Pradesh)	activity for which the certificate has been granted is carried on or when the registration is surrendered.
11.	Certificate of registration for central excise		Application under process

3. Bhagani, Paonta Sahib, Himachal Pradesh

Sr. No.	Description	Authority	Reference /Registration Number	Date of Issue	Date of Expiry
1.	Registration granted for the factory at Ponta Sahib as a small scale unit for manufacturing of sports shoes	Single Window Clearance Agency, Paonta Sahib, Himachal Pradesh	Entrepreneurs Memorandum Number 02/010/12/00177	July 17, 2008 with effect from July 9, 2008	N.A.
2.	Authorisation for operating a facility for collection and storage of hazardous wastes under the Hazardous Waste Rules	H.P. State Pollution Control Board	PCB/HWMR(1939)M/s SSIPL Retail unit- III/11/7-10	April 4, 2012	March 31, 2015
3.	Consent to operate under the Water Act and the Air Act	Environmental Engineer, Himachal Pradesh State Pollution Control Board, Paonta Sahib	PCB/EE(PT)(1939) SSIPL Retail Ltd., Unit- III/2010-1732-34	May 23, 2013	March 31, 2018
4.	Certificate of registration under the EPF Act	Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Shimla	HP-6785	July 1, 2010 w.e.f March 29, 2010.	N.A.
5.	No objection certificate for fire safety	Chief Fire Officer, Himachal Pradesh, Shimla-2	HOM(FS)(HQ)6-10/76-XL-SML, NOC-4539	July 25, 2013	July 24, 2015
6.	Certificate of registration under section 69 of the Finance Act, 1994 – Service Tax	Superintendent of Central Excise (Paonta Sahib)	AAACM2005LSD006	December 12, 2013	N.A
7.	Exemption for Central Excise vide Notification number 49-50/2003	Assisitant Commissioner Central Excise Division, Shimla	C. No. CE-20/Decl/SSIPL/979/P/09	May 3, 2010	10 years from commercial production
8.	No objection Certificate to install diesel generator set of capacity 1x125 KVA (standby source)	Himachal Pradesh State Electricity Board	HPSEB LTD/CE (Comm.)/PC-DGS(NHN CIR)Vol-IV-2011-12-17380-86	January 16, 2012	N.A.
9.	No objection certificate to install diesel generator set as standby source of capacity 250 KVA	Himachal Pradesh State Electricity Board	HPSEB LTD/OCN/CBC/D.G. Set/NOC/12-13-1172-76	May 1, 2013	N.A.
10.	Power availability certificate regarding issuance of power availability certificate for load of 202 KW, additional load total 300 KW	Himachal Pradesh State Electricity Board	HPSEB/OCN/CBC-7/VOL-53/2012/9501-08	November 22, 2012	N.A.



4. Selaqui, Dehradun, Uttarakhand

Sr. No.	Description	Authority	Reference Number	/Registration	Date of Issue	Date of Expiry
1.	Consolidated Consent and Authorisation (CC&A) for one clearance under the consents under Water Act, Air Act and Authorisation under Hazardous Wastes Rules	Uttarakhand Environment Protection and Pollution Control Board, Dehradun	AWH-34364		December 12, 2014	March 31, 2015
2.	Registration granted for the factory at Selaqui as a small scale unit for manufacturing of sports shoes.	General Manager, District Industries Centre.	Entrepreneurs Number 0505020318	Memorandum	November 11, 2008	N.A.
3.	Environmental clearance under Environmental Impact Assessment Notification, 2006	Member Secretary, State Level Environment Impact Assessment Authority, Dehradun, Uttarakhand	EC-126/10/111		September 28, 2010	Valid for five years from the date of issue
4.	Approval for withdrawal of ground water upto 30m ³ per day.	Central Ground Water Authority, Ministry of Water Resources, Government of India.	21-4(44)/UR/CGWA/2010-2337		September 29, 2010	N.A.
5.	Certificate of registration under the EPF Act	Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Regional Office, Uttarakhand	EPF/RO/UK/DDN/COV/33523		January 16, 2009. Valid with effect from December 8, 2008	N. A.
6.	Certificate of registration under the ESI Act	Assistant Commissioner, ESI Department	61-4190-24/SQ		January 16, 2009	Valid until cancelled
7.	Certificate of registration under section 69 of the Finance Act, 1994	Superintendent, Range Service Tax, Dehradun	46-ST-SSIPL-GTA-RSTDDN-09-10		May 20, 2009	N.A.
8.	Exemption for Central Excise vide Notification number 49-50/2003	Inspector, Customs & Central Excise Range – Dehradun	-		December 12, 2008	10 years from commercial production
9.	Certificate of registration under Weights and Measures Rules, 1977	Controller, Weights and Measures	91/DEL/NORTH-WEST/HQ/2005		October 6, 2005	N.A.
10.	Permission for industrial /commercial electricity load upto 305 KVA	Executive Engineer, Electricity Distribution Division (R), Dehradun	339		November 8, 2012	N.A.



5. Ajjiwala, Himachal Pradesh

Sr. No.	Description	Authority	Reference /Registration Number	Date of Issue	Date of Expiry
1.	Consent to operate under the Water Act and the Air Act	Himachal Pradesh State Pollution Control Board, Paonta Sahib, Distt. Sirmour, HP	PCB/EE(PT)/(1188) SSIPL Retail Ltd unit II/2013-444-45	May 16, 2013	March 31, 2018
2.	Authorisation for operating a facility for generation and storage of hazardous wastes under the Hazardous Waste Rules	Himachal Pradesh State Pollution Control Board, Paonta Sahib, Distt. Sirmour, HP	PCB/EE/(Pt)/SSIPL Retail Ltd. (Unit-II)/11-477-79	July 4, 2012	March 31, 2017
3.	Permission granted for installing diesel generator set of capacity 1x125 KVA to be used as standby source of power.	Himachal Pradesh State Electricity Board	DGS(XVI)/2005-20421-27	December 31, 2005	N.A.
4.	Certificate of registration under the ESI Act	Assistant Commissioner, ESI Department	HP/14/38235/22	July 7, 2005 wef from March 1, 2005	Valid until cancelled
5.	Certificate of registration under the EPF Act	Assistant Provident Fund Commissioner, Employees' Provident Fund Organisation, Shimla	PN/SM/HP/4136	June 7, 2005 wef from March 1, 2005	Valid until cancelled.
6.	Sanction of load additional load of 152 KW making a total of 250 KW (98 KVA + 152 KVA)	Himachal Pradesh State Electricity Board	No.OCN/CBC/M/s SSIPL Retail Ltd-unit-II/2013-14 7828-34	October 8, 2010	N.A
7.	Certificate of registration under section 69 of the Finance Act, 1994	Superintendent of Central Excise (Paonta Sahib)	AAACM2005LST003	September 18, 2007	N.A.
8.	Exemption for Central Excise vide Notification number 49-50/2003	Assitant Commissioner Central Excise Division, Shimla	C. No. CE-20/Declaration/Revere Unit-II/Paonta/157/05	November 20, 2006	10 years from commercial production

6. Shree Shoes, Bangran, Paonta Sahib, Himachal Pradesh

Sr. No.	Description	Authority	Reference /Registration Number	Date of Issue	Date of Expiry
1.	Consent to operate under the Water Act and the Air Act	Environmental Engineer, Himachal Pradesh State Pollution Control Board, Paonta Sahib	PCB/EE(PT)(1804)M/s Shree Shoes /2014-339-40	June 6, 2014	March 31, 2015
2.	No objection certificate for fire safety	Chief Fire Officer, Himachal Pradesh, Shimla-2	HOM(FS)(HQ)6-10/76-XL-SML, NOC-6279	September 16, 2014	September 7, 2016
3.	Certificate of registration under the ESI Act	Employees' State Insurance	ESIC Code No. 00 038529 000 0202	July 5, 2010 with effect from April 9, 2010	N.A.



		Corporation, Parwanoo, H.P.				
4.	Certificate of registration under the EPF Act	Employees' Provident Fund Organisation, Shimla	PN/SM/HP-6727	May 5, 2010 with effect from March 7, 2010	with from	N.A.
5.	Exemption for Central Excise vide Notification number 49-50/2003	Assisitant Commissioner Central Excise Division, Shimla	-	March 4, 2010		10 years from commercial production
6.	Certificate of registration of Service Tax (Registration Number- ABQFS8753FSD002)	Central Excise Officer	-	April 29, 2014		N.A.

7. Kundli (316, Sector 57), Sonipat, Haryana

Sr. No.	Description	Authority	Reference Number	/Registration	Date of Issue	Date of Expiry
1.	Approval of factory building plans under the Factories Act, 1948	Chief Inspector of Factories, Haryana	SNP/FP/S-547/639		May 5, 2014	N.A.
2.	Sanction for 125 KVA gen. Sets	Executive Engineer, Electrical Inspectorate Haryana	Memo. No. 2037		June 3, 2014	N.A.
3.	Pollution no objection /exemption certificate	Haryana State Pollution Control Board	HSPCB/SR/2014/7364		March 12, 2014	Indefinite, or until the Company commences any activity at the unit that is specified as being polluting.
4.	Certificate of registration under rule 9 of the Central Excise Rules, 2002	Central Board of Excise and Customs	AAACM2005LEM003		December 30, 2013	Until the Company ceases the specified activities at the unit or until the registration is surrendered, revoked or suspended.
5.	Sanction of electricity load of 200 KVA	Uttar Haraya Bijli Vitran Nig Limited	Account S14LS0125623M	No. --	--	N.A.

(a) Approvals applied for but not yet obtained by our Company

- Renewal of no-objection certificate number 532 for fire safety for the factory at Kundli, Sonipat, Harayana to Haryana Fire and Emergency Services.
- Renewal of factory license number SPT/M-28/6175 under the Factories Act, 1948 for the factory at Kundli, Sonipat, Harayana to Labour Department, Haryana.
- Renewal of factory license number L&E (FAC) 9-79/03 2212 under the Factories Act, 1948 for the factory at Bangaran, Paonta Sahib, Himachal Pradesh to Chief Inspector of Factories, Himachal Pradesh.
- Renewal of factory license number L&E (FAC) 9-156/10 under the Factories Act, 1948 for the factory at Bhagani, Paonta Sahib, Himachal Pradesh to Chief Inspector of Factories, Himachal Pradesh.



- Renewal of factory license number L&E (FAC) 9-121/05 under the Factories Act, 1948 for the factory at Ajjiwala, Himachal Pradesh to Labour Commissioner-cum-Chief Inspector of Factories.
- Renewal of factory license number SPT-ONLINE-CHD-69 under the Factories Act, 1948 for the factory at Kundli (316, Sector 57), Sonipat, Haryana to Chief Inspector of Factories, Haryana.
- Factory license number DDN 747 under the Factories Act, 1948 for the factory at Selaqui, Dehradun, Uttarakhand to Assistant Director of Factory, Dehradun, Uttarakhand, which expired on December 31, 2014.
- No objection certificate number HOM(FS)(HQ)6-10/76-XL-Sml, NOC-6/45 for fire safety for the factory at Ajjiwala, Himachal Pradesh to Directorate of Fire Services, Shimla, which expired on October 16, 2014.
- No objection certificate for fire safety for the factory at Selaqui, Dehradun, Uttarakhand to Office of Chief Extinguisher Officer, which expired on March 02, 2015.

(b) ***Approvals not yet applied for by our Company***

- No objection certificate number FSO 475 for fire safety for the factory at Kundli (316, Sector 57), Sonipat, Haryana to Haryana Fire and Emergency Services, which expired on February 11, 2014.
- Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977 for Bhagani, Paonta Sahib, Himachal Pradesh to Controller, Weights and Measures.
- Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977 for Ajjiwala, Himachal Pradesh to Controller, Weights and Measures.
- Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977 for Kundli (316, Sector 57), Sonipat, Haryana to Controller, Weights and Measures.
- Certificate of registration under section 69 of the Finance Act, 1994 for Kundli (316, Sector 57), Sonipat, Haryana to Superintendent (Service Tax), Central Excise and Service Tax Division, Kundli.

(c) ***Approvals applied for but not yet obtained by our subsidiary Shree Shoes:***

- Renewal of factory license number L&E (FAC) 9-125/10 4401 under the Factories Act, 1948 for Shree Shoes, Bangran, Paonta Sahib, Himachal Pradesh to Labour Commissioner-cum-Chief Inspector of Factories.

(d) ***Approvals not yet applied for by our subsidiary Shree Shoes:***

- Certificate of registration under Standards of Weights and Measures (Packaged Commodities) Rules, 1977 for Shree Shoes, Bangran, Paonta Sahib, Himachal Pradesh to Controller, Weights and Measures.

Approvals relating to our stores

Except as mentioned below, we have obtained material licenses required for the operation of our 438 stores are trade licenses and certificates under the relevant State Shops and Establishment Act, wherever applicable.*



Application for renewal/ fresh registration has been made for the following nine stores under the relevant State Shops and Establishments Act:

Sr. No.	Store/location	Brand
1.	Shop no. 69-70, MGF Metropolitan Mall, Gurgaon	Nike
2.	Shop no. MS 032/UGF032, DLF Mega Mall, Gurgaon	Nike
3.	Shop no.1, Avtar Colony, Kanjpura Road, Karnal	Nike
4.	Shop no. 14 and 15, Shopprix Mall, Delhi Mathura Road, Meerut	Nike
5.	Shop no. F-12 and 13, Kota City Mall, Jhalawar Road, Kota	Nike
6.	Zhilmil Dhaba, G.T Road, Karnal, Haryana	UCB
7.	Shop no. G-32, Merion SKY Mall, Rohtak	Lotto
8.	FF-07, BMG Mall Rewari, Haryana	Lotto
9.	Shop no. 2, Sector 14, Gurgaon	Lotto

The following 143 stores require renewal/applications to be made under the relevant State Shops and Establishment Act:

Sr. No.	Store/location	Brand
1.	G-10, Crown Interior Mall, NH-2, Mathura Road, Faridabad, Haryana	Nike
2.	GF, Mezzanine, Floor & Basement, GT Karnal Road, Kundli, Sonipat, Haryana	Nike
3.	Zhilmil Dhaba, Opp. Karan Lake, GT Road, Karnal, Haryana	Nike
4.	Sain House, Delhi Road, Model Town, Opposite Jeevan Eye Hospital, Rohtak, Haryana	Nike
5.	Shop no. DSS-377, Sector 8, Panchkula, Haryana	Nike
6.	Shop no. 6351/16, Ground Floor, Nicholson Road, Ambala Cant., Haryana	Nike
7.	Shop no. GA 112, Crown Plaza Mall, Faridabad, Haryana	Nike
8.	C-17, Sector 18, Noida, Haryana	Nike
9.	Unit no. 130, A-2, Sector 38-A, Unitech Mall, Noida, Haryana	Nike
10.	Shop no. 60-64, Indrapuram, Shipra Mall, Ghaziabad, Haryana	Nike
11.	Unit no. 72, Great India Place Mall, Unitech, Sector 38A, Noida, Haryana	Nike
12.	Plot no. 36, Kamla Nagar, Sigra, Varanasi, Uttar Pradesh	Nike
13.	Plot no. 16, Upper Ground Floor, Civil Lines, Kanth Road, Moradabad, Uttar Pradesh	Nike
14.	B-27/69, GF, Durgakund, Bhelapur, Varanasi, Uttar Pradesh	Nike
15.	Shop no. 3/13, 4/13 UGF, Manglam Tower, Golghar, Gorakhpur, Uttar Pradesh	Nike
16.	Mgs-23, Sector-B, Alliganj, Lucknow, Uttar Pradesh	Nike
17.	F-16 B, Phoenix, Lucknow, Uttar Pradesh	Nike
18.	FF-38, Alpha One Mall, MBM Farms, GT Road, Amritsar, Punjab	Nike
19.	Shop no. 22 and 23, Trillium Mall, Circular Road, Basant Avenue, Amritsar, Punjab	Nike
20.	Shop no. 1 and 2, Gujran, Jalandhar Road, Hoshiarpur, Punjab	Nike
21.	GF & FF, Nagarpalika no. 2-409, Naintal Road, Haldwani, Nainital, Uttarakhand	Nike
22.	Khasra no. 765, New Haridwar Colony, Village Ahmadpar Karchh, Haridwar, Uttarakhand	Nike
23.	F-13, Pacific Mall, Rajpur Road, Dehradun, Uttarakhand	Nike
24.	Unit no. 235/56, Jamshed Complex, Ram Nagar Road, Kashipur, Uttarakhand	Nike
25.	Shop no. 52, Ashoka Nagar, Udaipur, Rajasthan	Nike
26.	Sheel Bhawan, Kotri Road, Gumanpura, Kota, Rajasthan	Nike
27.	Shop no. 01-26, Celebration Mall, NH8, DevendraDham, Udaipur, Rajasthan	Nike
28.	Shop no. 9, Ground Floor, Lake City Mall, Main Ashok Nagar Road, Udaipur, Rajasthan	Nike
29.	B-46, GF and FF, Kalpatru Sardul Ganj, Bikaner, Rajasthan	Nike
30.	Shop no. 32, Vijay Mandir Road, Bhagat Singh Circle, Alwar, Rajasthan	Nike
31.	Unit no. 49, Ground Floor, N- Block, NH-15, Sri Ganga Nagar, Rajasthan	Nike
32.	Shop no. 16, Wave Mall, Opp. Bhatinda Road, Bye Pass, Jammu	Nike
33.	Unit no. 48, Ground Floor, Kamla Nehru Marg, Freeganj, Ujjain, Madhya Pradesh	Nike
34.	Shop no. 17, Forum Mall, 21 Hosur Road, Bangalore, Karnataka	Nike
35.	Shop no. 18, FF, Mantri Mall, Malleshwaram, Bangalore, Karnataka	Nike
36.	Shop no. 3-6-386, Himayat Nagar, Hyderabad, Andhra Pradesh	Nike
37.	Shop no. 6-3-344/A/4-5-6, Cupid Curve, Banjara Hills, Road no. 1 Hyderabad, Andhra Pradesh	Nike
38.	Shop no. 1,2,3, Sanali Arcade, Banjara Hills, Road no. 2, Hyderabad, Andhra Pradesh	Nike
39.	Shop no. 1-10-72/A/2, Pochampally House, S.P. Road, Begumpeth, Hyderabad, Andhra Pradesh	Nike
40.	4-7-81/1, Zaheer Nagar Colony, Main Road, Habsiguda, Hyderabad, Andhra Pradesh	Nike
41.	S-116, South City Mall, Kolkata, West Bengal	Nike
42.	Unit no. 102, Mani Square Mall, Kolkata, West Bengal	Nike
43.	Shop no. 15/4, Grand Hotel, JawaharLal Nehru Road, Kolkata, West Bengal	Nike
44.	Shop No. A-211, City Centre 1 – Salt Lake City, Kolkata, West Bengal	Nike
45.	Shop no. 139A, Rash Behari Avenue, Kolkata, West Bengal	Nike
46.	B007 City Centre Mall, Rajarhat, Kolkata, West Bengal	Nike
47.	Shop no. 1204B, Main Road, Ranchi	Nike
48.	Shop no. S-11, Patli Putra Kurju Road, P&M Mall, Patna	Nike
49.	Christian Basti, GS Road, Kamrup, Guwahati	Nike
50.	Police Bazaar, Shillong, Meghalaya	Nike
51.	Shop no. 15, Ground Mezzanine Floor, Club Complex Ranchi	Nike
52.	B-6A, Basement, 10/3, Forum Mall, Elgin Road, Kolkata, West Bengal	Nike



53.	Holding no. 600 & 601, Frazer Road, Opp. Bank of India, Dakbungalow, Patna, Bihar	Nike
54.	GS Road, Guwahati Bora Services, opp. HS School, Guwahati, Assam	Nike
55.	Junction Mall, Durgapur, West Bengal	Nike
56.	Shop no. 14, Crystal Mall, Rajkot, Gujarat	Nike
57.	Unit no. F3-1, Eternity Mall, Variety Square, Wardha Road, Nagpur, Maharashtra	Nike
58.	Empress City Mall Nagpur, Maharashtra	Nike
59.	Shop No.- 5, GF, Super Mall-2, Infocity Gandhinagar, Gujarat	Nike
60.	Blue Room Restorant, Opposite Electricity House Relief Road ,Ahmedabad, Gujarat	Nike
61.	Plot no 6&7, Survey no 33, Opposite commerce college, Mirzapara Road Bhuj, Gujarat	Nike
62.	GF 25 & 26, Ground floor, Khandesh Central Mall Jalgaon, Maharastra	Nike
63.	Unitech F-131, Sector 38A,Noida, Uttar Pradesh	Levi's
64.	Unitech G-19, Sector 38A,Noida, Uttar Pradesh	Levi's
65.	Shop no. 6, Kuldeep Nagar, Ambala, Haryana	Levi's
66.	Shop no. 3, Premium Store, Colaba, Causeway Mumbai, Maharashtra	Levi's
67.	Shop no. 6-6A, 7-7A, ,Sky Mall Rohtak, Haryana	Levi's
68.	Shop no. 7/187, Swaroop Nagar, Kanpur, Uttar Pradesh	Levi's
69.	Shop no. 49, Avani Riverside Mall, Jagat Bannerjee Ghat, Kolkata, West Bengal	Levi's
70.	Unit no. G-29, Phoenix United Mall, Philbit, Bareilly	Levi's
71.	Shop no. B5, 10/3 Lala Lajpat Rai, Forum Courtyard, Kolkata, West Bengal	Levi's
72.	22A, lower ground floor, Wave Mall, Jammu	Levi's
73.	Shop no. S117 , first floor, 375 Prince Anwar Shah Road, South City Kolkata, West Bengal	Levi's
74.	25/A, Unit No-3. Kharvel NGR, Janpath, Bhubaneswar, Orissa	Levi's
75.	Plot No 495/1427 and 495/2185, Kachery Road Rourkela, Orissa	Levi's
76.	Inorbit Mall, Pune, Maharashtra	Levi's
77.	Collage Road, Nashik, Maharashtra	Levi's
78.	City Centre, Nashik, Maharastra	Levi's
79.	FF-38, Alpha One Mall, Amritsar, Punjab	Shoe Tree
80.	Shop no. 29-A, Z Square, Kanpur, Uttar Pradesh	Shoe Tree
81.	F-16, Pacific Mall, Rajpur Road, Dehradun	Shoe Tree
82.	A-184, Abu Lane, Meerut, Uttar Pradesh	Shoe Tree
83.	Shop no. 12, Trillium Mall, Circular Road, Amritsar, Punjab	Shoe Tree
84.	Krishna Tower, Rajpur Road, Dehradun	Shoe Tree
85.	22, lower ground floor, Wave Mall, Jammu	Shoe Tree
86.	Shop no. 6, Hotel Highway King, Village Bhabharu, Jaipur, Rajasthan	Value Station
87.	Shop no. 276/30, Rohtak, Haryana	Value Station
88.	SR-5, Ashoka Market, Station Square, Bhubneshwar, Orissa	Value Station
89.	Golden Crust Bakery, IMA, Dehradun	Value Station
90.	Shop no. 6, 51 Milestone, Murthal, Ibrahimpur, Sonipat, Haryana	Value Station
91.	Shop no. 3 & 4, Village Gujran, Jalandhar Road, Hoshiarpur, Punjab	Value Station
92.	Chandi Mandir, Haryana	Value Station
93.	S.C.O 106, PLA Complex, Hisar, Haryana	UCB
94.	Near Param Nursing Home, NH-1, Kundli, Haryana	UCB
95.	Shop no. 276/30, Rohtak, Haryana	UCB
96.	Shop no. 13 & 14, Ambala, Haryana	UCB
97.	Shop no. 5, Village Bhabharu, Tehsil ViratNagar, Jaipur, Rajasthan	UCB
98.	Bhajan Complex, Gajraul, Jyotibha Phule Nagar, Uttar Pradesh	UCB
99.	GT Karnal Road, Kundli, Sonipat, Haryana	UCB
100.	Shop no. 5, Mc Donald Complex.Chandigarh Ludhiana Highway,VPO Heeran, Ludhiana, Punjab	UCB
101.	G-7, Mittal Mega Mall, Panipat, Haryana	Lotto
102.	B-2/170, Sirsa, Haryana	Lotto
103.	Shop no. 2, Sheetal Lifestyle Mall, Rohtak, Haryana	Lotto
104.	Shop no. 5386, Nicholson Road, Ambala, Haryana	Lotto
105.	Shop no. 49, Kuldeep Nagar, Ambala 2, Haryana	Lotto
106.	27/A/6, Rajpur Road, Dehradun	Lotto
107.	Matke Wali Gali, Rudrapur, Uttarakhand	Lotto
108.	Shop no. 27A, Lawrence Road, Amritsar, Punjab	Lotto
109.	301 R, Gaba Grand Mall,Viva College, Jalandhar, Punjab	Lotto
110.	Unit no. UG-11, Phoenix Market City, Vimannagar, Pune, Maharashtra	Lotto
111.	Shop no. 13, Crystal Mall, Rajkot, Gujarat	Lotto
112.	Shop no. FF-20, Seven Seas Mall, Vadodara	Lotto
113.	F-26, DB Mall, Bhopal, Madhya Pradesh	Lotto
114.	Shiv Sadan, Nogaon, Assam	Lotto
115.	Shop no. 25 and 26, Avani Riverside Mall, Jagat Bannerjee Ghat, Kolkata, West Bengal	Lotto
116.	Shop no. G-2, City Mall, Kota, Rajasthan	Lotto
117.	Shop no. GA-14, Crown Plaza, Faridabad, Haryana	Lotto
118.	Shop no. 490, Karnal, Haryana	Lotto
119.	A-7, Allahabad, Uttar Pradesh	Lotto
120.	Shop no. 14 & 15, Dindayal, City Mall, Gwalior	Lotto
121.	Shop no. 32, Vijay Mandir Road, Alwar, Rajasthan	Lotto
122.	Shop no. B-46, Kalpatru, Sardulganj, Bikaner, Rajasthan	Lotto
123.	FF-128, GIP Mall, Noida, Delhi	Lotto
124.	R City Mall, Ghatkoper, Mumbai, Maharashtra	Lotto
125.	Shop no. 1, Krishna Complex, Saharanpur, Uttar Pradesh	Lotto



126.	Shop no. 2, MI Road, Jaipur, Rajasthan	Lotto
127.	Euro Park Sahibabad, Uttar Pradesh	Lotto
128.	Shop no. 14, Ashok Nagar, Udaipur, Rajasthan	Lotto
129.	Shop no. 322, Partap Road, Moga, Punjab	Lotto
130.	Shop no. 32, Z Square Mall, Kanpur, Uttar Pradesh	Lotto
131.	Kothari Gumanpura, near Manak Bhawan, Kota, Rajasthan	Lotto
132.	Shop no. 213, Raghunath Bazar, Jammu	Lotto
133.	Shop no. 119, IT Park DLF, Chandigarh	Lotto
134.	Shop no. 335, Ram Nagar Road, Kashipur, Uttarakhand	Lotto
135.	Ashok Nagar, Sonapat, Haryana	Mmojah
136.	Shop no. 6/300, Old Faridabad Market, Faridabad, Haryana	Mmojah
137.	Shop no. 27/28, Kundli, Sonapat, Haryana	Mmojah
138.	1D-18, NIT Sec 1, Main Market, Faridabad, Haryana	Mmojah
139.	Subhash Chowk, Sonapat, Haryana	Mmojah
140.	Shop no. 75, Sersa Road, Jantikalan, Kundli, Haryana	Mmojah
141.	Celebration Mall, Udaipur (Bhuwana), Rajasthan	Clarks
142.	FF-32, Alpha one, MBM Farms, Amritsar, Punjab	Clarks
143.	Model Town, Sonapat, Haryana	ShoeTree Sports

Applications for trade license, wherever applicable, have been made for the following one store under the relevant laws:

Sr. No.	Store/location	Brand
1.	F-53, Select City Walk Mall, Saket, New Delhi	Levi's

The following 128 stores require renewal/applications to be made under the relevant laws for trade license, wherever applicable:

Sr. No.	Store/location	Brand
1.	G-11, South Extension (NDSE) – Part I, Delhi	Nike
2.	G-5, LI-C, Janak Place, Janakpuri, Delhi	Nike
3.	Shop no. 105, Moments Mall, Kirti Nagar, Delhi	Nike
4.	Shop no. 69-70, MGF Metropolitan Mall, Gurgaon, Haryana	Nike
5.	G-10, Crown Interior Mall, NH-2, Mathura Road, Faridabad, Haryana	Nike
6.	GF, Mezzanine, Floor & Basement, GT Karnal Road, Kundli, Sonapat, Haryana	Nike
7.	Zhilmil Dhaba, Opp. Karan Lake, GT Road, Karnal, Haryana	Nike
8.	Sain House, Delhi Road, Model Town, Opposite Jeevan Eye Hosiptal, Rohtak, Haryana	Nike
9.	Shop no. DSS-377, Sector 8, Panchkula, Haryana	Nike
10.	Shop no. 6351/16, Ground Floor, Nicholson Road, Ambala Cant., Haryana	Nike
11.	Shop no. MS 032/UGF032, DLF Mega Mall, Gurgaon, Haryana	Nike
12.	Shop no. GA 112, Crown Plaza Mall, Faridabad, Haryana	Nike
13.	Shop no. G-38, 39, 40, Kessel Mall, Sector-17, City Centre, Kurukshetra, Haryana	Nike
14.	Unit no. 540, Model Town, Yamuna Nagar, Haryana	Nike
15.	Shop no. 1, Avtar Colony, Kanjpura Road, Karnal, Haryana	Nike
16.	39 SCF Commercial Urban Estate – II, Near Jindal Chowk, Hisar, Haryana	Nike
17.	Shop no. 32-A, UGF-1, Cee Tee Mall, Mall Road, Amritsar, Punjab	Nike
18.	SCO-1, Opp. PWD Rest House, Bhupindera Road, Patiala, Punjab	Nike
19.	Unit no. 2033-A, Mall Road, Bhatinda, Punjab	Nike
20.	Shop no. 11, Paras Downtown Square Mall, Zirakpur, Punjab	Nike
21.	Khasra No. 3091/27(3/16), Nawasshehar, Punjab	Nike
22.	Shop no 1216, 1217, Mallwah Road, Ferozpur city, Punjab	Nike
23.	GF, Partap Road Marg, Moga, Punjab	Nike
24.	F-36, F-37, F-46, Second Level, North Country Mall, Kharar Highway Mohali, Punjab	Nike
25.	Shop no. 114, Pavillion Mall, Near Fountain Chowk, Ludhiana, Punjab	Nike
26.	G-33, 34, Dindyal Mall, Gwalior, Madhya Pradesh	Nike
27.	F-29, Opp. MP Nagar, DB Mall, Arera Hills, Bhopal, Madhya Pradesh	Nike
28.	Shop no. 48, Century 21 Mall, Hoashangabad Road, Bhopal, Madhya Pradesh	Nike
29.	71 Station Road, Shop No. 1, GF, Near Ujala Palace Hotel, Ratlam, Madhya Pradesh	Nike
30.	FF-120, Century 21, AB Road, Indore, Madhya Pradesh	Nike
31.	Shop no. 24-B, Vishal Trinity Tower, Indore, Madhya Pradesh	Nike
32.	Unit no. 48, Ground Floor, Kamla Nehru Marg, Freeganj, Ujjain, Madhya Pradesh	Nike
33.	Shop no. G-006, Royal Meenakshi Mall, Opp. Meenakshi Temple, Bangalore, Karnataka	Nike
34.	Shop no. 6-3-344/A/4-5-6, Cupid Curve, Banjara Hills, Road No. 1 Hyderabad, Andhra Pradesh	Nike
35.	Shop no. 31, Bentinck Street, Kolkata, West Bengal	Nike
36.	Unit no. 102, Mani Square Mall, Embypass, Nex to Apollo Hospital, – Kolkata, West Bengal	Nike
37.	Shop no. 15/4, Grand Hotel, JawaharLal Nehru Road, Kolkata, West Bengal	Nike
38.	Shop no. A-211, City Centre 1 – Salt Lake City, Kolkata, West Bengal	Nike
39.	B007 City Centre Mall, Rajarhat, Kolkata, West Bengal	Nike
40.	B-6A, Basement, 10/3, Forum Mall, Elgin Road, Kolkata	Nike
41.	Junction Mall, Durgapur, West Bengal	Nike
42.	Shop no. 2033 A1 Mall Road, Bhatinda, Punjab	Levi's
43.	Shop 63 & 64, MGF Mall, Gurgaon, Haryana	Levi's



44.	Shop no. 6, Kuldeep Nagar, Ambala, Haryana	Levi's
45.	Shop no. 6-6A, 7-7A, ,Sky Mall Rohtak, Haryana	Levi's
46.	G-40/1, ShaheenBagh, Abul Fazal Enclave, Jasola, Delhi	Levi's
47.	SCF-83, Phase 7, SAS Nagar, Mohali, Punjab	Levi's
48.	M-61B, Greater Kailash-I, Delhi	Levi's
49.	Shop no. B5, 10/3 Lala Lajpat Rai, Forum Courtyard, Kolkata	Levi's
50.	G-97, North Country Mall, Mohali Kharar Road, Mohali, Punjab	Levi's
51.	Shop no. S117 , First Floor, 375 Prince Anwar Shah Road South City Kolkata, West Bengal	Levi's
52.	B-55, Saheed Nagar, In Front of R.D. Womens College Bhubneshwar, Orissa	Levi's
53.	25/A, Unit No-3. Kharvel NGR Janpath Bhubaneswar, Orissa	Levi's
54.	Plot no. 495/1427 and 495/2185, Kachery Road Rourkela, Orissa	Levi's
55.	M-10, Greater Kailash-I, Delhi	ShoeTree
56.	Shop no. 14, MBD Ludhiana, Punjab	ShoeTree
57.	Shop no. 12, Trillium Mall, Circular Road, Amritsar, Punjab	ShoeTree
58.	Shop no. 40 & 55, Wave Mall Ludhiana, Punjab	ShoeTree
59.	VR Mall, Surat, Gujarat	ShoeTree
60.	B-1 F-4, HO Store Main Mathura Road, Delhi	Value Station
61.	Shop no. 276/30, Rohtak, Haryana	Value Station
62.	SR-5, Ashoka Market, Station Square, Bhubneshwar, Orissa	Value Station
63.	Shop no. 1-2-3, Magnum Mall, Jalandhar, Punjab	Value Station
64.	Khasra 318-1/2, 319-2/2, Rangpuri, Delhi	Value Station
65.	Shop no. 6, 51 Milestone Murthal, Ibrahimpur, Sonapat, Haryana	Value Station
66.	Shop no. 3-4, Village Gujran, Jalandhar Road, Hoshiarpur, Punjab	Value Station
67.	Chandi Mandir, Haryana	Value Station
68.	S.C.O 106, PLA Complex, Hisar, Haryana	UCB
69.	G-3, Mittal Mega Mall, Panipat, Haryana	UCB
70.	Near Param Nursing Home, NH-1, Kundli, Haryana	UCB
71.	Shop no. 276/30, Rohtak, Haryana	UCB
72.	Zhilmil Dhaba, G.T Road, Karnal, Haryana	UCB
73.	Shop no. 13 & 14, Ambala, Haryana	UCB
74.	G-67, Jasola, New Delhi	UCB
75.	338/2, Nh-8, Rangpuri, Mahipalpur, Mehrauli, Delhi	UCB
76.	Shop no. 47, Dharuhera, Rewari, Haryana	UCB
77.	Bhajan Complex, Gajraul, Jyotibha Phule Nagar, Uttar Pradesh	UCB
78.	WZ-324, Hari Nagar, Jail Road, Delhi	UCB
79.	GT Karnal Road, Kundli, Sonipat, Haryana	UCB
80.	Shop no. 5, Mc Donald Complex, Chandigarh Ludhiana Highway, VPO Heeran, Ludhiana, Punjab	UCB
81.	Shop no. 4 D/10, Jwala Heri, PaschimVihar, Delhi	Lotto
82.	Shop no. 2516, Hudson Line, GB Nagar, Kingsway Camp, Delhi	Lotto
83.	G-7, Mittal Mega Mall, Panipat, Haryana	Lotto
84.	DSS-21, PLA Market, Hisar, Haryana	Lotto
85.	B-2/170, Sirsa, Haryana	Lotto
86.	Shop no. 41,Kurukshetra, Haryana	Lotto
87.	Shop no. 2, Sheetal Lifestyle Mall, Rohtak, Haryana	Lotto
88.	Shop no. 5386, Nicholson Road, Ambala, Haryana	Lotto
89.	Shop no. 49, Kuldeep Nagar, Ambala 2, Haryana	Lotto
90.	Shop no. 27A, Lawrence Road, Amritsar, Punjab	Lotto
91.	Shop no. 2048, Mall Road, Bhatinda, Punjab	Lotto
92.	Shop no. F-1, Treasure Island, MG Road, Indore, Madhya Pradesh	Lotto
93.	F-26, DB Mall, Bhopal, Madhya Pradesh	Lotto
94.	Shiv Sadan, Nogaon, Assam	Lotto
95.	Shop no. G-32, Merion SKY Mall Rohtak	Lotto
96.	Shop no. G-47,AbulFazal Conclave, Jasola, Delhi	Lotto
97.	Shop no. GA-14, Crown Plaza Faridabad, Haryana	Lotto
98.	Shop no. 490, Karnal, Haryana	Lotto
99.	Shop no. 14 & 15.Dindayal, City Mall, Gwalior, Madhya Pradesh	Lotto
100.	Dalhousie Road Pathankot, Punjab	Lotto
101.	FF-07, BMG mall Rewari, Haryana	Lotto
102.	FF-128, GIP Mall Noida, Delhi	Lotto
103.	Shop no. 2, Gurgaon, Sec-14, Haryana	Lotto
104.	63B,RoshanMandi, Najafgarh, New Delhi	Lotto
105.	Shop no. 322,Partap Road, Moga, Punjab	Lotto
106.	Ashok Nagar, Sonapat, Haryana	Mmojah
107.	Shop no. 6/300, Old Faridabad Market, Faridabad, Haryana	Mmojah
108.	RZ-3, Roshan Garden, Najafgarh, Delhi	Mmojah
109.	Shop no. 139/1, Bhogal, Delhi	Mmojah
110.	Shop no. 27/28, Kundli, Sonipat, Haryana	Mmojah
111.	Shop no. 5331,Pana Udyan, Narela Delhi	Mmojah
112.	Unit no. 1/9537,Rohtash Nagar Shahdara, Delhi	Mmojah
113.	1D-18, NIT Sec 1, Main Market, Faridabad, Haryana	Mmojah
114.	Subhash Chowk Sonapat, Haryana	Mmojah



115.	Shop no. 2, Badarpur, New Delhi	Mmojah
116.	A-184, Majlis Park, Adarsh Nagar, New Delhi	Mmojah
117.	Shop no. 1016, Village Bawana, Delhi	Mmojah
118.	I/2355, Mandavli Road, Shahdara, New Delhi	Mmojah
119.	Shop no. 75, Sersa Road, Jantikalan, Kundli	Mmojah
120.	Shop no. A-4, 100 ft Road, Jyotinagar/Kabir Nagar Shahdara	Mmojah
121.	3-A, South Anarkali, Som Bazer, Chander Nagar, Delhi	Mmojah
122.	Shop no. 14, Kanjhawala road, Pooth Kalan, Delhi	Mmojah
123.	G-52, Connaught Place, Delhi	Mmojah
124.	Celebration Mall, Udaipur	Clarks
125.	MBD Neopolis Ludhiana, Punjab	Clarks
126.	FF-32, Alpha one, MBM Farms, Amritsar, Punjab	Clarks
127.	Model Town, Sonipat, Haryana	ShoeTree Sports
128.	Shop no. 7273, Shakti Nagar, Delhi	ShoeTree Sports

**The relevant licenses for two stores are obtained by our respective franchisees.*

Intellectual property registrations

The following trademarks have been registered under the name of our Company:

Sr. No.	Description	Class	Trademark number	Date of issue	Date of Expiry
1.	SSIPL with label*	16	1412448	March 29, 2008	January 09, 2016
2.	SSIPL with label**	25	1412447	March 29, 2008	January 09, 2016
3.	SSIPL with logo	18, 35	1622923	February 28, 2012	November 20, 2017

* This trademark was registered in the name of Sports Station (India) Private Limited. However, we entered into an assignment agreement dated August 7, 2006 with Sports Station (India) Private Limited whereby the said trade mark has been assigned by Sports Station (India) Private Limited to Moja Shoes. On September 10, 2008, we have filed an application for registering the said assignment with the trademark registry in Form TM-23. Further, we have also made an application on September 10, 2008 with the trade mark registry intimating the change in the name of the company from Moja Shoes to SSIPL Retail Private Limited and subsequently to SSIPL Retail Limited.

** This trademark was registered in the name of Sports Station (India) Private Limited. However, we entered into an assignment agreement dated May 24, 2006 with Sports Station (India) Private Limited whereby the said trade mark was assigned by Sports Station (India) Private Limited to Moja Shoes. On September 10, 2008, we have filed an application for registering the said assignment with the trademark registry in Form TM-23. Further, we have also filed an application on September 10, 2008 with the trade mark registry intimating the change in the name of the company from Moja Shoes to SSIPL Retail Private Limited and subsequently to SSIPL Retail Limited.

The following trademarks have been registered under the name of SSIPL Lifestyle:

Sr. No.	Description	Class	Trademark number	Date of issue	Date of expiry/status
1.	SHOES FOR U (LABEL)*	35	1332251	December 13, 2005	Applied for renewal
2.	SHOES FOR U (LABEL)*	18, 25	1332253	June 13, 2006	Applied for renewal
3.	SHOE TREE*	18, 25, 35	1335062	December 18, 2007	Applied for renewal
4.	SHOENIQUE*	18, 25, 35	1335060	July 31, 2008	Applied for renewal
5.	SPORTS STATION*	35	1330779	March 29, 2008	Applied for renewal
6.	SPORTS STATION*	9	911636	March 22, 2010	March 22, 2020
7.	SPORTS STATION with logo*	28	911637	March 22, 2010	March 22, 2020
8.	SPORTS STATION with logo*	14	911634	March 22, 2010	March 22, 2020
9.	MOI*	18, 25, 35	1556641	March 09, 2011	May 08, 2017
10.	“ST” (i.e. Shoe Tree) logo*	25, 35	1620763	February 01, 2011	November 14, 2017
11.	VALUE STATION**	25, 35	1473843	June 29, 2013	July 27, 2016
12.	SPORTS STATION with logo*	25	911635	March 22, 2010	March 22, 2020

* By an affidavit dated January 10, 2013, Sandeep Kakkar (Company Secretary of SSIPL Lifestyle) has submitted a request to the Trade Mark Registry that the above trademarks be transferred in the name of SSIPL Lifestyle. Further, by a letter dated January 31, 2013 issued by our intellectual property attorneys we have requested the Trade Mark Registry to change the name of



- the trademark proprietor from Sports Station to SSIPL Lifestyle.*
- **** *By an affidavit dated January 10, 2013, Sandeep Kakkar (Company Secretary of SSIPL Lifestyle) has submitted a request to the Trade Mark Registry that the above trademarks be transferred in the name of SSIPL Lifestyle.*

The following trademark applications have been made to register the following trademarks in our name:

Sr. No.	Description	Class	Application number	Date of application
1.	VALUE STATION (LOGO)*	25, 35	1546436	April 03, 2007
2.	SIERRA**	25	2068883	December 15, 2010
3.	SSIPL THE BRAND HUB***	18, 25, 35	2563113	July 11, 2013
4.	MMOJAH BADHTE KADAM****	16, 25, 35	2514462	April 16, 2013
*	<i>This application was initially made by Sports Station on April 3, 2007; subsequently, by an affidavit by Sandeep Kakkar (Company Secretary of SSIPL Lifestyle) dated January 10, 2013 a request was submitted to the Trade Mark Registry that the above trademarks be transferred in the name of SSIPL Lifestyle. Further, a form TM-16 dated January 31, 2013 has been submitted requesting the Trade Mark Registry to change the name of the trademark applicant to SSIPL Lifestyle.</i>			
**	<i>This application was initially made by Rishab Soni on December 15, 2010; subsequently by an assignment deed dated January 01, 2011 and letter by our intellectual property attorneys along with form TM-16 dated September 27, 2011, the Trade Mark registry was requested to change the name of the applicant to our Company's name.</i>			
***	<i>Applied for in the name of our Company.</i>			
****	<i>This application was initially made by Rishab Soni on April 16 2013; subsequently by an assignment deed dated March 10, 2014 and form TM-16 dated May 01, 2014, the Trade Mark Registry was requested to change the name of the applicant to SSIPL Lifestyle.</i>			

The following copyrights are registered in the name of our Company:

1. We have received the copyright registration certificate (A-95878/2013) for the artistic work SSIPL logo dated January 10, 2013.
2. We have received a copyright registration certificate (A-107547/2013) for the artistic work Mmojah dated November 01, 2013.



OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Offer

1. Our Board has, pursuant to its resolution dated January 21, 2015, authorised this Offer subject to the approval by the shareholders of our Company under section 62(1)(c) of the Companies Act;
2. The shareholders of our Company have, pursuant to their resolution dated January 27, 2015 under section 62(1)(c) of the Companies Act, authorised this Offer;
3. Tano has approved the Offer for Sale of upto 1,588,368 Equity Shares held by it pursuant to its board resolution dated February 10, 2015, and Rajesh Sahgal has approved the Offer for Sale of upto 400,000 Equity Shares held by him by his letter of authority dated February 23, 2015;
4. In-principle approval from the NSE dated [●]; and
5. In-principle approval from the BSE dated [●].

Approval for Lock-in

The Promoters have granted approval for the lock-in of their pre-Offer shareholding for a period of three years and one year as required under the SEBI Regulations. The Promoters have, jointly, agreed to lock-in an amount of Equity Shares, representing 20.00% of the post-Offer Equity Capital of our Company, for three years and the balance shares for one year or such other time as required under the SEBI Regulations.

Prohibition by SEBI, RBI or Governmental authorities

Our Company, the Promoters, the Promoter Group, the Selling Shareholders, the Directors, the Group Entities and persons in control of our Company are not prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by the SEBI or any other governmental authorities. Neither the Promoters, nor any of the Directors or persons in control of our Company were or are a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors are not in any manner associated with the securities market and there has been no action taken by SEBI or governmental authority or any other regulatory against our Directors or any entity in which any of our Directors is involved as a promoter or director.

Neither our Company, our Promoters, relatives of Promoters (as defined under Companies Act, 2013), our Group Entities, nor the Selling Shareholders have been identified as wilful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by our Company, our Promoters, relatives of Promoters or our Group Entities in the past or no such proceedings are pending against them.

The Selling Shareholders have confirmed that it has held the Equity Shares proposed to be offered and sold in the Offer for Sale for more than one year prior to the date of filing of this Draft Red Herring Prospectus and that the Selling Shareholders have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities, in either case under any order or direction passed by SEBI or any other authority and the Equity Shares offered and sold are free from any lien, encumbrance or third party rights. The Selling Shareholders have also confirmed that they have not been identified as willful defaulter by RBI /government authorities and there are no violations of securities laws committed by them in the past or pending against it.

Eligibility for this Offer

Our Company is an unlisted company, complying with the conditions specified in Regulation 26(1) of the SEBI Regulations in the following manner:

- Our Company has net tangible assets of at least ₹ 30 million in each of the preceding three full financial years (i.e. financial years 2014, 2013 and 2012), of which not more than 50% 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 (i.e., financial years 2014, 2013 and 2012) out of the immediately preceding four financial years i.e., financial years 2014, 2013, 2012 and 2011.
- Our Company has a net worth of at least ₹ 10 million in each of the preceding three full financial years (i.e., financial years 2014, 2013 and 2012);
- The aggregate of the proposed issue size and all previous issues made in the same financial year in terms of issue size is not expected to exceed five times the pre-issue net worth of the Company as per the audited balance sheet of the Company for the preceding financial year (i.e., financial year 2014); and
- The Company has not changed its name within the last one year.

The net tangible assets, monetary assets, monetary assets as a percentage of net tangible assets, and net worth derived from the restated financial statements, and pre-tax operating profit on a restated and consolidated basis (along with the average pre-tax operating profit on a restated and consolidated basis during the three most profitable years) as at and for the last five financial years i.e., financial years 2014, 2013, 2012, 2011 and 2010 are set forth below:

(₹ in millions)					
Particulars	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011	March 31, 2010
Net tangible Assets*	1,174.60	1,010.34	897.96	855.53	845.53
Monetary Assets**	42.23	63.24	114.31	49.93	41.81
Monetary Assets as a % of Net Tangible Assets	3.60	6.26	12.73	5.84	4.94
Pre-tax Operating Profit on a Restated and Consolidated Basis***	403.18	277.60	253.87	98.36	N.A.
Net Worth****	1,214.47	1,049.31	922.87	883.39	866.87

* Net Tangible Assets is defined as sum of Non-Current Assets (excluding Deferred Tax Assets, Intangible Assets and Revaluation Reserve) and Current Assets less non-current liabilities (excluding deferred tax liabilities) and current liabilities.

** 'Monetary Assets' comprise cash and bank balances (excluding deposits pledged with banks and sales tax authorities).

*** Pre-tax Operating Profit is defined as the restated Profit Before Tax excluding Extraordinary and Exceptional items, Other Income and Finance Cost. Accordingly, the average pre-tax operating profit of the Company during the three most profitable years, being financial years 2014, 2013 and 2012 is ₹ 311.55 as on date.

**** 'Net Worth' means the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve)

In addition, in accordance with Regulation 26(4) of the SEBI Regulations, our Company will ensure that the number of Bidders to whom Equity Shares are allotted in the Offer will be not less than 1,000; otherwise, the entire application money will be refunded forthwith. If such money is not repaid within 15 days after we become liable to repay it, our Company and every officer in default will, on and from the expiry of such 15 days from Bid/ Offer Closing date or within 12 working days from Bid/ Offer Closing Date, whichever is earlier, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under SEBIICDR Regulations, the Companies Act, 2013 and applicable law.

Furthermore, our Company is in compliance with the following conditions specified under Regulation 4(2) of the SEBI Regulations:

- Our Company, our Directors, our Promoter, the members of our Promoter Group, the persons in control of our Company, and the companies with which our Directors, Promoter or persons in control were or are associated as directors or promoters or persons in control have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI;
- Our Company has applied to the NSE and the BSE for obtaining their in-principle listing approval for listing of the Equity Shares under this Offer, and has received the in-principle approvals from the



NSE and the BSE pursuant to their letters dated [●] and [●], respectively. For the purposes of this Offer, the [●] shall be the Designated Stock Exchange;

- Our Company has entered into agreements dated October 20, 2011 and September 27, 2011 with CDSL and NSDL respectively, for dematerialisation of the Equity Shares being offered in this Offer; and
- The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of filing this Draft Red Herring Prospectus.

The Offer is being made for at least 25% of the post-Offer paid-up capital pursuant to Rule 19(2)(b)(i) of the SCRR read with Regulation 41(1) of the SEBI ICDR Regulations. Our Company is eligible for the Offer in accordance with Regulation 26(1) of the SEBI ICDR Regulations. Further, the Offer is being made through the Book Building Process where in 50% of the Net Offer shall be available for allocation to QIBs on a proportionate basis. Further, not less than 15% of the Net Offer will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 35% of the Net Offer will be available for allocation to Retail Individual Bidders, subject to valid Bids being received at or above the Offer Price. The allotment of Equity Shares to each Retail Individual Bidder shall not be less than minimum Bid Lot, subject to availability of Equity Shares in Retail Investor category, and the remaining available Equity Shares, if any, shall be allotted on proportionate basis. Our Company may, in consultation with the BRLMs, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of undersubscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder 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. For further details, please refer to the chapter “*Offer Procedure*” beginning on page 407.

Compliance with Part A of Schedule VIII of the SEBI Regulations

Our Company is in compliance with the provisions specified in Part A of Schedule VIII of the SEBI Regulations. No exemption from eligibility norms has been sought under Regulation 109 of the SEBI Regulations, with respect to the Offer. Further, our Company has not been formed by the conversion of a partnership firm into a company.

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 TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH 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, AXIS CAPITAL LIMITED, IDFC SECURITIES LIMITED AND AMBIT CORPORATE FINANCE PRIVATE LIMITED HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THIS DRAFT RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 IN FORCE FOR THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED OFFER.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE OUR COMPANY AND THE SELLING SHAREHOLDERS ARE PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BOOK RUNNING LEAD MANAGERS, AXIS CAPITAL LIMITED, IDFC SECURITIES LIMITED AND AMBIT CORPORATE FINANCE PRIVATE LIMITED ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT OUR COMPANY AND THE SELLING SHAREHOLDERS DISCHARGE THEIR RESPONSIBILITIES ADEQUATELY IN THIS



BEHALF AND TOWARDS THIS PURPOSE, THE BOOK RUNNING LEAD MANAGERS HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED MARCH 16, 2015 WHICH READS AS FOLLOWS:

1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THE DRHP PERTAINING TO THE SAID OFFER;
2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH OUR 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 OUR COMPANY,

WE CONFIRM THAT:

- (A) THE DRHP FILED WITH THE 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 GOVERNMENT OF INDIA 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, 2013 TO THE EXTENT NOTIFIED AND IN FORCE, THE COMPANIES ACT, 1956, AS AMENDED AND REPLACED BY THE COMPANIES ACT, 2013, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI REGULATIONS") AND OTHER APPLICABLE LEGAL REQUIREMENTS.
3. WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRHP ARE REGISTERED WITH THE SEBI AND THAT TILL DATE SUCH REGISTRATION IS VALID.
 4. WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS. – NOTED FOR COMPLIANCE
 5. WE CERTIFY THAT WRITTEN CONSENT FROM THE PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF ITS 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 THE SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRHP.
 6. WE CERTIFY THAT REGULATION 33 OF THE SEBI 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.
 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 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 THE 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 OUR COMPANY AND THE SELLING SHAREHOLDERS ALONG WITH THE PROCEEDS OF THE PUBLIC OFFER. - NOT APPLICABLE.

8. WE CERTIFY THAT THE PROPOSED ACTIVITIES OF OUR 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 OUR 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 THE OFFER ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956* 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 BRLMs TO THE OFFER AND OUR COMPANY AND THE SELLING SHAREHOLDERS SPECIFICALLY CONTAINS THIS CONDITION. - NOTED FOR COMPLIANCE.
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.**
11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SEBI 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 OUR COMPANY THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF OUR COMPANY AND
 - (B) AN UNDERTAKING FROM OUR COMPANY THAT IT SHALL COMPLY WITH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE SEBI FROM TIME TO TIME.
13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SEBI 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 OUR COMPANY, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS EXPERIENCE, ETC. – REFER TO THE DUE DILIGENCE PROCESS NOTE ENCLOSED AS ANNEXURE A.
15. WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE



WITH THE APPLICABLE PROVISIONS OF THE SEBI 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 CHECKLIST ENCLOSED AS ANNEXURE B.

16. **WE ENCLOSE STATEMENT ON ‘PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS (WHO ARE RESPONSIBLE FOR PRICING THIS OFFER), AS PER FORMAT SPECIFIED BY THE SEBI THROUGH CIRCULAR. REFER TO THE DISCLOSURE ENCLOSED AS ANNEXURE C**
17. **WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS. COMPLIED WITH TO THE EXTENT THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY IN THE DRAFT RED HERRING PROSPECTUS**

*Section 40(3) of the Companies Act, 2013 has been notified by the Ministry of Corporate Affairs, Government of India. All monies received out of the issue shall be credited/transferred to a separate bank account as referred to in sub-section (3) of section 40 of the Companies Act, 2013

**Section 29 of the Companies Act, 2013, provides, *inter alia*, that every company making public offers shall issue securities only in dematerialised form by complying with the provisions of the Depositories Act, 1996 and the regulations made thereunder.

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE OUR COMPANY FROM ANY LIABILITIES UNDER SECTION 34 AND/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 PROPOSED OFFER. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP AT ANY POINT OF TIME, WITH THE BOOK RUNNING LEAD MANAGERS, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF FILING OF THE RED HERRING PROSPECTUS WITH THE ROC IN TERMS OF SECTION 60B OF THE COMPANIES ACT AND SECTION 32 OF THE COMPANIES ACT, 2013. ALL LEGAL REQUIREMENTS PERTAINING TO THIS OFFER WILL BE COMPLIED WITH AT THE TIME OF REGISTRATION OF THE PROSPECTUS WITH THE ROC IN TERMS OF SECTIONS 26, 32 AND 33 OF THE COMPANIES ACT, 2013, AS APPLICABLE.

Disclaimer from our Company, the Selling Shareholders, the Directors and the Syndicate

Our Company, the Selling Shareholders, the Directors and the Syndicate accept no responsibility for statements made otherwise than those contained in this Draft Red Herring Prospectus or in any 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 at www.ssipgroup.com or website of any affiliate or associate of our Company or its subsidiaries, would be doing so at his or her own risk. Each of the Selling Shareholders, affiliates, associates and the directors and officers of Tano accept no responsibility for any statements made other than those made by it individually in this Draft Red Herring Prospectus about themselves and their respective holding of Equity Shares which are being offered through the Offer for Sale. Each of the Selling Shareholders assumes no responsibility for any other statement including the statements made by our Company or the other Selling Shareholder in the Draft Red Herring Prospectus.

Caution

Our Company, the Selling Shareholders, the Directors and the BRLMs accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including the website of our Company, www.ssipgroup.com would be doing so at his or her own risk.



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, our Company and the Selling Shareholders.

All information will be made available by our Company, the Selling Shareholders, the BRLMs to the Bidders and the public at large and no selective or additional information will be made available for a section of the Bidders or the public, in any manner whatsoever, including at road show presentations, in research or sales reports, at Bidding centres or elsewhere.

Neither our Company, the Selling Shareholders nor any member of the Syndicate is liable to the Bidders for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

Bidders will be required to confirm and will be deemed to have represented to our Company, the Selling Shareholders and the 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 Equity Shares and will not issue, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire the Equity Shares. Our Company, the Selling Shareholders, the 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 Equity Shares.

Notwithstanding anything stated in this Draft Red Herring Prospectus, the Selling Shareholders do not express any opinion with respect to nor does it assume any responsibility for the statements and disclosures made by our Company or any other person, whether or not relating to our Company, their respective businesses, our Promoters, the financial information or any other disclosures and statements and the directors and officers of the Selling Shareholders shall not be liable in any situation whatsoever. Each of the Selling Shareholders assumes responsibility only for the statements about the respective Selling Shareholders and relating to its respective ownership and title of the Equity Shares sold by it in the Offer for Sale in this Draft Red Herring Prospectus.

Each of the BRLMs, and their respective affiliates may engage in transactions with, and perform services for, our Company, Subsidiaries or affiliates in the ordinary course of business and have engaged, or may in the future engage, in transactions with our Company, Subsidiaries or affiliates, for which they have received, and may in the future receive, compensation.

Price information of past issues handled by the BRLMs

The following are details of price information of past issued handled by the BRLMs:

The price information of past issues handled by Axis Capital Limited:

Sr No.	Issue Name	Issue Size ₹ (Mn.)	Issue Price (₹.)	Listing Date	Opening Price on Listing Date	Closing Price on Listing Date	% Change in Price on listing date (Closing) vs. Issue Price	Benchmark index on listing date (Closing)	Closing price as on 10th calendar day from listing date	Benchmark index as on 10th calendar days from listing day (Closing)	Closing price as on 20th calendar day from listing date	Benchmark index as on 20th calendar days from listing day (Closing)	Closing price as on 30th calendar day from listing date	Benchmark index as on 30th calendar days from listing day (Closing)
1.	Monte Carlo Fashions Limited	3504.30	645.00	December 19, 2014	584.00	567.30	12.05%	8225.20	526.55	8246.30	511.35	8234.60	476.00	8550.70
2.	BhartiInfratel Limited ¹	41,727.6	220.00	December 28, 2012	200.00	191.65	12.89%	5,908.35	207.45	5,988.45	204.95	6039.20	210.30	6074.80
3.	Tara Jewels Limited	2,200.0	230.00	December 6, 2012	242.00	229.90	-0.04%	5,930.90	230.25	5,857.95	223.75	5,905.65	235.30	6016.15
4.	MT Educare Limited	990.0	80.00	April 12, 2012	86.05	90.35	12.94%	5,276.85	107.95	5,200.65	107.15	5,239.15	91.15	4,928.90
5.	NBCC Limited ²	1,249.7	106.00	April 12, 2012	101.00	96.95	-8.54%	5,276.85	96.35	5,200.65	94.75	5,239.15	86.55	4,928.90

Source: www.nseindia.com

¹ Price for retail individual bidders was ₹ 210.00 per equity share and for anchor investors was ₹ 230.00

² Price for retail individual bidders and eligible employees was ₹ 100.70 per equity share.

Notes:



- a. The S&P CNX NIFTY is considered as the Benchmark Index.
b. Price on NSE is considered for all of the above calculations.
In case 10th/20th/30th day is not a trading day, closing price on NSE of the next trading day has been considered.

Summary statement of price information of past issues handled by Axis Capital Limited:

Financial Year	Total No. of IPO's	Total Funds Raised (₹. Mn.)	Nos. of IPOs trading at discount on listing date			No. of IPOs trading at premium on listing date			Nos. of IPOs trading at discount as on 30th calendar day from listing date			Nos. of IPOs trading at premium as on 30th calendar day from listing date		
			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%
2014-2015	1	3504.30	-	-	1	-	-	-	-	1	-	-	-	-
2013-2014	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2012-2013	4	46,167.30	-	-	3	-	-	1	-	-	2	-	-	2

Note: In the event that any day falls on a holiday, the price/index of the next trading day has been considered.
The information for each of the financial years is based on issues listed during such financial year.

The price information of past issues handled by IDFC Securities Limited is as follows:

Sr. No.	Issue name	Issue size (₹ mn)	Issue price (₹)	Listing date	Opening price on listing date (₹)	Closing price on listing date (₹)	% Change in price on listing date (closing) vs. issue price	Benchmark index on listing date (closing)	Closing price as on 10th calendar day from listing day (₹)	Benchmark index as on 10th calendar day from listing day (closing)	Closing price as on 20th calendar day from listing day (₹)	Benchmark index as on 20th calendar day from listing day (closing)	Closing price as on 30th calendar day from listing day (₹)	Benchmark index as on 30th calendar day from listing day (closing)
1.	Tribhovan das Bhimji Zaveri Limited	2,000.00	120.0	May 9, 2012	115.0	111.2	(7.33%)	16,479.6	120.3	16,183.3	116.0	16,438.6	110.0	16,718.9
2.	Repco Home Finance Limited	2,701.01	172.0	April 1, 2013	159.95	161.80	(5.93%)	5,704.40	168.30	5,594.00	170.65	5,783.10	170.90	5,930.20
3.	Sharda Cropchem Limited	3,518.60	156.00	September 23, 2014	260.00	230.95	48.04%	8,017.55	258.10	7,852.40	255.15	7,884.25	251.25	7,995.90

Source: www.bseindia.com, www.nseindia.com for the price information and prospectus for issue details

Notes:

- i. In case of reporting dates falling on a holiday, values for the trading day immediately following the holiday have been considered
ii. Price information and benchmark index values have been shown only for designated stock exchange for the issuer
iii. BSE was the designated stock exchange for the issue listed as item 1, NSE was the designated stock exchange for the issues listed as item 2 and 3 in the above table.

Summary statement of price information of past issues handled by IDFC Securities Limited:

Fiscal	Total no. of IPOs (1)	Total funds raised (₹ million)	Nos. of IPOs trading at discount on listing date based on closing price			Nos. of IPOs trading at premium on listing date based on closing price			Nos. of IPOs trading at discount as on 30th calendar day from listing day based on closing price			Nos. of IPOs trading at premium as on 30th calendar day from listing day based on closing price		
			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%
April 1, 2014 – till the date of the DRHP	1	3,518.60	-	-	-	-	1	-	-	-	-	1	-	-
2014	1	2,701.01	-	-	1	-	-	-	-	-	1	-	-	-
2013	1	2,000.00	-	-	1	-	-	-	-	-	1	-	-	-

[†] Based on the date of listing

The price information of past issues handled by Ambit Corporate Finance Private Limited is as follows:

Nil

Summary statement of price information of past issues handled by Ambit Corporate Finance Private Limited:

Nil

Track record of past issues handled by the BRLMs



For details regarding the track record of the Book Running Lead Managers, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to the websites of the BRLMs, as set forth in the table below:

Sr. No	Name of the Manager	Website
1.	Axis Capital Limited	www.axiscapital.co.in
2.	IDFC Securities Limited	http://www.idfc.com/capital/investment-banking/track-record.aspx
3.	Ambit Corporate Finance Private Limited	www.ambitholdings.com

Disclaimer in respect of jurisdiction

This Offer is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and 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 constitution to hold and invest in shares, permitted insurance companies and pension funds, insurance funds set up and managed by the army and navy and insurance funds set up and managed by the Department of Posts, India) and to FPIs, Eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions).

This Draft Red Herring Prospectus will not, however, constitute an offer to sell or an invitation to subscribe for Equity 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 this Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action will be required for that purpose. Accordingly, the Equity Shares represented hereby 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 will, under any circumstances, create any implication that there has been no change in the affairs of our Company from the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

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

Further, each Bidder where required must agree in the Allotment Advice that such Bidder will not sell or transfer any Equity Shares or any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws and legislations in each jurisdiction, including India.

Furthermore, Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law.

Disclaimer Clause of the BSE



As required, a copy of this Draft Red Herring Prospectus shall be submitted to the BSE. The disclaimer clause as intimated by the BSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Disclaimer Clause of the NSE

As required, a copy of this Draft Red Herring Prospectus shall be submitted to the NSE. The disclaimer clause as intimated by the NSE to us, post scrutiny of this Draft Red Herring Prospectus, shall be included in the Red Herring Prospectus prior to filing the same with the RoC.

Filing

A copy of this Draft Red Herring Prospectus has been filed with SEBI at the Securities and Exchange Board of India, 5th Floor, Bank of Baroda Building, Parliament Street, New Delhi 110 001, India.

A copy of the Red Herring Prospectus, along with the other documents required to be filed under section 32 of the Companies Act, 2013, will be delivered for registration with the RoC located at the address mentioned below. Further, a copy of the Prospectus required to be filed under section 26 of the Companies Act, 2013 will be delivered for registration with the RoC located at the address mentioned below:

Registrar of Companies

National Capital Territory of Delhi and Haryana
4th Floor, IFCI Tower
61, Nehru Place
New Delhi 110 019

Listing

Applications have been made to the Stock Exchanges for permission to deal in, and for an official quotation of the Equity Shares. The [●] will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permission to deal in and for an official quotation of the Equity Shares is not granted by the Stock Exchanges, our Company shall forthwith repay, without interest, all monies received from the applicants in reliance of this Draft Red Herring Prospectus. If such money is not repaid within 15 days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of 15 days from Bid/Offer Closing date or within 12 working days from Bid/Offer Closing Date, whichever is earlier, be liable to repay such application money, with interest as prescribed under SEBI ICDR Regulations, the Companies Act, 2013 and applicable law. Further, in accordance with section 40 of the Companies Act, 2013, our Company and each officer in default may be punishable with fine and/or imprisonment in such a case. The Selling Shareholders shall reimburse our Company for any interest payments made by our Company on behalf of the Selling Shareholders in this regard, in the proportion to the proceeds of the Equity Shares offered by the Selling Shareholders in the Offer.

All expenses with respect to the Offer will be shared between the Selling Shareholders and our Company, in proportion to proceeds of the Equity Shares offered and sold by them in the Offer. The Selling Shareholders will reimburse their proportionate share of expenses from the proceeds of the Offered Shares upon a successful listing of the Equity Shares of the Company

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Stock Exchange are taken within 12 Working Days of the Bid/Offer Closing Date. The Selling Shareholders undertake to provide such reasonable support and extend reasonable cooperation as may be requested by our Company, 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. Further, the Selling Shareholders shall reimburse our Company for any interest paid by it, on behalf of the Selling Shareholders, in proportion to proceeds of the Equity Shares offered for sale by the Selling Shareholders in the Offer upon a successful listing of the Equity Shares of the Company.



Impersonation

Attention of the Bidders is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 2013 which is reproduced below:

“Any person who –

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities, or

(b) makes or abets making of multiple 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 of not 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.

Consents

Consents in writing of: (a) The Selling Shareholders, the Directors, our Company Secretary and Compliance Officer, the domestic legal counsel to the Offer, the Bankers to our Company, lenders to our Company (where such consent is required), the Auditors and the Registrar to the Offer have been obtained; Images Multimedia Private Limited's report titled “India Retail Report 2013” and “India Retail Report 2015” and (b) the Syndicate Members, the Bankers to the Offer, in their respective capacities will be obtained, and would be filed along with a copy of the Red Herring Prospectus with the RoC as required under the section 26 and section 32 Companies Act, 2013 and other applicable law and such consents will not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

Our Auditors have consented to the inclusion of their names as the statutory auditors and of their report on the restated financial information and the statement of tax benefits in the form and context in which they appear in this Draft Red Herring Prospectus and such consent and report on the financial statements and the statement of tax benefits dated March 02, 2015, respectively will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus for registration to the RoC.

Expert opinion

Our Company has received consent from the Auditors namely, T.R.Chadha & Co., Chartered Accountants to include their name as an expert under section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus in relation to their examination report dated February 26, 2015 and their report on the ‘Statement of possible tax benefits available to our company, subsidiaries and our shareholders’ dated March 02, 2015 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as of the date of this Draft Red Herring Prospectus.

Offer Expenses

The Offer related expenses consist of fees payable to the BRLMs, underwriting commission, brokerage and selling commission, commission payable to Registered Brokers, SCSBs' fees, Escrow Banks' and Registrar's fees, printing and stationery expenses, advertising and marketing expenses and all other incidental and miscellaneous expenses for listing the Equity Shares on the Stock Exchanges. The total expenses of the Offer are estimated to be approximately ₹ [●] million.

All expenses relating to the Offer will be shared between the Selling Shareholders in proportion to the proceeds of the Equity Shares being offered for sale in the Offer. The Selling Shareholders will reimburse their proportionate share of expenses from the proceeds of the Offered Shares upon a successful listing of the Equity Shares of the Company.



The break-down for the Offer expenses is as follows:

Sr. No.	Activity Expense	Amount* (₹in Million)	Percentage of Total Estimated Offer Expenses*	Percentage of Offer Size*
1.	Fees of the BRLMs, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications) and Commission payable to Registered Brokers	[•]	[•]	[•]
2.	Processing fee to the SCSBs for processing Bid cum Application Forms procured by Syndicate/Sub Syndicate and submitted to SCSBs or procured by Registered Brokers	[•]	[•]	[•]
3.	Fees to the Escrow Collection Banks/Bankers to the Offer and Refund Banks.	[•]	[•]	[•]
4.	Advertising and marketing expenses, printing and stationery, distribution, postage etc.	[•]	[•]	[•]
5.	Fees to the Registrar to the Offer	[•]	[•]	[•]
6.	Listing fees and other regulatory expenses	[•]	[•]	[•]
7.	Other expenses (Legal advisors, Auditors and other Advisors etc.)	[•]	[•]	[•]
Total Estimated Offer Expenses		[•]	[•]	[•]

*To be completed after finalisation of the Offer Price

Fees, Brokerage and Selling Commission Payable to the Book Running Lead Managers and the Syndicate Members

The total fees payable to the BRLMs and the Syndicate Members (including underwriting commission, brokerage and selling commission and reimbursement of their out-of-pocket expense) will be as stated in the Engagement Letters among our Company, the Selling Shareholders and the BRLMs.

Fees payable to the Registered Brokers and processing fees for SCSBs

[•]

Fees payable to the Registrar to the Offer

The fees payable by our Company and the Selling Shareholders to the Registrar to the Offer for processing of application, data entry, printing of Allotment Advice/refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as per the agreement entered into, among our Company, the Selling Shareholders and the Registrar to the Offer.

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 such refund in any of the modes described in the Red Herring Prospectus or Allotment Advice by registered post/speed post/ordinary post.

Listed companies under the same management

There is no listed company under the same management as that of our Company.

Particulars regarding Public or Rights Issues during the last ten years

There have been no public or rights issues undertaken by our Company during the ten years preceding the date of this Draft Red Herring Prospectus.

Our Company had previously filed a draft red herring prospectus dated September 26, 2011 with the SEBI in relation to a proposed initial public offering. Our Company did not proceed with such initial public offering due to substantial changes in the business plan resulting in change in objects of the issue and withdrew the same by a letter dated April 17, 2013.



Previous issues of Equity Shares otherwise than for cash

Other than the equity shares allotted pursuant to the Scheme of Arrangement and those disclosed under the section “*Capital Structure*” beginning on page 64, our Company has not issued any Equity Shares for consideration other than cash.

Underwriting Commission, Brokerage and Selling Commission on Previous Issues

There has been no public issue of the Equity Shares in the past. Thus, 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.

Capital Issues in the Preceding Three Years

Except as disclosed in “*Capital Structure*” and “*Our Promoters, Promoter Group and Group Entities*” on pages 64 and 176, respectively, our Company and the Group Entities have not made any capital issues during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects in previous issue by our Company, its Group Entities, or its Associate Companies

Our Company, its Group Entities and its Associate Companies have not undertaken any rights or public issues in the past.

Outstanding debentures, bonds, redeemable preference shares and other instruments issued by our Company

Other than as stated in “*Capital Structure*” on page 64, our Company has no outstanding debentures, bonds or redeemable preference shares or any other instruments that would give any person the right to subscribe to Equity Shares as of the date of this Draft Red Herring Prospectus.

Partly Paid-up Shares

There are no partly paid up Equity Shares of our Company.

Option to Subscribe

The Equity Shares being offered through the Red Herring Prospectus can be applied for in dematerialised form only.

Stock Market Data of the Equity Shares

This being an initial public offer of our Company, the Equity Shares are not listed on any stock exchange.

Other Disclosures

The Selling Shareholders and our Directors have not purchased or sold or financed any purchase or sale of securities of our Company, during a period of six months preceding the date of this Draft Red Herring Prospectus.

SEBI has not initiated any action against any entity related to the securities market, with which our Directors are associated.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Offer and our Company, provides for retention of records with the Registrar to the Offer for a minimum period of three years from the last date of dispatch of letters of Allotment, dematerialised credit or refund orders to enable the investors to approach the Registrar to the Offer for redressal of their grievances.



All grievances relating to the Offer may be addressed to the Registrar to the Offer, giving full details such as name, address of the applicant, application number, number of Equity Shares applied for, amount paid on application, Depository Participant, and the collection Centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the Registrar to the Offer with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the ASBA Bidding Locations, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount mentioned in the ASBA Bid cum Application Form which is to be blocked by the relevant SCSB and, in case of physical ASBA Bid cum Application Forms, the relevant Designated Branch or collection Centre of SCSB or the relevant member of the Syndicate at an ASBA Bidding Location where such physical ASBA Bid cum Application Form was submitted.

The Registrar to the Offer shall act as the nodal agency for redressing complaints of ASBA and non-ASBA investors, including providing guidance to ASBA investors regarding approaching the SCSB concerned.

Disposal of Investor Grievances by our Company

Our Company estimates that the average time required by our Company or the Registrar to the Offer for redressal of routine investor grievances will be 15 Working Days from the date of receipt of the complaint. In case of complaints that are not routine or where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Kanika Verma, Assistant Vice President – Legal and Company Secretary, as the Compliance Officer and, in case of any pre-Offer or post-Offer-related problems, she may be contacted at the following address:

Kanika Verma

Assistant Vice President – Legal and Company Secretary

SSIPL Retail Limited

B1/F4, Mohan Cooperative Industrial Area

Main Mathura Road

New Delhi 110 044

Tel: (91 11) 6699 9999

Fax: (91 11) 4100 0253

Email: kanika.verma@ssipl.in

Disposal of investor grievances by listed companies under the same management as our Company

There is no listed company under the same management as our Company.

Change in auditors in the past three years

There has been no change in the Auditors of our Company during the three years immediately preceding the date of this Draft Red Herring Prospectus.

Capitalisation of Reserves or Profits

Since its incorporation, our Company has not capitalised its reserves or profits.

Tax Implications

Successful Bidders will be subject to capital gains tax on any sale of the Equity Shares at applicable rates, depending on the duration for which the investors have held the Equity Shares prior to such sale and whether the Equity Shares are sold on the Stock Exchanges. For further details, see the section titled “*Statement of Tax Benefits*” on page 94.



Revaluation of Assets

The revaluation of Company's Factory Land located at Kundli was undertaken as on February 02, 2007 with a view to assess the present market value of the Land. The valuation was made by a firm of professional valuers adopting market values as basis. The revaluation showed that the Book Value of the Land should be higher by ₹ 250.63 Millions which the company has incorporated in the Balance Sheet. The resultant surplus has been transferred to Revaluation Reserve. For details see section titled “*Financial Information-Notes on accounts*” on page 319.

Reservations, qualifications or adverse remarks by Auditors

Except as stated in the sections titled “*Risk Factors – Our auditors have highlighted certain matters of emphasis in relation to the financial statements for last five Fiscals*” and “*Financial Statements*” on pages 24 and 189 respectively, there have been no reservations, qualifications or adverse remarks by our Auditors in the last five financial years preceeding the date of filing of the DRHP. We confirm that these highlighted matters of emphasis have no impact on the financial statements and financial position of our Company and therefore no corrective steps are required.



SECTION VII – OFFER INFORMATION

OFFER STRUCTURE

Public offer of up to 2,988,368 Equity Shares of face value of ₹ 10 each, for cash at a price of ₹ [●] per Equity Share including a share premium of ₹ [●] per Equity Share, aggregating up to ₹ [●]. The Offer comprises a Fresh Issue to the public of up to 1,000,000 Equity Shares aggregating up to ₹ [●] million and an Offer for Sale of up to 1,988,368 Equity Shares aggregating up to ₹ [●] million, by the Selling Shareholders. The Offer constitutes 27.12% of the fully diluted post-Offer paid up Equity Share capital of our Company.

The Offer is being made through the Book Building Process.

Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Number of Equity Shares*	Not more than 1,494,183 Equity Shares.	Not less than 448,256 Equity Shares or Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 1,045,929 Equity Shares or Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Percentage of Offer available for Allotment/Allocation	Not more than 50% of the Offer shall be Allotted to QIB Bidders. However, 15% 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. The unsubscribed portion in the Mutual Fund reservation will be available to QIBs.	Not less than 15% of the Offer or the Offer less allocation to QIB Bidders and Retail Individual Bidders shall be available for allocation.	Not less than 35% of the Offer or the Offer less allocation to QIB Bidders and Non-Institutional Bidders shall be available for allocation.
Basis of Allotment if respective category is oversubscribed*	Proportionate as follows: (a) 29,884 Equity Shares shall be available for allocation on a proportionate basis to Mutual Funds; and (b) 567,790 Equity Shares shall be Allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above. <i>(The above figures have been arrived at assuming full subscription under anchor portion)</i> Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, may allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price on a discretionary basis, out of which at least one-third will be available for allocation to Mutual Funds only.	Proportionate.	On a proportionate basis subject to Minimum Lot as explained in the section titled “ Offer Procedure – Part B – General Information Document for Investing in Public Offers –Allotment Procedure and Basis of Allotment ” on page 449.
Minimum Bid	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000.	Such number of Equity Shares so that the Bid Amount exceeds ₹ 200,000.	[●] Equity Shares.
Maximum Bid	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares not exceeding the size of the Offer, subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed ₹ 200,000.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.



Particulars	QIBs	Non-Institutional Bidders	Retail Individual Bidders
Bid Lot	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof.
Allotment Lot	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.	A minimum of [●] Equity Shares and thereafter in multiples of one Equity Share.
Trading Lot	One Equity Share.	One Equity Share.	One Equity Share.
Who can Apply **	Mutual Funds, Venture Capital Fund, FVCI, FPIs (other than Category III FPIs) public financial institution as defined in section 2(72) of the Companies Act, 2013, a scheduled commercial bank, multilateral and bilateral development financial institution, state industrial development corporation, insurance company registered with the Insurance Regulatory and Development Authority, provident fund with minimum corpus of ₹ 250 million, pension fund with minimum corpus of ₹ 250 million, National Investment Fund, 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.	Eligible NRIs, Resident Indian individuals, HUFs (in the name of the Karta), companies, corporate bodies, scientific institutions, societies and trusts, sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals, eligible QFIs and Category III FPIs.	Resident Indian individuals (including HUFs in the name of the Karta) and Eligible NRIs.
Terms of Payment	The entire Bid Amount shall be payable at the time of submission of Bid cum Application Form to the members of the Syndicate, except for Anchor Investors. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.		
Mode of Bidding	Only through the ASBA process (except Anchor Investors).	Only through the ASBA process.	Through the ASBA or non-ASBA process.

* Subject to valid Bids being received at or above the Offer Price. The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI Regulations, wherein 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price.

Subject to valid Bids being received at or above the Offer Price, under-subscription, if any, in the Non-Institutional Portion and Retail Portion would be allowed to be met with spill-over from other categories at the discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange.

The QIB Portion includes Anchor Investor Portion, as per the SEBI Regulations. Anchor Investor shall pay the entire Bid Amount at the time of submission of the Anchor Investor Bid. Provided that any difference between the Anchor Investor Allocation Price and Anchor Investor Offer Price, shall be payable by Anchor Investor Pay-in Date.

** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and the names are in the same sequence in which they appear in the Bid cum Application Form.

Full Bid Amount shall be payable by the Anchor Investors at the time of submission of the Bid cum Application Forms. The balance, if any, shall be paid within the two Working Days of the Bid/Offer Closing Date.

In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the Bidder that are specified in the Bid cum Application Form.



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 “SCSB/Payment Details” block in the Bid cum Application Form.

Bid/Offer Programme*

FOR ALL BIDDERS	OFFER OPENS ON [●]
FOR QIBs**	OFFER CLOSES ON [●]
FOR RETAIL AND NON-INSTITUTIONAL BIDDERS	OFFER CLOSES ON [●]

*Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion, i.e. 896,509 Equity Shares, to Anchor Investors on a discretionary basis, in accordance with the SEBI Regulations. Anchor Investors shall bid on the Anchor Investor Bidding Period.

** Bidding for QIBs may close on the QIB Bid Closing Date.

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

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

Event	Indicative Date
Bid/Offer Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Initiation of refunds	[●]
Credit of the Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchanges	[●]

The above timetable is indicative and does not constitute any obligation on our Company or the Selling Shareholders or the BRLMs. Whilst, our Company shall ensure that all steps for the completion of the necessary formalities for the listing and the commencement of trading of the Equity Shares on the Stock Exchanges are taken within 12 Working Days of the Bid/Offer Closing Date, the timetable may change due to various factors, such as extension of the Bid/Offer Period by our Company and the Selling Shareholders, revision of the Price Band or any delays 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. The Selling Shareholders confirm that they shall extend all reasonable co-operation required by our Company, the BRLMs for the completion of the necessary formalities for listing and commencement of trading of the Equity Shares (offered by each such Selling Shareholder in the Offer) at all the Stock Exchanges within 12 Working Days from the Bid/Offer Closing Date.

Except in relation to the Bids received from the Anchor Investors, Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 5.00 p.m.** (Indian Standard Time) during the Bidding Period (except the Bid/Offer Closing Date) at the Bidding Centres and the Designated Branches as mentioned on the Bid cum Application Form **except that:**

- (i) in case of Bids by QIBs under the Net QIB Portion, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the QIB Bid Closing Date;
- (ii) in case of Bids by Non-Institutional Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 4.00 p.m. on the Bid Closing Date; and
- (iii) in case of Bids by Retail Individual Bidders, the Bids and the revisions in Bids shall be accepted only between 10.00 a.m. and 3.00 p.m. (Indian Standard Time) and uploaded until 5.00 p.m. on the Bid Closing Date, which may be extended up to such time as deemed fit by the Stock Exchanges after



taking into account the total number of applications received up to the closure of timings and reported by Book Running Lead Managers to the Stock Exchanges.

It is clarified that the Bids not uploaded on the online IPO system would be rejected.

Due to limitation of the time available for uploading the Bids on the Bid Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid Closing Date and, in any case, no later than 1.00 p.m. (Indian Standard Time) on the Bid Closing Date. Bidders are cautioned that, in the event a large number of Bids are received on the Bid Closing Date, as is typically experienced in public offerings in India, it may lead to some Bids not being uploaded due to lack of sufficient time to upload. Such Bids that cannot be uploaded will not be considered for allocation under this Offer. Bids will only be accepted on Working Days. Investors please note that as per letter no. List/smd/sm/2006 dated July 3, 2006 and letter no. NSE/IPO/25101- 6 dated July 6, 2006 issued by BSE and NSE respectively, bids and any revision in Bids shall not be accepted on Saturdays and holidays as declared by the Stock Exchanges. Bids by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Our Company, the Selling Shareholders or any member of the Syndicate is not liable for any failure in uploading the Bids due to faults in any software /hardware system or otherwise.

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Offer shall ask for rectified data from the SCSB.

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right to revise the Price Band during the Bidding Period in accordance with the SEBI Regulations. In such an event, the Cap Price shall not be more than 120% of the Floor Price. Subject to compliance with the immediately preceding sentence, the Floor Price can move up or down to the extent of 20% of the Floor Price, as advertised at least five Working Days before the Bid Opening Date.

In case of revision in the Price Band, the Bidding Period shall be extended for at least three additional Working Days after such revision, subject to the total Bidding Period not exceeding 10 Working Days. Any revision in the Price Band, and the revised Bidding Period, if applicable, shall be widely disseminated by notification to the SCSBs and the Stock Exchanges, by issuing a press release and also by indicating the change on the websites of the Book Running Lead Managers and the terminals of the other members of the Syndicate.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchanges may be taken as the final data for the purpose of Allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Offer shall ask the relevant SCSB or the member of the Syndicate for rectified data.



TERMS OF THE OFFER

The Equity Shares being issued and transferred pursuant to this Offer are subject to the provisions of the Companies Act, 2013, the Companies Act, 1956 (to the extent applicable) the SCRA, SCRR, our Memorandum and Articles, the terms of the Draft Red Herring Prospectus, the Red Herring Prospectus, the Prospectus, the Bid cum Application Form, the Revision Form, the Allotment Advice, CAN, the listing agreements to be entered with the Stock Exchanges and other terms and conditions as may be incorporated in the Allotment Advice and other documents or certificates that may be executed in respect of this Offer. The Equity Shares shall also be subject to all applicable laws, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by the SEBI, the GoI, the Stock Exchanges, the RoC, the RBI and/or other authorities, as in force on the date of this Offer and to the extent applicable.

Ranking of Equity Shares

The Equity Shares being issued and transferred in the Offer shall be subject to the provisions of the Companies Act, our Memorandum and Articles and shall rank *pari passu* in all respects with the existing Equity Shares including rights in respect of dividend. The Allottees will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment, in accordance with the provisions of the Companies Act and the Articles. See the section titled “*Main Provisions of the Articles of Association*” on page 459 for a description of significant provisions of our Articles.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to shareholders of our Company as per the provisions of the Companies Act, 2013, Articles of Association and the provisions of the listing agreements. In relation to the Offer for Sale, the dividend for the entire year shall be payable to the transferees. For further details in relation to dividends, see the sections titled “*Dividend Policy*” and “*Main Provisions of the Articles of Association*” on pages 188 and 459, respectively.

Face Value and Offer Price

The face value of the Equity Shares is ₹ 10 each. The Floor Price of Equity Shares is ₹ [●] per Equity Share and the Cap Price is ₹ [●] per Equity Share. The Anchor Investor Offer Price is ₹ [●] per Equity Share. The Price Band, Retail Discount, if any, and minimum Bid lot decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and advertised in an English and Hindi national daily newspaper, each with wide circulation in the place where our Registered Office is situated, at least five Working Days prior to the Bid Opening Date and shall be made available to the Stock Exchanges for the purpose of uploading on their website. The Price Band, along with the relevant financial ratios calculated at the Floor Price and at the Cap Price, shall be pre-filled in the Bid cum Application Forms available at the websites of the Stock Exchanges. The Issue Price shall be determined by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, after the Bid Closing Date, on the basis of assessment of market demand for the Equity Shares offered by way of the book building process.

At any given point of time there shall be only one denomination for the Equity Shares.

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 “SCSB/Payment Details” block in the Bid cum Application Form.



Compliance with Regulations issued by SEBI

Our Company shall comply with all applicable disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the provisions of our Articles, the equity shareholders of our Company shall have the following rights:

- The right to receive dividends, if declared;
- The right to attend general meetings and exercise voting powers, unless prohibited by law;
- The right to vote on a poll either in person or by proxy or 'e-voting';
- The right to receive offers for rights shares and be allotted bonus shares, if announced;
- The right to receive any surplus on liquidation subject to any statutory and other preferential claims being satisfied;
- The right to freely transfer their Equity Shares, subject to applicable laws; 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 agreements to be executed with the Stock Exchanges, and our Memorandum and Articles.

For a detailed description of the main provisions of our Articles relating to voting rights, dividend, forfeiture and lien, transfer and transmission, and/or consolidation/splitting, see the section titled “*Main Provisions of the Articles of Association*” on page 459.

Market Lot, Trading Lot and Option to receive Equity Shares in Dematerialised Form

Pursuant to section 29 of the Companies Act, 2013, the Equity Shares shall be Allotted only in dematerialised form. Hence, the Equity Shares being offered through the Red Herring Prospectus can be applied for in the dematerialised form only.

Further, as per the provisions of the SEBI Regulations, the trading of our Equity Shares shall only be in dematerialised form, consequent to which, the tradable lot is one Equity Share. Allotment of Equity Shares will be only in electronic form in multiples of [●] Equity Shares, subject to a minimum Allotment of [●] Equity Shares.

The Price Band and the minimum bid lot will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, including the relevant financial ratios computed for both the Cap Price and the Floor Price, which shall be published in an English national daily newspaper, a Hindi national daily newspaper and a regional daily newspaper, each with wide circulation, being the newspapers in which the pre-Offer advertisements were published, at least five Working Days prior to the Bid Opening Date.

Joint Holders

Subject to provisions contained in our Articles, where two or more persons are registered as the holders of any Equity Share, they shall be deemed to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Any dispute arising out of this Offer will be subject to the jurisdiction of appropriate court(s) in New Delhi, India only.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (“Securities Act”) and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.



Period of operation of subscription list

See the section titled “*Offer Structure – Bid/Offer Programme*” on page 401.

Nomination facility to investors

In accordance with section 72 of the Companies Act, 2013, the sole or First Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of the sole Bidder or in case of joint Bidders, the 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 death of the original holder(s), shall be entitled to the same advantages to which such person would be entitled if such person 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 the Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale, transfer 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 with the Registrar to the Offer and transfer agents of our Company.

In accordance with section 72 of the Companies Act, 2013, any person who becomes a nominee by virtue of section 72 of the Companies Act, 2013 as mentioned above, shall, upon the production of such evidence as may be required by our Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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 will be made only in dematerialised form, there shall be no requirement for a separate nomination with our Company. Nominations registered with the respective Depository Participant of the applicant will prevail. If the investors require to change their nomination, they are requested to inform their respective Depository Participant.

Minimum Subscription

In the event our Company does not receive (i) a minimum subscription of 90% of the Fresh Issue, and (ii) a subscription in the Fresh Issue equivalent to at least 25% post-Offer paid up Equity Share capital of our Company (the minimum number of securities as specified under Rule 19(2)(b)(i) of the SCRR), including devolvement of Underwriters, if any, within sixty (60) days from the date of Bid/Offer Closing Date we shall forthwith refund the entire subscription amount received not later than 15 days from the Bid/Offer Closing date or within 12 Working days from the Bid/Offer Closing Date, whichever is earlier. If there is a delay beyond such period, our Company shall pay such interest prescribed under the Companies Act, 2013, read with the applicable rules framed thereunder.

The requirement for minimum subscription is not applicable to the Offer for Sale. In case of under-subscription in the Offer, the Equity Shares in the Fresh Issue will be issued prior to the sale of Equity Shares in the Offer for Sale.

Further, in accordance with Regulation 26(4) of the SEBI Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will be Allotted will be not less than 1,000.

In the event of an under subscription, the pre-issue Equity shares which are held by the Tano other than through the FVCI route are first offered for allotment under the Offer for Sale and for the remaining allotment, if any, the remaining Equity Shares held by Tano through the FVCI route may be offered, as may be allowed by the Stock Exchanges in consultation with the BRLMs.



Arrangements for disposal of odd lots

Since our Equity Shares will be traded in dematerialised form only and the market lot for our Equity Shares will be one, no arrangements for disposal of odd lots are required.

Restriction on transfer and transmission of shares

Except for the lock-in of the pre-Offer Equity Shares, Promoters' minimum contribution and Allotment made to Anchor Investor pursuant to the Offer, as detailed in the section titled "*Capital Structure*" on page 64 and except as provided in our Articles, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/splitting. See the section titled "*Main Provisions of the Articles of Association*" at page 459.

Withdrawal of the Offer

Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, reserves the right not to proceed with the Offer anytime after the Bid Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the same newspapers, in which the pre-Offer advertisements were published, within two days of the Bid Closing Date, providing reasons for not proceeding with the Offer. Further, the Stock Exchanges shall be informed promptly in this regard by our Company. The Book Running Lead Managers, through the Registrar to the Offer, shall notify the SCSBs to unblock the Bank Accounts of the ASBA Bidders within one Working Day from the date of receipt of such notification. In the event of withdrawal of the Offer and subsequently, plans of an IPO by our Company, a draft red herring prospectus will be submitted again to SEBI.

Notwithstanding the foregoing, this Offer is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which our Company shall apply for after Allotment, and the final RoC approval of the Prospectus.



OFFER PROCEDURE

All Bidders should review the 'General Information Document for Investing in Public Offers' prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI ("General Information Document") included below under sub-section titled "– Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public offers in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI ICDR Regulations. The General Information Document has been updated to include reference to the Companies Act, 2013, to the extent applicable to a public offer. The General Information Document is also available on the websites of the Stock Exchanges and the Book Running Lead Managers. Please refer to the relevant portions of the General Information Document which are applicable to this Offer.

Our Company, the Selling Shareholders and the Syndicate do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Bidders are advised to make their independent investigations and ensure that their Bids do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Red Herring Prospectus and the Prospectus.

PART A

Book Building Procedure

The Offer is being made through the Book Building Process in accordance with Regulation 26(1) of the SEBI Regulations, wherein 50% of the Offer shall be available for allocation on a proportionate basis to Qualified Institutional Buyers ("QIBs"). Our Company may, in consultation with the Book Running Lead Managers, allocate up to 60% of the QIB Portion to Anchor Investors at the Anchor Investor Allocation Price, on a discretionary basis, out of which at least one-third will be available for allocation to domestic Mutual Funds only. In the event of under-subscription or non-allocation in the Anchor Investor Portion, the balance Equity Shares shall be added to the Net QIB Portion. Such number of Equity Shares representing 5% of the Net QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder of the Net QIB Portion shall be available for allocation on a proportionate basis to QIBs (other than Anchor Investors) including Mutual Funds, subject to valid Bids being received from them at or above the Offer Price. However, if the aggregate demand from Mutual Funds is less than 5% of the Net QIB Portion, the balance Equity Shares available for allocation in the Mutual Fund Portion will be added to the remaining Net QIB Portion for proportionate allocation to QIBs. Further, not less than 15% of the Offer shall be available for allocation on a proportionate basis to Non Institutional Bidders and not less than 35% of the Offer shall be available for allocation to Retail Individual Bidders in accordance with the SEBI Regulations, subject to valid Bids being received from them at or above the Offer Price.

In the event of under-subscription in the Retail Portion or the Non-Institutional Portion in the Offer, the unsubscribed portion would be allowed to be met with spill over from over subscription from any other category or a combination of categories at the sole discretion of our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers and the Designated Stock Exchange. However, under-subscription, if any, in the QIB Portion will not be allowed to be met with spill-over from other categories or a combination of categories.

Bid cum Application Form

Please note that there is a common Bid cum Application Form for ASBA Bidders as well as for non-ASBA Bidders.

Retail Individual Bidders can submit their Bids by submitting Bid cum Application Forms, in physical form, to the members of the Syndicate, the sub-Syndicate or the Registered Brokers.

Bid cum Application Forms for the Retail Individual Bidders, will be available with the Syndicate/sub-Syndicate members, SCSBs and at our Registered Office. In addition, the Bid cum Application Forms will also be available for download on the websites of the Stock Exchanges, NSE (www.nseindia.com) and BSE (www.bseindia.com), at least one day prior to the Bid Opening Date. Physical Bid cum Application Forms for Anchor Investors shall be made available at the offices of the BRLMs.



QIBs (other than Anchor Investors) and Non-Institutional Bidders shall mandatorily participate in the Offer only through the ASBA process. Retail Individual Bidders can participate in the Offer through the ASBA process as well as the non-ASBA process.

Bidders shall ensure that the Bids are made on Bid cum Application Forms bearing the stamp of a member of the Syndicate or the Registered Broker or the SCSBs, as the case may be, submitted at the Bidding centres only (except in case of electronic Bid cum Application Forms) and the Bid cum Application Forms not bearing such specified stamp are liable to be rejected.

Kindly note that the Syndicate/sub-Syndicate or the Registered Broker at the Syndicate Bidding Centres or the Non Syndicate Brokers Centres, as applicable, may not accept the Bid if there is no branch of the Escrow Collection Banks at that location.

ASBA Bidders can submit their Bids by submitting Bid cum Application Forms, either in physical or electronic mode, to the SCSB with whom the ASBA Account is maintained or in physical form to the Syndicate, the sub-Syndicate or the Registered Brokers. The physical Bid cum Application Forms will be available with the Designated Branches, members of the Syndicate/sub-Syndicate and at our Registered Office.

Upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow Collection Bank, and are liable for any failure in this regard.

The prescribed colour of the Bid cum Application Form for various categories of Bidders is as follows:

Category	Colour of Bid cum Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA and non ASBA)**	[●]
Non-Residents including Eligible NRIs, FVCIs and FIIs, FPIs, registered multilateral and bilateral development financial institutions and QFIs applying on a repatriation basis (ASBA and non ASBA)**	[●]
Anchor Investors***	[●]

* Excluding electronic Bid cum Application Forms.

** Bid cum Application forms will also be available on the website of the NSE (www.nseindia.com) and the BSE (www.bseindia.com). Same Bid cum Application Form applies to all ASBA Bids irrespective of whether they are submitted to the SCSBs, to the Registered Brokers, or to the Syndicate (in Specified Cities).

*** Bid cum Application Forms for Anchor Investors shall be available at the offices of the Book Running Lead Managers.

Who can Bid?

In addition to the category of Bidders set forth in the sub-section titled “– **Part B – General Information Document for Investing in Public Offers – Category of Investors Eligible to Participate in an Offer**” on page 424, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines:

- FPIs, other than Category III FPIs;
- Category III FPIs who are foreign corporates or foreign individuals only under the Non-Institutional Portion
- Scientific and/or industrial research organisations in India, which are authorised to invest in equity shares; and
- Any other persons eligible to Bid in this Offer, under the laws, rules, regulations, guidelines and policies applicable to them.



Participation by associates and affiliates of the Book Running Lead Managers and the Syndicate Members

The Book Running Lead Managers and the Syndicate Members shall not be allowed to subscribe to this Offer in any manner, except towards fulfilling their underwriting obligations. However, associates and affiliates of the Book Running Lead Managers and the Syndicate Members may subscribe to or purchase Equity Shares in the Offer, in the QIB Portion or in Non-Institutional Portion as may be applicable to such Bidders. Such Bidding and subscription may be on their own account or on behalf of their clients. All categories of investors, including associates or affiliates of Book Running Lead Managers and Syndicate Members, shall be treated equally for the purpose of allocation to be made on a proportionate basis.

Except for mutual funds sponsored by entities related to the BRLMs, the BRLMs and any persons related to BRLMs cannot apply in the Offer under the Anchor Investor Portion.

Bids by Mutual Funds

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.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

No Mutual Fund scheme shall invest more than 10% of its net asset value in the equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

NRIs may obtain copies of Bid cum Application Form from the offices of the BRLMs, the Syndicate Members and the SCSBs. Only Bids accompanied by payment in Indian Rupees or freely convertible foreign exchange will be considered for Allotment. Eligible NRIs intending to make payment through freely convertible foreign exchange and Bidding on a repatriation basis could make payments through Indian Rupee drafts purchased abroad or cheques or bank drafts for the amount payable on application remitted through normal banking channels or by debits to their Non-Resident External ("NRE") or Foreign Currency Non-Resident ("FCNR") accounts, maintained with banks authorised by the RBI to deal in foreign exchange along with documentary evidence in support of the remittance. Eligible NRIs Bidding on a repatriation basis are advised to use the Bid cum Application Form meant for Non-Residents, accompanied by a bank certificate confirming that the payment has been made by debiting to the NRE or FCNR account, as the case may be. Payment for Bids by non-resident Bidder Bidding on a repatriation basis will not be accepted out of Non-Resident Ordinary ("NRO") accounts.

Non ASBA Bids by NRIs shall be submitted only in the locations specified in the Bid cum Application Form.

Bids by FIIs, FPIs and QFIs

On January 07, 2014, SEBI notified the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 ("SEBI FPI Regulations") pursuant to which the existing classes of portfolio investors namely FIIs and QFIs will be subsumed under a new category namely 'foreign portfolio investors' or 'FPIs'. Furthermore, RBI on March 13, 2014 amended the FEMA Regulations and laid down conditions and requirements with respect to investment by FPIs in Indian companies.

In terms of the SEBI FPI Regulations, an FII who 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. Further, a QFI can continue to buy, sell or otherwise deal in securities until January 06, 2015 or until the QFI obtains a certificate of registration as FPI, whichever is earlier. Such QFIs shall be eligible to participate in this Offer in accordance with Schedule 8 of the FEMA Regulations and are required to Bid under the Non-Institutional Bidders category.

In terms of the SEBI FPI Regulations, the offer 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) is not permitted to exceed 10% of our post-Offer Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectoral cap by way of a resolution passed by our Board, followed by a special resolution passed by the shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an FII or sub account in our Company is 10% and 49% of the total paid-up Equity Share capital of our Company, respectively.

As per the circular issued by SEBI on November 24, 2014, these investment restrictions shall also apply to subscribers of offshore derivative instruments (“ODIs”). Two or more subscribers of ODIs having a common beneficial owner shall be considered together as a single subscriber of the ODI. In the event an investor has investments as a FPI and as a subscriber of ODIs, these investment restrictions shall apply on the aggregate of the FPI and ODI investments held in the underlying company.

Further, the existing individual and aggregate investment limits for QFIs in an Indian company are 5% and 10% of the paid up capital of an Indian company, respectively. FPIs are permitted to participate in the Offer subject to compliance with conditions and restrictions which may be specified by the GoI from time to time.

An FPI shall issue ODIs only to those subscribers which meet the eligibility criteria as laid down in Regulation 4 of the SEBI FPI Regulations. Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III FPI and unregulated broad based funds, which are classified as Category II FPIs by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by a FPI against securities held by it that are listed or proposed to be listed on any recognised stock exchange in India, as its underlying) directly or indirectly, only in the event (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 Venture Capital Funds, Alternative Investment Funds and Foreign Venture Capital Investors

The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996 as amended, (the “**SEBI VCF Regulations**”) and the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended, *inter alia* prescribe the investment restrictions on VCFs and FVCIs, respectively, registered with SEBI. Further, the SEBI AIF Regulations prescribe, amongst others, the investment restrictions on AIFs.

Accordingly, the holding in any company by any individual VCF or FVCI registered with SEBI should not exceed 25% of the corpus of the VCF or FVCI. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds in various prescribed instruments, including in public offerings.

The category I and II AIFs cannot invest more than 25% of the corpus in one investee company. A category III AIF cannot invest more than 10% of the corpus in one investee company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd 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 VCF Regulations.



All Non-Resident Bidders including Eligible NRIs, FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and /or commission. There is no reservation for Eligible NRIs, FIIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation.

Further, according to the SEBI Regulations, the shareholding of VCFs, category I AIFs and FVCIs held in a company prior to making an initial public offering would be exempt from lock-in requirements only if the shares have been held by them for at least one year prior to the time of filing this Draft Red Herring Prospectus with SEBI.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers is prescribed in Regulation 9 of the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (“**IRDA Investment Regulations**”) are set forth below:

- (a) equity shares of a company: the least of 10% of the investee company’s subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPs); and
- (c) the industry sector in which the investee company operates: 10% of the insurer’s total investment exposure to the industry sector (25% in case of ULIPs).

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 certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be attached to the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to reject any Bid, without assigning any reason thereof.

Bids 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 without assigning any reason.

The investment limit for banking companies as per the Banking Regulation Act, 1949 is 30% of the paid-up share capital of the investee company or 30% of the banks’ own paid-up share capital and reserves, whichever is less (except in case of certain specified exceptions, such as setting up or investing in a subsidiary company, which requires RBI approval). Additionally, any investment by a bank in equity shares must be approved by such bank’s investment committee set up to ensure compliance with the applicable prudential norms for classification, valuation and operation of investment portfolio of banks (currently reflected in the RBI Master Circular of July 1, 2010).



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 02, 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 offers and clear demarcated funds should be available in such account for ASBA applications.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FIIs, FPIs, Eligible QFIs, Mutual Funds, insurance companies, insurance funds set up by the army, navy or air force of the Union of India, insurance funds set up by the Department of Posts, India or the National Investment Fund, provident funds with minimum corpus of ₹ 250 million and pension funds with a minimum corpus of ₹ 250 million (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, with a certified copy of the memorandum of association and articles of association and/or bye laws, as applicable, must be lodged with the Bid cum Application Form. Failing this, our Company and the Selling Shareholders reserve the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason.

Our Company and the Selling Shareholders in their absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney with the Bid cum Application Form, subject to such terms and conditions that our Company, the Selling Shareholders and the Book Running Lead Managers deem fit, without assigning any reasons therefore.

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 one English national daily newspaper and one Hindi national daily newspaper, each with wide circulation. In the pre-Offer advertisement, we shall state the Bid Opening Date, the Bid Closing Date and the QIB Bid Closing Date. This advertisement, subject to the provisions of section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Information for Bidders

In addition to the instructions provided to Bidders set forth in the sub-section titled “– *Part B – General Information Document for Investing in Public Offers*” on page 421, Bidders are requested to note the following additional information in relation to the Offer.

1. Our Company shall dispatch the Red Herring Prospectus and other Offer material including Bid cum Application Forms, to the Designated Stock Exchange, Syndicate/sub-Syndicate, Bankers to the Offer, investors’ associations and SCSBs in advance.
2. The Price Band and the minimum Bid Lot for the Offer will be decided by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, and advertised in one English national daily newspaper and one Hindi national daily newspaper (Hindi also being the regional language at the place where the Registered Office is located), each with wide circulation at least five Working Days prior to the Bid Opening Date, with the relevant financial ratios calculated at the Floor Price and at the Cap Price. Such information shall also be disclosed to the Stock Exchanges for dissemination through, and shall be pre-filled in the Bid cum Application Forms available on, the Stock Exchanges’ websites.
3. It is not obligatory for the Registered Brokers to accept the Bid cum Application Forms. However, upon acceptance of a Bid cum Application Form, it is the responsibility of the Registered Brokers to comply with the obligations set out in SEBI circular no. CIR/CFD/14/2012 dated October 4, 2012, including in relation to uploading the Bids on the online system of the Stock Exchanges, depositing the cheque and sending the updated electronic schedule to the relevant branch of the Escrow



Collection Bank (in case of Bids by Bidders other than ASBA Bidders) and forwarding the schedule along with the Bid cum Application Form to the relevant branch of the SCSB (in case of Bids by ASBA Bidders), and are liable for any failure in this regard.

In case of Bid cum Application Form by non ASBA Bidders, Registered Brokers shall deposit the cheque, prepare electronic schedule and send it to Escrow Collection Banks. All Escrow Collection Banks, which have branches in a Registered Broker Centre, shall ensure that at least one of its branches in the Registered Broker Centre accepts cheques. Registered Brokers shall deposit the cheque in any of the bank branch of the Escrow Collection Banks in the Registered Broker Centre. Registered Brokers shall also update the electronic schedule (containing application details including the application amount) as downloaded from Stock Exchange platform and send it to local branch of the Escrow Collection Banks. Registered Brokers shall retain all physical Bid cum Application Forms and send it to the Registrar to Offer after six months.

4. In case of Bid cum Application Forms submitted by ASBA Bidders, Registered Brokers shall forward a schedule (containing application number and amount) along with the Bid cum Application Forms to the branch where the ASBA Account is maintained of the relevant SCSB for blocking of fund.
5. The Syndicate/sub-Syndicate, the SCSBs and the Registered Brokers, as the case may be, will enter each Bid option into the electronic Bidding system as a separate Bid and generate a Transaction Registration Slip, (“**TRS**”), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form. All accepted Bids made at the Registered Broker Centre shall be stamped and thereby acknowledged by the Registered Brokers at the time of receipt, which shall form the basis of any complaint. It is the Bidder’s responsibility to obtain the TRS from the Syndicate/sub-Syndicate, the Designated Branches or Registered Brokers. The registration of the Bid by the Syndicate/sub-Syndicate, the Designated Branches or Registered Brokers does not guarantee that the Equity Shares shall be allocated/Allotted by our Company. Such TRS will be non-negotiable and by itself will not create any obligation of any kind. When a Bidder revises his or her Bid, he /she shall surrender the earlier TRS and may request for a revised TRS from the Syndicate/sub-Syndicate, the Registered Brokers or the SCSB as proof of his or her having revised the previous Bid.
6. Our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers, will finalise the Offer Price within the Price Band, without the prior approval of or intimation to the Bidders.
7. In relation to electronic registration of bids, the permission given by the Stock Exchanges to use their network and software of the electronic bidding system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company, the Selling Shareholders and/or the Book Running Lead Managers are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, the Selling Shareholders, the management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
8. In case of an upward revision in the Price Band, Retail Individual Bidders who had Bid at Cut-off Price could either (i) revise their Bid or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder wants to continue to Bid at Cut-off Price). The revised Bids must be submitted by the ASBA Bidders to SCSB or to the Syndicate (in specified cities) to whom the original Bid was submitted. 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 Portion in terms of this Red Herring Prospectus if the Bid was made through ASBA. If, however, the Retail Individual Bidder does not either revise the Bid or make additional payment and the Offer 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 Retail Individual Bidder and the Retail Individual Bidder is deemed to have approved such revised Bid at Cut-off Price.



9. In case of a downward revision in the Price Band, Retail Individual Bidders who have bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding would be refunded from the Escrow Account or unblocked, in case of ASBA Bidders.
10. Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. With respect to the ASBA Bids, if revision of the Bids results in an incremental amount, the SCSBs shall block the additional Bid Amount. In case of Bids, other than ASBA Bids, the Syndicate/sub-Syndicate or the Registered Brokers, as the case may be, shall collect the payment in the form of cheque or demand draft if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions.
11. Allocation to Non-Residents, including Eligible NRIs FIIs, FPIs and QFIs will be subject to applicable law, rules, regulations, guidelines and approvals.
12. The Allotment and trading of the Equity Shares would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

In addition to the information provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers – Interest and Refunds - Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants**” on page 453, Bidders are requested to note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Fresh Issue shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

Signing of the Underwriting Agreement and the RoC Filing

Our Company, the Selling Shareholders, the Registrar to the Offer and the Underwriters intend to enter into an Underwriting Agreement on or immediately after the finalisation of the Offer Price. After signing the Underwriting Agreement, our Company will file the Prospectus with the RoC. The Prospectus would have details of the Offer Price, Anchor Investor Offer Price, Offer size and underwriting arrangements and would be complete in all material respects.

GENERAL INSTRUCTIONS

In addition to the general instructions provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers**” on page 421, Bidders are requested to note the additional instructions provided below.

Do's:

1. Check if you are eligible to apply as per the terms of the Red Herring Prospectus and under applicable law;
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 the Bids are submitted at the bidding centres only on forms bearing the stamp of the Syndicate or Registered Broker or SCSB (except in case of electronic forms) or with respect to ASBA Bidders, ensure that your Bid is submitted either to a member of the Syndicate (in the Specified Locations), a Designated Branch of the SCSB where the ASBA Bidder or the person whose bank account will be utilised by the ASBA Bidder for bidding has a bank account, or to a Registered Broker at the Broker Centres.
6. In relation to the ASBA Bids, ensure that your Bid cum Application Form is submitted either at a Designated Branch of a SCSB where the ASBA Account is maintained or with the Syndicate in the Specified Locations or with a Registered Broker at the Broker Centres, and not to the Escrow Collecting Banks (assuming that such bank is not a SCSB) or to our Company or the Registrar to the Offer;
7. With respect to the ASBA Bids, ensure that the Bid cum Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct



- bank account number in the Bid cum Application Form;
8. QIBs (other than Anchor Investors) and the Non-Institutional Bidders should submit their Bids through the ASBA process only;
 9. With respect to Bids by SCSBs, ensure that you have a separate account in your own name with any other SCSB having clear demarcated funds for applying under the ASBA process and that such separate account (with any other SCSB) is used as the ASBA Account with respect to your Bid;
 10. Ensure that you request for and receive a TRS for all your Bid options;
 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 (in the Specified Locations), the SCSBs or the Registered Broker (at the Broker Centres);
 12. Ensure that you have funds equal to the Bid Amount in your bank account before submitting the Bid cum Application Form under non-ASBA process to the Syndicate or the Registered Brokers;
 13. With respect to non-ASBA Bids, ensure that the full Bid Amount is paid for the Bids and with respect to ASBA Bids, ensure funds equivalent to the Bid Amount are blocked;
 14. Instruct your respective banks to not release the funds blocked in the ASBA Account under the ASBA process;
 15. Submit revised Bids to the same member of the Syndicate, SCSB or Registered Broker, as applicable, through whom the original Bid was placed and obtain a revised TRS;
 16. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the demographic details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in “active status”; and (b) in the case of residents of Sikkim, the address as per the demographic details evidencing the same;
 17. Ensure that the Demographic Details (as defined herein below) are updated, true and correct in all respects;
 18. 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.
 19. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid cum Application Forms.
 20. Ensure that the name(s) given in the Bid cum Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid cum Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
 21. Ensure that the category and sub-category is indicated;
 22. Ensure that in case of Bids under power of attorney or by limited companies, corporate, trust etc., relevant documents are submitted;
 23. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
 24. Ensure that the DP ID, the Client ID and the PAN mentioned in the Bid cum Application Form and entered into the online IPO system of the stock exchanges by the Syndicate, the SCSBs or the Registered Brokers, as the case may be, match with the DP ID, Client ID and PAN available in the Depository database;
 25. In relation to the ASBA Bids, ensure that you use the Bid cum Application Form bearing the stamp of the Syndicate (in the Specified Locations) and/or relevant SCSB and/or the Designated Branch and/or the Registered Broker at the Broker Centres (except in case of electronic forms);
 26. Ensure that the Bid cum Application Forms are delivered by the Bidders within the time prescribed as per the Bid cum Application Form and the Red Herring Prospectus;
 27. ASBA Bidders bidding through a member of the Syndicate should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only in the Specified Locations and that the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>). ASBA Bidders bidding through a Registered Broker should ensure that the SCSB where the ASBA Account, as



- specified in the Bid cum Application Form, is maintained has named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms;
28. Ensure that you have mentioned the correct ASBA Account number in the Bid cum Application Form;
 29. In relation to the ASBA Bids, 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; and
 30. In relation to the ASBA Bids, ensure that you receive an acknowledgement from the Designated Branch of the SCSB or from the member of the Syndicate in the Specified Locations or from the Registered Broker at the Broker Centres, as the case may be, for the submission of your 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 Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not Bid on another Bid cum Application Form after you have submitted a Bid to the Syndicate, the SCSBs or the Registered Brokers, as applicable;
4. Do not pay the Bid Amount in cash, by money order or by postal order or by stockinvest;
5. Do not send Bid cum Application Forms by post; Instead submit the same with a Designated Branch of the SCSBs, Syndicate/sub-Syndicate the Registered Brokers, as the case may be;
6. Do not submit the Bid cum Application Forms to the Escrow Collection Bank(s) (assuming that such bank is not a SCSB), our Company or the Registrar to the Offer;
7. Do not Bid on a physical Bid cum Application Form that does not have the stamp of the Syndicate, the Registered Brokers or the SCSBs;
8. Anchor Investors should not Bid through the ASBA process;
9. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
10. Do not Bid for a Bid Amount exceeding ₹ 200,000 (for Bids by Retail Individual Bidders);
11. Do not fill up the Bid cum Application Form such that the Equity Shares Bid for exceeds the Offer size and/or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
12. Do not submit the GIR number instead of the PAN;
13. Do not submit the Bids without the full Bid Amount;
14. Do not submit incorrect details of the DP ID, Client ID and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Offer;
15. 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;
16. If you are a QIB, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date for QIBs;
17. If you are a Non-Institutional Bidder or Retail Individual Bidder, do not submit your Bid after 3.00 p.m. on the Bid/Offer Closing Date;
18. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872;
19. Do not withdraw your Bid or lower the size of your Bid (in terms of quantity of the Equity Shares or the Bid Amount) at any stage, if you are a QIB or a Non-Institutional Investor;
20. Do not submit more than five Bid cum Application Forms per ASBA Account;
21. Do not submit ASBA Bids to a member of the Syndicate at a location other than the Specified Locations or to the brokers other than the Registered Brokers at a location other than the Broker Centres;
22. Do not submit ASBA Bids to a member of the Syndicate in the Specified Locations unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in the relevant Specified Location, for the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in>); and
23. Do not submit ASBA Bids to a Registered Broker unless the SCSB where the ASBA Account is maintained, as specified in the Bid cum Application Form, has named at least one branch in that location for the Registered Broker to deposit the Bid cum Application Forms.

The Bid cum Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.



INSTRUCTIONS FOR COMPLETING THE BID CUM APPLICATION FORM

In addition to the instructions for completing the Bid cum Application Form provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers – Applying in the Offer – Instructions for filing the Bid cum Application Form/Application Form**” on page 425, Bidders are requested to note the additional instructions provided below.

1. Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal. Bids must be in single name or in joint names (not more than three, and in the same order as their Depository Participant details).
2. Bids through ASBA must be made in single name or in joint names (not more than three, and in the same order as their details appear with the Depository Participant), and completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained in this Red Herring Prospectus and in the Bid cum Application Form.
3. Bids on a repatriation basis shall be in the names of individuals, or in the name of Eligible NRIs, FIIs, FPIs, QFIs, but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees. Bids by Eligible NRIs and QFIs for a Bid Amount of up to ₹ 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than ₹ 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Escrow mechanism for non-ASBA Bidders

In addition to the payment instructions for non-ASBA Bidders as provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers – Applying in the Offer – Payment Details – Instructions for non-ASBA Applicants**” on page 441, non-ASBA Bidders are requested to note the following.

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - In case of resident Retail Individual Bidders: “[●]”;
 - In case of Non-Resident Retail Individual Bidders: “[●]”; and
 - In case of Anchor Investors: “[●]” for resident Anchor Investors, and “[●]” for Non Resident Anchor Investors.
2. Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers’ clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts will be rejected. Please note that cheques without the nine digit Magnetic Ink Character Recognition (“MICR”) code are liable to be rejected.
3. **Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between our Company, the Selling Shareholders, the Syndicate, the Escrow Collection Banks and the Registrar to the Offer to facilitate collections from the Bidders.**

Designated Date and Allotment

- (a) Our Company will ensure that the Allotment and credit to the successful Bidder’s depository account will be completed within 12 Working Days of the Bid Closing Date.
- (b) Equity Shares will be issued and Allotment shall be made only in the dematerialised form to the Allottees.
- (c) Allottees will have the option to re-materialise the Equity Shares so Allotted as per the provisions of the Companies Act, 2013 and the Depositories Act.



Grounds for Technical Rejections

In addition to the grounds for rejection of Bids on technical grounds as provided in the sub-section titled “**Part B – General Information Document for Investing in Public Offers – Offer Procedure in Book Built Offer – Rejection and Responsibility for Upload of Bids – Grounds for Technical Rejections**” on page 446, Bidders are requested to note that Bids may be rejected on the following additional technical grounds.

1. Bid submitted without payment of the entire Bid Amount;
2. Bids submitted by Retail Individual Bidders which do not contain details of the Bid Amount and the bank account details in the Bid cum Application Form;
3. Bids submitted on a plain paper;
4. Bids by HUFs not mentioned correctly as given in the sub-section titled “**Who can Bid?**” on page 408;
5. Bid cum Application Form submitted to the Book Running Lead Managers does not bear the stamp of the Book Running Lead Managers or the Registered Brokers;
6. ASBA Bids submitted directly to the SCSBs does not bear the stamp of the SCSB and/or the Designated Branch and/or the Book Running Lead Managers, as the case may be;
7. Signature of First/sole Bidder missing;
8. With respect to ASBA Bids, the Bid cum Application Form not being signed by the account holders, if the account holder is different from the Bidder;
9. Bids by persons for whom PAN details have not been verified and whose beneficiary accounts are ‘suspended for credit’ in terms of SEBI circular (reference number: CIR/MRD/DP/22 /2010) dated July 29, 2010;
10. GIR number furnished instead of PAN;
11. Bids by Retail Individual Bidders with Bid Amount for a value of more than ₹ 200,000;
12. Bids by persons who are not eligible to acquire Equity Shares in terms of all applicable laws, rules, regulations, guidelines and approvals;
13. Bids accompanied by stockinvest/money order/postal order/cash;
14. Bids by U.S. Persons, as defined under Regulation S of the U.S. Securities Act, outside the United States; and
15. Bids uploaded by QIBs after 4.00 pm on the QIB Bid Closing Date and by Non-Institutional Bidders uploaded after 4.00 p.m. on the Bid Closing Date, and Bids by Retail Individual Bidders uploaded after 5.00 p.m. on the Bid Closing Date, unless extended by the Stock Exchanges.

In terms of the RBI circular (No.DPSS.CO.CHD.No./133/04.07.05/2013-14) dated July 16, 2013, non-CTS cheques would be processed in three CTS centres thrice a week until April 30, 2014, twice a week until October 31, 2014 and once a week from November 1, 2014 onwards. In order to enable listing and trading of Equity Shares within 12 Working Days of the Bid/Offer Closing Date, investors are advised to use CTS cheques or use the ASBA facility to make payments. Investors are cautioned that Bid cum Application Forms accompanied by non-CTS cheques are liable to be rejected due to any delay in clearing beyond six Working Days from the Bid/Offer Closing Date.

PLEASE NOTE THAT IN THE EVENT OF A DELAY BEYOND SIX WORKING DAYS FROM THE BID/OFFER CLOSING DATE IN CLEARING THE CHEQUES ACCOMPANYING THE BID CUM APPLICATION FORM (WHETHER CTS OR NON-CTS), FOR ANY REASON WHATSOEVER (INCLUDING BUT NOT LIMITED TO ANY MATERIAL/NATURAL CALAMITIES OR ANY EXTENSION BY THE BANK ON THE TIME PERIOD FOR CLEARING WITH PERMISSION OF RBI OR OTHERWISE), SUCH BID CUM APPLICATION FORM MAY BE CONSIDERED FOR REJECTION.

Depository Arrangements

The Allotment of the Equity Shares in the Offer shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode). In this context, two agreements had been signed among our Company, the respective Depositories and the Registrar to the Offer:

- Agreement dated September 27, 2011 among NSDL, our Company and the Registrar to the Offer.
- Agreement dated October 20, 2011 among CDSL, our Company and Registrar to the Offer.



UNDERTAKINGS BY OUR COMPANY

Our Company undertakes the following:

- That if our Company does not proceed with the Offer after the Bid Closing Date, the reason thereof shall be given as a public notice within two days of the Bid 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;
- That the complaints received in respect of the Offer shall be attended to by our Company expeditiously and satisfactorily;
- That 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 12 Working Days of the Bid/Offer Closing Date;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Offer by our Company;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days from the Bid Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the certificates of the securities/refund orders to Eligible NRIs shall be despatched within specified time;
- That no further Offer of Equity Shares shall be made till the Equity Shares offered through the Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.;
- That adequate arrangement shall be made to collect all Bid cum Application Forms under the ASBA process and to consider them similar to non-ASBA Bids while finalising the Basis of Allotment; and
- Our Company shall not have recourse to the proceeds of the Offer until final approval for trading of the Equity Shares from all Stock Exchanges where listing is sought has been received.

UNDERTAKINGS BY THE SELLING SHAREHOLDERS

Each of Selling Shareholders severally and not jointly undertake the following, in respect of their respective Equity Shares:

- they are the legal and beneficial owner of the Equity Shares proposed to be transferred pursuant to the Offer for Sale;
- the Equity Shares proposed to be transferred by the respective Selling Shareholders in the Offer (a) have been held by the respective Selling Shareholders for a minimum period as specified in Regulation 26(6) of the SEBI Regulations; (b) are free and clear of any pre-emptive rights, liens, mortgages, charges, pledges or any other encumbrances; and (c) shall be in dematerialised form at the time of transfer;
- that they shall not have recourse to the proceeds of the Offer for Sale until the final listing and trading approvals from all the Stock Exchanges where listing is proposed have been obtained;
- that they shall be liable to refund the application monies as required under applicable laws and statutory time limits, and in the event of failure to do so, shall pay interest to the non-ASBA Bidders as provided under the Companies Act, 2013 or any other applicable laws and regulations, provided such refund and interest shall be shared by our Company and the Selling Shareholders in proportion to the proceeds of the Equity Shares sold in the Fresh Issue and Offer for Sale, respectively. The Selling Shareholders will reimburse their proportionate share of expenses from the proceeds of the Offered Shares upon a successful listing of the Equity Shares of the Company;
- they shall provide all reasonable cooperation as requested by our Company in relation to the completion of allotment and dispatch of the allotment advice and Anchor Investor allocation note, if required, and refund orders to the extent of the Equity Shares offered by them pursuant to the Offer;
- they shall provide such reasonable support and extend such reasonable cooperation as may be required by our Company and the Book Running Lead Managers in redressal of such investor grievances that pertain to the Equity Shares held by them and being offered pursuant to the Offer;
- if our Company does not proceed with the Offer after the Bid/Offer Closing Date, the reason thereof shall be given by our Company as a public notice within two days of the Bid 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. It shall extend all reasonable cooperation requested by our Company and the Book Running Lead Managers in this regard;

- it shall not further transfer its respective Equity Shares during the period commencing from submission of this Draft Red Herring Prospectus with SEBI until the final trading approvals from all the Stock Exchanges have been obtained for the Equity Shares Allotted/to be Allotted pursuant to the Offer;
- it shall take all such steps as may be required to ensure that the Equity Shares being sold by it pursuant to the Offer for Sale are available for transfer in the Offer for Sale; and
- it shall comply with all applicable laws including Companies Act, 2013, the Companies Act, 1956 (to the extent applicable), the SEBI Regulations, FEMA and the applicable circulars, guidelines and regulations issued by SEBI and the RBI, in relation to the Equity Shares offered by it in the Offer for Sale.

The decisions with respect to the Price Band, the minimum Bid lot, revision of Price Band, Offer Price, will be taken by our Company and the Selling Shareholders, in consultation with the Book Running Lead Managers.

Utilisation of Offer proceeds

The Selling Shareholders along with our Company declare that all monies received out of this Offer shall be transferred to a separate bank account other than the bank account referred to in sub-section (3) of section 40 of the Companies Act, 2013.



PART B

General Information Document for Investing in Public Offers

This General Information Document highlights the key rules, processes and procedures applicable to public offers in accordance with the provisions of the Companies Act, as amended or replaced by the Companies Act, 2013, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. 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 Offer. For taking an investment decision, the Bidders/Applicants should rely on their own examination of our Company and the Selling Shareholders and the Offer, and should carefully read the Red Herring Prospectus/Prospectus before investing in the Offer.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public offers undertaken through the Book-Building process. The purpose of the “General Information Document for Investing in Public Offers” 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.

Bidders/Applicants should note that investment in equity and equity related securities involves risk and Bidder/Applicant should not invest any funds in the Offer 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 Offer and the relevant information about our Company and the Selling Shareholders undertaking the Offer are set out in the Red Herring Prospectus (“RHP”)/Prospectus filed by our Company 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 our Company in which they are proposing to invest through the Offer. 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 our Company is available on the websites of stock exchanges, on the website(s) of the BRLMs to the Offer and on the website of Securities and Exchange Board of India (“SEBI”) at www.sebi.gov.in.

For the definitions of capitalised terms and abbreviations used herein Bidders/Applicants may refer to the section “*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 Company 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 Company.

For undertaking an IPO, an offeror 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 offeror, 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 Company 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 Company.

For undertaking an FPO, the Offeror is *inter-alia* required to comply with the eligibility requirements in terms of Regulation 26/27 of SEBI ICDR Regulations, 2009. For details of compliance with the eligibility requirements by our Company, 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 Company 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, the Securities Contracts (Regulation) Rules, 1957 (“**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 Company can either determine the Offer Price through the Book Building Process (“**Book Built Offer**”) or undertake a Fixed Price Offer (“**Fixed Price Offer**”). An offeror may mention Floor Price or Price Band in the RHP (in case of a Book Built Offer) and a Price or Price Band in the Draft Prospectus (in case of a fixed price Offer) 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 Offeror shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-Offer advertisement was given at least five Working Days before the Bid/Offer Opening Date, in case of an IPO and at least one Working Day before the Bid/Offer Opening Date, in case of an FPO.

The Floor Price or the Offer price cannot be lesser than the face value of the securities.

Bidders/Applicants should refer to the RHP/Prospectus or Offer advertisements to check whether the Offer is a Book Built Offer or a Fixed Price Offer.

2.5 OFFER PERIOD

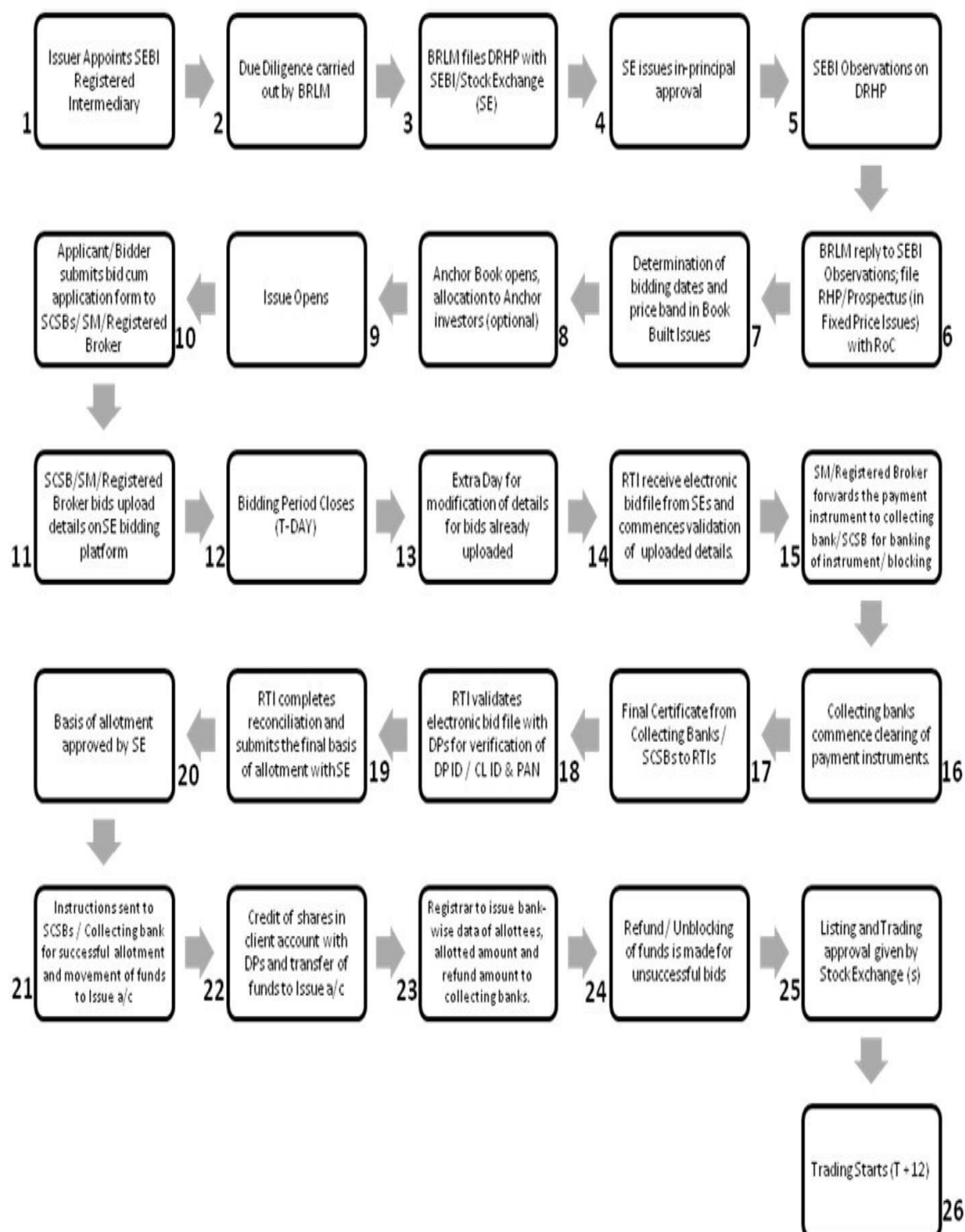
The Offer may be kept open for a minimum of three Working Days (for all category of Bidders/Applicants) and not more than ten Working Days. Bidders/Applicants are advised to refer to the Bid cum Application Form and Abridged Prospectus or RHP/Prospectus for details of the Bid/Offer Period. Details of Bid/Offer Period are also available on the website of Stock Exchange(s).

In case of a Book Built Offer, the Offeror may close the Bid/Offer Period for QIBs one Working Day prior to the Bid/Offer 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 Offers the Bid/Offer Period may be extended by at least three Working Days, subject to the total Bid/Offer 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 Offeror on the websites of the Stock Exchanges and the BRLMs, 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 Offers is as follows Bidders/Applicants may note that this is not applicable for Fast Track FPOs.:

- In case of Offers other than Book Built Offers (Fixed Price Offers) the process at the following of the below mentioned steps shall be read as:
 - (i) Step 7 : Determination of Offer Date and Price;
 - (ii) Step 10: Applicant submits ASBA Application Form with Designated Branch of SCSB and Non-ASBA forms directly to collection Bank and not to Broker;
 - (iii) Step 11: SCSB uploads ASBA Application details in Stock Exchange Platform;
 - (iv) Step 12: Offer period closes; and
 - (v) Step 15: Not Applicable





SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN OFFER

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, QFIs and FVCIs may not be allowed to Bid/Apply in the Offer or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.

Subject to the above, an illustrative list of Bidders/Applicants is as follows:

- Indian nationals resident in India who are competent to contract under the Indian Contract Act, 1872, in single or joint names (not more than three);
- Bids/Applications belonging to an account for the benefit of a minor (under guardianship);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder/Applicant should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form/Application Form as follows: “Name of sole or first Bidder/Applicant: XYZ Hindu Undivided Family applying through XYZ, where XYZ is the name of the *Karta*”. Bids/Applications by HUFs may be considered at par with Bids/Applications from individuals;
- Companies, corporate bodies and societies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Qualified Foreign Investors 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;
- FPIs (other than Category III FPIs) bidding in the QIBs category;
- Category III FPIs bidding in the Non Institutional Bidders category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (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; and
- Any other person eligible to Bid/Apply in the Offer, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.
- As per the existing regulations, OCBs are not allowed to participate in an Offer.



SECTION 4: APPLYING IN THE OFFER

Book Built Offer: Bidders should only use the specified Bid cum Application Form either bearing the stamp of a member of the Syndicate or bearing a stamp of the Registered Broker or stamp of SCSBs as available or downloaded from the websites of the Stock Exchanges.

Bid cum Application Forms are available with the members of the Syndicate, Registered Brokers, Designated Branches of the SCSBs and at the registered office of the Offeror. Electronic Bid cum Application Forms will be available on the websites of the Stock Exchanges at least one day prior to the Bid/Offer Opening Date. For further details regarding availability of Bid cum Application Forms, Bidders may refer to the RHP/Prospectus.

Fixed Price Offer: Applicants should only use the specified cum Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Offerpr. 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 color of the Bid cum Application Form for various categories of Bidders/Applicants is as follows:

Category	Color 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, QFIs on a repatriation basis	Blue
Anchor Investors	[As specified by the Offeror]

Securities Offered in an IPO can only be in dematerialised form in compliance with section 29 of the Companies Act, 2013. Bidders/Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID CUM APPLICATION FORM /APPLICATION FORM

Bidders/Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the RHP and the Bid cum Application Form/Application Form are liable to be rejected.

Instructions to fill each field of the Bid cum Application Form can be found on the reverse side of the Bid cum Application Form. Specific instructions for filling various fields of the Resident Bid cum Application Form and Non-Resident Bid cum Application Form and samples are provided below.

The samples of the Bid cum Application Form for resident Bidders and the Bid cum Application Form for non-resident Bidders are reproduced below:



COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA

XYZ LIMITED - PUBLIC ISSUE - R

FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS

Logo To: The Board of Directors XYZ Limited

BOOK BUILDING ISSUE IN

Bid cum Application Form No.

SYNDICATE MEMBER'S STAMP & CODE

BROKER'S/AGENT'S STAMP & CODE

1. NAME & CONTACT DETAILS of Sole / First Applicant

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE / FIRST APPLICANT

3. BIDDER'S DEPOSITORY ACCOUNT DETAILS

NSDL 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")

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 Discount, if any Net Price "Cut-off" (Please tick)

Option 1

(OR) Option 2

(OR) Option 3

5. Category

Retail Individual

Non-Institutional

QIB

6. Investor Status

Individual(s) - IND

Hindu Undivided Family* - HUF

Bodies Corporate - CO

Banks & Financial Institutions - FI

Mutual Funds - MF

Non-Resident Indians - NRI (Non-Repatriation basis)

National Investment Fund - NIF

Insurance Funds - IF

Insurance Companies - IC

Venture Capital Funds - VC

Others (Please specify) - OTH

* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)

7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)

PAYMENT OPTIONS Full Payment Part Payment

Amount Paid (₹ in figures) (₹ in words)

(A) CHEQUE/ DEMAND DRAFT (DD)

Cheque/DD No. Dated D/M/Y

Bank A/c No.

Bank Name & Branch

(B) 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 FORM 2A 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 APPLICANT

8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY)

I/We authorize the SCSE to do all acts as are necessary to make the Application in the issue

1)

2)

3)

Date: , 2011

BROKER'S / SCSE BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)

TEAR HERE

XYZ LIMITED

Acknowledgement Slip for Syndicate Member / SCSE

Bid cum Application Form No.

DPID / CLID

PAN

Amount Paid (₹ in figures)

Bank & Branch

Stamp & Signature of Banker

Cheque / DD/ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile

Email

TEAR HERE

XYZ LIMITED

Option 1

Option 2

Option 3

No. of Equity Shares

Bid Price

Amount Paid (₹)

Cheque / DD/ASBA Bank A/c No.

Bank & Branch

Stamp & Signature of Syndicate Member / SCSE

Name of Sole / First Applicant

Acknowledgement Slip for Bidder

Bid cum Application Form No.



COMMON BID CUM APPLICATION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - NR		FOR ELIGIBLE NRIs, FBs, FVCI, ETC., APPLYING ON A REPATRIATION BASIS	
Logo To The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		Bid cum Application Form No. _____	
SYNDICATE MEMBER'S STAMP & CODE		BROKER'S AGENT'S STAMP & CODE		1. NAME & CONTACT DETAILS of Sole / First Applicant	
BSCROW BANK / SCB BRANCH STAMP & CODE		SUI-BROKER'S SUB-AGENT'S STAMP & CODE		Mr. / Ms. _____ Address _____ Email _____ Tel. No. (with STD code) / Mobile _____	
BANK BRANCH SERIAL NO.		REGISTRAR'S / SCB SERIAL NO.		2. PAN OF SOLE / FIRST APPLICANT _____	
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL				5. Investor Status	
For NSDL enter 5 digit DP ID followed by 8 digit Client ID / For CDSL enter 18 digit Client ID				<input type="checkbox"/> NR Non Resident Indian (Repatriation basis) <input type="checkbox"/> FI Foreign Institutional Investor <input type="checkbox"/> FVCI Foreign Venture Capital Investor <input type="checkbox"/> FISA FI Sub Account Corporate / Individual <input type="checkbox"/> OTH Others (Please Specify) _____	
4. BID OPTIONS (Only Retail Individual Bidders can Bid at "Cut-off")				5. Category	
Bid Options		No. of Equity Shares Bid (in Figures) (Bids must be in multiples of Bid Lot as advertised)		Price per Equity Share (i.e. "Cut-off") (Price in multiples of ₹ 1/- only) (in Figures)	
		Bid Price		Discount, if any	
		Net Price		"Cut-off" (Price in ₹)	
Option 1				<input type="checkbox"/> Retail Individual	
(OR) Option 2				<input type="checkbox"/> Non-Individual	
(OR) Option 3				<input type="checkbox"/> BII	
7. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)				PAYMENT OPTIONS <input type="checkbox"/> Full Payment <input type="checkbox"/> Part Payment	
Amount Paid (₹ in figures) _____ (₹ in words) _____					
<input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD)				<input type="checkbox"/> (B) ASBA	
Cheque/DD No. _____ Dated _____				Bank A/c No. _____	
Drawn on (Bank Name & Branch) _____				Bank Name & Branch _____	
I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED FORM 2A AND HEREBY AGREE AND CONFIRM THE "BIDDERS' UNDERTAKING" AS GIVEN OVER FAF. 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.					
6A. SIGNATURE OF SOLE / FIRST APPLICANT		6B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (For ASBA option ONLY)		BROKER'S / SCB BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system)	
Date : _____, 2011		We authorize the SCB to do all acts as are necessary to have the Application in the issue			
		1) _____ 2) _____ 3) _____			
TEAR HERE					
XYZ LIMITED		Acknowledgement Slip for Syndicate Member / SCB		Bid cum Application Form No. _____	
DPID / CLID		PAN		Stamp & Signature of Banker	
Amount Paid (₹ in figures)		Bank & Branch			
Cheque / DD/ASBA Bank A/c No.					
Received from: Mr./Ms.		Telephone / Mobile		Email	
TEAR HERE					
XYZ LIMITED		Stamp & Signature of Syndicate Member / SCB		Name of Sole / First Applicant	
No. of equity shares		Option 1		Option 2	
Bid Price		Option 3			
Amount Paid (₹)					
Cheque / DD/ASBA Bank A/c No.					
Bank & Branch					
				Acknowledgement Slip for Bidder	
				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(including refund orders and letters notifying the unblocking of the bank accounts of ASBA Bidders/Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Bid cum Application Form may be used by the Offeror, the members of the Syndicate, the Registered Broker and the Registrar to the Offer only for correspondence(s) related to an Offer 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 All payments may be made out in favor of the Bidder/Applicant whose name appears in the Bid cum Application Form/Application Form or the Revision Form and all communications may be addressed to such Bidder/Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.
- (d) **Impersonation:** Attention of the Bidders/Applicants is specifically drawn to the provisions of sub-section (1) of section 38 of the Companies Act, 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 of not less than six months extending up to ten years (provided that where the fraud involves public interest, such term shall not be less than three years) and fine of an amount not less than the amount involved in the fraud, extending up to three times of such amount.

- (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 DP.

4.1.2 **FIELD NUMBER 2: PAN NUMBER 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 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. A Bid cum Application Form/Application Form without PAN, except in case of Exempted Bidders/Applicants, is liable to be rejected. 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/Application Forms which provide the General Index Register Number instead of PAN may be rejected.
- (e) Bids/Applications by Bidders whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as “Inactive demat accounts” and demographic details are not provided by depositories.

4.1.3 **FIELD NUMBER 3: BIDDERS/APPLICANTS DEPOSITORY ACCOUNT DETAILS**

- (a) Bidders/Applicants should ensure that DP ID and the Client ID are correctly filled in the Bid cum Application Form/Application Form. The DP ID and Client ID provided in the Bid cum Application Form/Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Bid cum Application Form/Application Form is liable to be rejected.**
- (b) Bidders/Applicants should ensure that the beneficiary account provided in the Bid cum Application Form/Application Form is active.
- (c) Bidders/Applicants should note that on the basis of DP ID and Client ID as provided in the Bid cum Application Form/Application Form, the Bidder/Applicant may be deemed to have authorised the Depositories to provide to the Registrar to the Offer, 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 giving refunds and allocation advice (including through physical refund warrants, direct credit, NECS, NEFT and RTGS), or unblocking of ASBA Account or for other correspondence(s) related to an Offer. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (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 Offeror. The Offeror 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/Offer Opening Date in case of an IPO, and at least one Working Day before Bid/Offer Opening Date in case of an FPO.

- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs /FPOs undertaken through the Book Building Process. In the case of Alternate Book Building Process for an FPO, the Bidders may Bid at Floor Price or any price above the Floor Price (For further details bidders may refer to (Section 5.6 (e))
- (c) **Cut-Off Price:** Retail Individual Bidder 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 Offer 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 Offeror and the Selling Shareholders, 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 Offeror and the Selling Shareholders 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 may refer to the RHP/Prospectus or the advertisement regarding the Price Band published by the Offeror.

4.1.4.1 Maximum and Minimum Bid Size

- (a) The Bidder may Bid for the desired number of Equity Shares at a specific price. Bids by Retail Individual Bidders, 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 does not exceed ₹ 200,000.

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 then such Bid may be rejected if it is at the Cut-off Price.

- (b) 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.
- (c) 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 Offeror, as the case may be. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off Price'.
- (d) RII may revise their bids till closure of the bidding period or withdraw their bids until finalisation of allotment. QIBs and NII's cannot withdraw or lower their Bids (in terms of quantity of Equity Shares or the Bid Amount) at any stage after bidding and are required to pay the Bid Amount upon submission of the Bid.
- (e) In case the Bid Amount reduces to ₹ 200,000 or less due to a revision of the Price Band, Bids by the Non-Institutional Bidders who are eligible for allocation in the Retail Category would be considered for allocation under the Retail Category.
- (f) 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 Portion 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/Offer Period and are required to pay the Bid Amount at the time of submission of the Bid. In case the Anchor Investor Offer Price is lower than the Offer Price, the balance amount shall be payable as per the pay-in-date mentioned in the revised CAN. In case the Offer Price is lower than the Anchor Investor Offer Price, the amount in excess of the Offer Price paid by the Anchor Investors shall not be refunded to them.

- (g) A Bid cannot be submitted for more than the Offer size.
- (h) The maximum Bid by any Bidder including QIB Bidder should not exceed the investment limits prescribed for them under the applicable laws.
- (i) The price and quantity options submitted by the Bidder in the Bid cum Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Offer Price, the number of Equity Shares Bid for by a Bidder at or above the Offer Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process (For details of bidders may refer to (Section 5.6 (e))

4.1.4.2 Multiple Bids

- (a) Bidder should submit only one Bid cum Application Form. Bidder shall have the option to make a maximum of Bids at three 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 member of the Syndicate, SCSB or Registered Broker 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 are requested to note the following procedures may be followed by the Registrar to the Offer to detect multiple Bids:
 - (i) All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds and FII sub-accounts, Bids bearing the same PAN may be treated as multiple Bids by a Bidder 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, 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) 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.
 - (ii) 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.
 - (iii) Bids by Anchor Investors under the Anchor Investor Portion and the QIB



Category.

4.1.5 **FIELD NUMBER 5: CATEGORY OF BIDDERS**

- (a) The categories of Bidders identified as per the SEBI ICDR Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Offer are RIIs, NIIs and QIBs.
- (b) Upto 60% of the QIB Category can be allocated by the Offeror and the Selling Shareholders, 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 Offer Price. For details regarding allocation to Anchor Investors, bidders may refer to the RHP/Prospectus.
- (c) An Offeror 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 Offer, Bidders/Applicants may refer to the RHP/Prospectus.
- (d) The SEBI ICDR Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer 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 Offer is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidders/Applicants, such as NRIs, FIIs, QFIs, FPIs and FVCIs may not be allowed to Bid/Apply in the Offer or hold Equity Shares exceeding certain limits specified under applicable law. Bidders/Applicants are requested to refer to the RHP/Prospectus for more details.
- (c) Bidders/Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Bid cum Application Form and Non-Resident Bid cum Application Form.
- (d) Bidders/Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 **FIELD NUMBER 7: PAYMENT DETAILS**

- (a) All Bidders are required to make payment of the full Bid Amount (net of any Discount, as applicable) along-with the Bid cum Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Bid Amount in the Bid cum Application Form and the payment shall be made 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. 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) Bidders who Bid at Cut-off price shall deposit the Bid Amount based on the Cap Price.



- (c) QIBs and NIIs can participate in the Offer only through the ASBA mechanism.
- (d) RIIs bidding in the Retail Portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft (“Non-ASBA Mechanism”).
- (e) Bid Amount cannot be paid in cash, through money order or through postal order.

4.1.7.1 Instructions for non-ASBA Bidders:

- (a) Non-ASBA Bidders may submit their Bids with a member of the Syndicate or any of the Registered Brokers of the Stock Exchange. The details of Broker Centres along with names and contact details of the Registered Brokers are provided on the websites of the Stock Exchanges.
- (b) **For Bids made through a member of the Syndicate:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the members of the Syndicate at Specified Locations.
- (c) **For Bids made through a Registered Broker:** The Bidder may, with the submission of the Bid cum Application Form, draw a cheque or demand draft for the Bid Amount in favour of the Escrow Account as specified under the RHP/Prospectus and the Bid cum Application Form and submit the same to the Registered Broker.
- (d) If the cheque or demand draft accompanying the Bid cum Application Form is not made favoring the Escrow Account, the Bid is liable to be rejected.
- (e) Payments should be made by cheque, or demand draft drawn on any bank (including a cooperative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (f) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Bidders until the Designated Date.
- (g) Bidders are advised to provide the number of the Bid cum Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.1.7.2 Payment instructions for ASBA Bidders

- (a) ASBA Bidders may submit the Bid cum Application Form either
 - (i) in physical mode to the Designated Branch of an SCSB where the Bidders/Applicants have ASBA Account, or
 - (ii) in electronic mode through the internet banking facility offered by an SCSB authorising blocking of funds that are available in the ASBA account specified in the Bid cum Application Form, or
 - (iii) in physical mode to a member of the Syndicate at the Specified Locations or



- (iv) Registered Brokers of the Stock Exchange
- (b) ASBA Bidders may specify the Bank Account number in the Bid cum Application Form. The Bid cum Application Form submitted by an ASBA Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Bidders should ensure that the Bid cum Application Form is also signed by the ASBA Account holder(s) if the Bidder is not the ASBA Account holder;
- (d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
- (e) From one ASBA Account, a maximum of five Bids cum Application Forms can be submitted.
- (f) **ASBA Bidders bidding through a member of the Syndicate** should ensure that the Bid cum Application Form is submitted to a member of the Syndicate only at the Specified locations. ASBA Bidders should also note that Bid cum Application Forms submitted to a member of the Syndicate at the Specified locations may not be accepted by the Member of the Syndicate if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the members of the Syndicate to deposit Bid cum Application Forms (a list of such branches is available on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>).
- (g) **ASBA Bidders bidding through a Registered Broker** should note that Bid cum Application Forms submitted to the Registered Brokers may not be accepted by the Registered Broker, if the SCSB where the ASBA Account, as specified in the Bid cum Application Form, is maintained has not named at least one branch at that location for the Registered Brokers to deposit Bid cum Application Forms.
- (h) **ASBA Bidders bidding directly through the SCSBs** should ensure that the Bid cum Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (i) Upon receipt of the Bid cum Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid cum Application Form.
- (j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the Bid cum Application 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 upload such Bids on the Stock Exchange platform and such bids are liable to be rejected.
- (l) Upon submission of a completed Bid cum Application Form each ASBA Bidder may be deemed to have agreed to block the entire Bid Amount and authorised the Designated Branch of the SCSB to block the Bid Amount



specified in the Bid cum Application 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 Offer Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Bid, as the case may be.
- (n) SCSBs bidding in the Offer 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 Offer 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 Offer 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 Offer Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected ASBA Bids, if any, along with reasons for rejection and details of withdrawn or unsuccessful Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful ASBA Bidder to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Bid cum Application Form and for unsuccessful Bids, the Registrar to the Offer may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within 12 Working Days of the Bid/Offer Closing Date.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of Bids by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.7.4 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) Bidders applying under RII category, Retail Individual Shareholder and employees are only eligible for discount. For Discounts offered in the Offer, Bidders may refer to the RHP/Prospectus.
- (c) The Bidders entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Bid Amount less Discount (if applicable).

Bidder may note that in case the net payment (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/Applicant is required to sign the Bid cum Application Form/Application Form. Bidders/Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the ASBA Bidder/Applicant., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the ASBA Bids/Applications, signature has to be correctly affixed in the authorisation/undertaking box in the Bid cum Application Form/Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid cum Application Form/Application Form.
- (d) Bidders/Applicants must note that Bid cum Application Form/Application Form without signature of Bidder/Applicant and /or ASBA Account holder is liable to be rejected.

4.1.9 **ACKNOWLEDGEMENT AND FUTURE COMMUNICATION**

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by a member of the Syndicate, Registered Broker or SCSB, as applicable, for submission of the Bid cum Application Form.
- (b) Applicants should ensure that they receive the acknowledgment duly signed and stamped by an Escrow Collection Bank or SCSB, as applicable, for submission of the Application Form.
- (c) All communications in connection with Bids/Applications made in the Offer should be addressed as under:
 - (i) In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, refund orders, the Bidders/Applicants should contact the Registrar to the Offer.
 - (ii) In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders/Applicants should contact the relevant Designated Branch of the SCSB.
 - (iii) In case of queries relating to uploading of Syndicate ASBA Bids, the Bidders/Applicants should contact the relevant Syndicate Member.
 - (iv) In case of queries relating to uploading of Bids by a Registered Broker, the Bidders/Applicants should contact the relevant Registered Broker.
 - (v) Bidder/Applicant may contact the Company Secretary and Compliance Officer or BRLMs in case of any other complaints in relation to the Offer.
- (d) The following details (as applicable) should be quoted while making any queries –
 - (i) full name of the sole or First Bidder/Applicant, Bid cum Application Form number, Applicants'/Bidders' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on application.
 - (ii) name and address of the member of the Syndicate, Registered Broker or the Designated Branch, as the case may be, where the Bid was submitted or



- (iii) In case of Non-ASBA bids cheque or draft number and the name of the issuing bank thereof
- (iv) In case of ASBA Bids, ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

For further details, Bidder/Applicant may refer to the RHP/Prospectus and the Bid cum Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Offer Period, any Bidder/Applicant (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 till closure of the bidding period or withdraw their bids until finalisation of allotment.
- (c) Revisions can be made in both the desired number of Equity Shares and the Bid Amount by using the Revision Form.
- (d) The Bidder/Applicant can make this revision any number of times during the Bid/Offer Period. However, for any revision(s) in the Bid, the Bidders/Applicants will have to use the services of the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid. Bidders/Applicants are advised to retain copies of the blank Revision Form and the Bid(s) must be made only in such Revision Form or copies thereof.

A sample Revision form is reproduced below:



COMMON BID REVISION FORM FOR ASBA / NON-ASBA		XYZ LIMITED - PUBLIC ISSUE - R		FOR RESIDENT INDIAN, QIB, ELIGIBLE NRI'S APPLYING ON A NON-REPATRIATION BASIS	
Logo To, The Board of Directors XYZ Limited		BOOK BUILDING ISSUE INE523L01018		Bid cum Application Form No.	
SYNDICATE MEMBER'S STAMP & CODE 		BROKER'S/AGENTS STAMP & CODE 		1. NAME & CONTACT DETAILS of Sole / First Applicant Mr. / Ms. _____ Tel. No (with STD code) / Mobile _____	
ESCROW BANK / SCBS BRANCH STAMP & CODE 		SUB-BROKER'S / SUB-AGENT'S STAMP & CODE 		2. PAN OF SOLE / FIRST APPLICANT _____	
BANK BRANCH SERIAL NO. 		REGISTRAR'S / SCBS 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) (In Figures)		Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off" (Please bid)			
Option 1		_____			
(OR) Option 2		_____			
(OR) Option 3		_____			
5. TO (Revised Bid)					
Bid Options No. of Equity Shares Bid (Bids must be in multiples of Bid Lot as advertised) (In Figures)		Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			
7 6 5 4 3 2 1		Bid Price Discount, if any Net Price "Cut-off" (Please bid)			
Option 1		_____			
(OR) Option 2		_____			
(OR) Option 3		_____			
6. PAYMENT DETAILS (Please tick (✓) any one of payment option A or B below)					
Additional Amount Paid (₹ in figures) _____ (₹ in words) _____					
<input type="checkbox"/> (A) CHEQUE/ DEMAND DRAFT (DD) <input type="checkbox"/> (B) ASBA					
Cheque/DD No. _____ Dated DD/MM/YYYY		Bank A/c No. _____ Bank Name & Branch _____			
Drawn on (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 FORM 2A AND HEREBY AGREE AND CONFIRM THE 'BIDDERS UNDERTAKING' AS GIVEN OVER LEAF. 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/ JOINT APPLICANT(S) _____ Date: _____, 2011		7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) (FOR ASBA OPTION ONLY) I/We authorize the SCBS to do all acts as are necessary to make the Application in the issue. 1) _____ 2) _____ 3) _____		BROKER'S / SCBS BRANCH'S STAMP (Acknowledging upload of Bid in Stock Exchange system) _____	
TEAR HERE					
XYZ LIMITED BID REVISION FORM		Acknowledgement Slip for Syndicate Member / SCBS		Bid cum Application Form No.	
DPID / CLID _____		PAN _____		_____	
Additional Amount Paid (₹) _____ Bank & Branch _____		Stamp & Signature of Banker _____			
Cheque / DD/ASBA Bank A/c No. _____		_____			
Received from Mr./Ms. _____		_____			
Telephone / Mobile _____ Email _____		_____			
TEAR HERE					
XYZ LIMITED BID REVISION FORM		Acknowledgement of Syndicate Member / SCBS		Name of Sole / First Applicant	
No. of Equity Shares _____		Bid Price _____		_____	
Additional Amount Paid (₹) _____		Cheque / DD/ASBA Bank A/c No. _____		Bank & Branch _____	
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/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT

Bidders/Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 AND 5: BID OPTIONS REVISION 'FROM' AND 'TO'

- (a) Apart from mentioning the revised options in the Revision Form, the Bidder/Applicant must also mention the details of all the bid options given in his or her Bid cum Application Form



or earlier Revision Form. For example, if a Bidder/Applicant has Bid for three options in the Bid cum Application Form and such Bidder/Applicant is changing only one of the options in the Revision Form, the Bidder/Applicant must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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 Offer 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 Portion in terms of the RHP/Prospectus. If, however, the RII does not either revise the Bid or make additional payment and the Offer 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 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 in case of ASBA Bidders or refunded from the Escrow Account in case of non-ASBA Bidder.

4.2.3 **FIELD 6: PAYMENT DETAILS**

- (a) With respect to the Bids, other than Bids submitted by ASBA Bidders/Applicants, any revision of the Bid should be accompanied by payment in the form of cheque or demand draft for the amount, if any, to be paid on account of the upward revision of the Bid.
- (b) All Bidders/Applicants are required to make payment of the full Bid Amount (less Discount (if applicable) along with the Bid Revision Form. In case of Bidders/Applicants specifying more than one Bid Option in the Bid cum Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- (c) In case of Bids submitted by ASBA Bidder/Applicant, Bidder/Applicant may Offer 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 member of the Syndicate/Registered Broker or the same Designated Branch (as the case may be) through whom such Bidder/Applicant had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- (d) In case of Bids, other than ASBA Bids, Bidder/Applicant, may make additional payment based on the cap of the revised Price Band (such that the total amount i.e., original Bid Amount plus additional payment does not exceed ₹ 200,000 if the Bidder/Applicant wants to continue to Bid at the Cut-off Price), with the members of the Syndicate /Registered Broker to whom the original Bid was submitted.
- (e) 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/Applicant does not either revise the Bid or make additional payment and the Offer 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 no additional payment is required from the Bidder/Applicant and the Bidder/Applicant is deemed to have approved such revised Bid at the Cut-off Price.

- (f) 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 in case of ASBA Bidders/Applicants or refunded from the Escrow Account in case of non-ASBA Bidder/Applicant.

4.2.4 **FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS**

Bidders/Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 **INSTRUCTIONS FOR FILING APPLICATION FORM IN OFFERS MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE OFFER)**

4.3.1 **FIELDS 1, 2, 3 NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER/APPLICANT, PAN OF SOLE/FIRST BIDDER/APPLICANT AND DEPOSITORY ACCOUNT DETAILS OF THE BIDDER/APPLICANT**

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.3.2 **FIELD 4: PRICE, APPLICATION QUANTITY AND AMOUNT**

- (a) The Offeror may mention 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 Offeror in consultation with the Lead Managers to the Offer (LM) 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 Offeror 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 Offeror, as the case may be.
- (e) An application cannot be submitted for more than the Offer 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 to Collection Bank(s) or 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 Offer 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/Applicant 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) 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.
 - (ii) 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 Offer 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 Offeror can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Offer, 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 Offer depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Offer 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 are required to make payment of the full Amount (net of any Discount, as applicable) along-with the Application Form. If the Discount is applicable in the Offer, the RIIs should indicate the full Amount in the Application Form and the payment shall be made for an Amount net of Discount. Only in cases where the Prospectus indicates that part payment may be made, such an option can be exercised by the Applicant.
- (b) RIIs bidding in the Retail Portion can Bid, either through the ASBA mechanism or by paying the Bid Amount through a cheque or a demand draft ("**Non-ASBA Mechanism**").
- (c) Application Amount cannot be paid in cash, through money order or through postal order or through stock invest.

4.3.5.1 **Instructions for non-ASBA Applicants:**

- (a) Non-ASBA Applicants may submit their Application Form with the Collection Bank(s).
- (b) For Applications made through a Collection Bank(s): The Applicant may, with the submission of the Application Form, draw a cheque or demand draft for the Bid Amount in



favor of the Escrow Account as specified under the Prospectus and the Application Form and submit the same to the escrow Collection Bank(s).

- (c) If the cheque or demand draft accompanying the Application Form is not made favoring the Escrow Account, the form is liable to be rejected.
- (d) Payments should be made by cheque, or demand draft drawn on any bank (including a co-operative bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Application Form is submitted. Cheques/bank drafts drawn on banks not participating in the clearing process may not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.
- (e) The Escrow Collection Banks shall maintain the monies in the Escrow Account for and on behalf of the Applicants until the Designated Date.
- (f) Applicants are advised to provide the number of the Application Form and PAN on the reverse of the cheque or bank draft to avoid any possible misuse of instruments submitted.

4.3.5.2 Payment instructions for ASBA Applicants

- (a) ASBA Applicants may submit the Application Form in physical mode to the Designated Branch of an SCSB where the Applicants have ASBA Account.
- (b) ASBA Applicants may specify the Bank Account number in the Application Form. The Application Form submitted by an ASBA Applicant and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, may not be accepted.
- (c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
- (d) 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) ASBA Applicants bidding directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
- (g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
- (h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
- (i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
- (j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorised the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
- (k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and consequent transfer of the Application Amount



against the Allotted Equity Shares to the Public Offer Account, or until withdrawal or failure of the Offer, or until withdrawal or rejection of the Application, as the case may be.

- (l) SCSBs applying in the Offer must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.3.5.2.1 Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Offer 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 Offer Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Offer Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Offer Account, and (iv) details of rejected ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Offer, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Offer Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Offer may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Offer Closing Date.

4.3.5.3 Discount (if applicable)

- (a) The Discount is stated in absolute rupee terms.
- (b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Offer, applicants may refer to the Prospectus.
- (c) The Applicants entitled to the applicable Discount in the Offer may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.3.6 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS AND ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should refer to instructions contained in paragraphs 4.1.8 and 4.1.9.

4.4 SUBMISSION OF BID CUM APPLICATION FORM/REVISION FORM/APPLICATION FORM

4.4.1 Bidders/Applicants may submit completed Bid-cum-application form /Revision Form in the following manner:-

Mode of Application	Submission of Bid cum Application Form	
Non-ASBA Application	(a)	To members of the Syndicate at the Specified Locations mentioned in the Bid cum Application Form
	(b)	To Registered Brokers
ASBA Application	(a)	To members of the Syndicate in the Specified Locations or Registered Brokers at the Broker Centres
	(b)	To the Designated branches of the SCSBs where the ASBA Account is maintained



- (a) Bidders/Applicants should not submit the bid cum application forms/Revision Form directly to the escrow collection banks. Bid cum Application Form/Revision Form submitted to the escrow collection banks are liable for rejection.
- (b) Bidders/Applicants should submit the Revision Form to the same member of the Syndicate, the Registered Broker or the SCSB through which such Bidder/Applicant had placed the original Bid.
- (c) Upon submission of the Bid-cum-Application Form, the Bidder/Applicant will be deemed to have authorised the Offeror 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.
- (d) Upon determination of the Offer Price and filing of the Prospectus with the RoC, the Bid-cum-Application Form will be considered as the application form.

SECTION 5: OFFER PROCEDURE IN BOOK BUILT OFFER

Book Building, in the context of the Offer, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Offer Price based on the Bids received as detailed in Schedule XI of SEBI ICDR Regulations, 2009. The Offer Price is finalised after the Bid/Offer Closing Date. Valid Bids received at or above the Offer Price are considered for allocation in the Offer, subject to applicable regulations and other terms and conditions.

5.1 SUBMISSION OF BIDS

- (a) During the Bid/Offer Period, ASBA Bidders/Applicants may approach the members of the Syndicate at the Specified Cities or any of the Registered Brokers or the Designated Branches to register their Bids. Non-ASBA Bidders/Applicants who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or any of the Registered Brokers, to register their Bid.
- (b) Non-ASBA Bidders/Applicants (RIIs, Employees and Retail Individual Shareholders) bidding at Cut-off Price may submit the Bid cum Application Form along with a cheque/demand draft for the Bid Amount less discount (if applicable) based on the Cap Price with the members of the Syndicate/any of the Registered Brokers to register their Bid.
- (c) In case of ASBA Bidders/Applicants (excluding NIIs and QIBs) bidding at Cut-off Price, the ASBA Bidders/Applicants may instruct the SCSBs to block Bid Amount based on the Cap Price less discount (if applicable). ASBA Bidders/Applicants may approach the members of the Syndicate or any of the Registered Brokers or the Designated Branches to register their Bids.
- (d) 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 Syndicate, the Registered Brokers and the SCSBs may register the Bids using the on-line facilities of the Stock Exchanges. The Syndicate, the Registered Brokers and the Designated Branches of the SCSBs 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 online facilities for Book Building on a regular basis before the closure of the Offer.
- (b) On the Bid/Offer Closing Date, the Syndicate, the Registered Broker and the Designated Branches of the SCSBs may upload the Bids till such time as may be permitted by the Stock Exchanges.



- (c) Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The members of the Syndicate, the Registered Brokers and the SCSBs are given up to one day after the Bid/Offer Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Offer Period after which the Stock Exchange(s) send the bid information to the Registrar for validation of the electronic bid details with the Depository's records.

5.3 BUILD UP OF THE BOOK

- (a) Bids received from various Bidders/Applicants through the Syndicate, Registered Brokers and the SCSBs 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/Offer Period.
- (b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the bidding centres during the Bid/Offer Period.

5.4 WITHDRAWAL OF BIDS

- (a) RIIs can withdraw their Bids until finalisation of Basis of Allotment. In case a RII applying through the ASBA process wishes to withdraw the Bid during the Bid/Offer Period, the same can be done by submitting a request for the same to the concerned SCSB or the Syndicate Member or the Registered Broker, as applicable, who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- (b) In case a RII wishes to withdraw the Bid after the Bid/Offer Period, the same can be done by submitting a withdrawal request to the Registrar to the Offer until finalisation of Basis of Allotment. The Registrar to the Offer shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

5.5 REJECTION AND RESPONSIBILITY FOR UPLOAD OF BIDS

- (a) The members of the Syndicate, the Registered Broker and/or SCSBs are individually responsible for the acts, mistakes or errors or omission in relation to
 - (i) the Bids accepted by the members of the Syndicate, the Registered Broker and the SCSBs,
 - (ii) the Bids uploaded by the members of the Syndicate, the Registered Broker and the SCSBs,
 - (iii) the Bid cum application forms accepted but not uploaded by the members of the Syndicate, the Registered Broker and the SCSBs, or
 - (iv) With respect to Bids by ASBA Bidders/Applicants, Bids accepted and uploaded by SCSBs without blocking funds in the ASBA Accounts. It may be presumed that for Bids uploaded by the SCSBs, the Bid Amount has been blocked in the relevant Account.
- (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, only the (i) SCSBs (for Bids other than the Bids by Anchor Investors); and (ii) the 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 and RIIs Bids can be rejected on technical grounds listed herein.

5.5.1 GROUNDS FOR TECHNICAL REJECTIONS

Bid cum Application Forms/Application Form can be rejected on the below mentioned technical grounds either at the time of their submission to the (i) authorised agents of the BRLMs, (ii) Registered Brokers, or (iii) SCSBs, or (iv) Collection Bank(s), 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/Application by persons not competent to contract under the Indian Contract Act, 1872, as amended, (other than minors having valid Depository Account as per Demographic Details provided by Depositories);
- (b) Bids/Applications by OCBs; and
- (c) In case of partnership firms, Bid/Application for Equity Shares made in the name of the firm. However, a limited liability partnership can apply in its own name;
- (d) In case of Bids/Applications under power of attorney or by limited companies, corporate, trust etc., relevant documents are not being submitted along with the Bid cum application form/Application Form;
- (e) Bids/Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- (f) Bids/Applications by any person outside India if not in compliance with applicable foreign and Indian laws;
- (g) DP ID and Client ID not mentioned in the Bid cum Application Form/Application Form;
- (h) PAN not mentioned in the Bid cum Application Form/Application Form except for Bids/Applications by or on behalf of the Central or State Government and officials appointed by the court and by the investors residing in the State of Sikkim, provided such claims have been verified by the Depository Participant;
- (i) In case no corresponding record is available with the Depositories that matches the DP ID, the Client ID and the PAN;
- (j) Bids/Applications for lower number of Equity Shares than the minimum specified for that category of investors;
- (k) Bids/Applications at a price less than the Floor Price and Bids/Applications at a price more than the Cap Price;
- (l) Bids/Applications at Cut-off Price by NIIs and QIBs;
- (m) Amount paid does not tally with the amount payable for the highest value of Equity Shares Bid for. With respect to Bids/Applications by ASBA Bidders, the amounts mentioned in the Bid cum Application Form/Application Form does not tally with the amount payable for the value of the Equity Shares Bid/Applied for;
- (n) Bids/Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;



- (o) In relation to ASBA Bids/Applications, submission of more than five Bid cum Application Forms/Application Form as per ASBA Account;
- (p) Bids/Applications for a Bid/Application Amount of more than ₹ 200,000 by RIIs by applying through non-ASBA process;
- (q) Bids/Applications for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the RHP;
- (r) Multiple Bids/Applications as defined in this GID and the RHP/Prospectus;
- (s) Bid cum Application Forms/Application Forms are not delivered by the Bidders/Applicants within the time prescribed as per the Bid cum Application Forms/Application Form, Bid/Offer Opening Date advertisement and as per the instructions in the RHP and the Bid cum Application Forms;
- (t) With respect to ASBA Bids/Applications, inadequate funds in the bank account to block the Bid/Application Amount specified in the Bid cum Application Form/Application Form at the time of blocking such Bid/Application Amount in the bank account;
- (u) Bids/Applications where sufficient funds are not available in Escrow Accounts as per final certificate from the Escrow Collection Banks;
- (v) With respect to ASBA Bids/Applications, where no confirmation is received from SCSB for blocking of funds;
- (w) Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders not submitted through ASBA process or Bids/Applications by QIBs (other than Anchor Investors) and Non Institutional Bidders accompanied with cheque(s) or demand draft(s);
- (x) ASBA Bids/Applications submitted to a BRLMs at locations other than the Specified Cities and Bid cum Application Forms/Application Forms, under the ASBA process, submitted to the Escrow Collecting Banks (assuming that such bank is not a SCSB where the ASBA Account is maintained), to the Offeror or the Registrar to the Offer;
- (y) Bids/Applications not uploaded on the terminals of the Stock Exchanges;
- (z) Bids/Applications by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid cum Application Form/Application Form.

5.6 BASIS OF ALLOCATION

- (a) The SEBI ICDR Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders/Applicants in an Offer depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Offer size available for allocation to each category is disclosed overleaf of the Bid cum Application Form and in the RHP /Prospectus. For details in relation to allocation, the Bidder/Applicant may refer to the RHP /Prospectus.
- (b) Under-subscription in Retail category is allowed to be met with spill-over from any other category or combination of categories at the discretion of the Offeror and the Selling Shareholders 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) For allocation in the event of an under-subscription applicable to the Offeror, Bidders/Applicants may refer to the RHP.
- (d) **Illustration of the Book Building and Price Discovery Process**



Bidders should note that this example is solely for illustrative purposes and is not specific to the Offer; it also excludes bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of ₹ 20 to ₹ 24 per share, Offer size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Offeror 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 Offeror is able to Offer the desired number of Equity Shares is the price at which the book cuts off, i.e., ₹ 22.00 in the above example. The Offeror and the Selling Shareholders in consultation with the BRLMs may finalise the Offer Price at or below such Cut-Off Price, i.e., at or below ₹ 22.00. All Bids at or above this Offer 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, Offerors 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 Offeror may specify the Floor Price in the RHP or advertise the Floor Price at least one Working Day prior to the Bid/Offer Opening Date. QIBs may Bid at a price higher than the Floor Price and the Allotment to the QIBs is made on a price priority basis. The Bidder with the highest Bid Amount is allotted the number of Equity Shares Bid for and then the second highest Bidder is Allotted Equity Shares and this process continues until all the Equity Shares have been allotted. RIIs, NIIs and Employees are Allotted Equity Shares at the Floor Price and allotment to these categories of Bidders is made proportionately. If the number of Equity Shares Bid for at a price is more than available quantity then the allotment may be done on a proportionate basis. Further, the Offeror may place a cap either in terms of number of specified securities or percentage of issued capital of the Offeror that may be allotted to a single Bidder, decide whether a Bidder be allowed to revise the bid upwards or downwards in terms of price and/or quantity and also decide whether a Bidder be allowed single or multiple bids.

SECTION 6: OFFER PROCEDURE IN FIXED PRICE OFFER

Applicants may note that there is no Bid cum Application Form in a Fixed Price Offer. As the Offer Price is mentioned in the Fixed Price Offer 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 Syndicate Members/SCSB and/or Bankers to the Offer or Registered Broker.

ASBA Applicants may submit an Application Form either in physical form to the Syndicate Members or Registered Brokers or the Designated Branches of the SCSBs 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/Offer Opening Date.



In a fixed price Offer, allocation in the net offer to the public category is made as follows: minimum fifty % to Retail Individual Bidder; and remaining to (i) individual investors other than Retail Individual Bidder; 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 the GID.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The allotment of Equity Shares to Bidders/Applicants other than Retail Individual Bidder and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders/Applicants may refer to RHP/Prospectus. No Retail Individual Bidder will be allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Bidder Category and the remaining available shares, if any will be allotted on a proportionate basis. The Offeror is required to receive a minimum subscription of 90% of the Offer (excluding any Offer for Sale of specified securities). However, in case the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Price. If the aggregate demand in this category is less than or equal to the Non-Institutional Category at or above the Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer 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 Offer Price will be at the discretion of the Offeror and the Selling Shareholders in consultation with the BRLMs, subject to compliance with the following requirements:
- (i) not more than 60% of the QIB Portion 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 ₹ 10 crores;
 - a minimum number of two Anchor Investors and maximum number of 15 Anchor Investors for allocation of more than ₹ 10 crores and up to ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor; and
 - a minimum number of five Anchor Investors and maximum number of 25 Anchor Investors for allocation of more than ₹ 250 crores subject to minimum allotment of ₹ 5 crores per such Anchor Investor.
- (b) A physical book is prepared by the Registrar on the basis of the Bid cum Application Forms received from Anchor Investors. Based on the physical book and at the discretion of the Offeror, in consultation with the BRLMs, selected Anchor Investors will be sent a CAN and if required, a revised CAN.
- (c) **In the event that the Offer Price is higher than the Anchor Investor Offer 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 Offer Price and the Anchor Investor Offer 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.
- (d) **In the event the Offer Price is lower than the Anchor Investor Offer 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) AND NIIs IN CASE OF OVER-SUBSCRIBED OFFER



In the event of the Offer being over-subscribed, the Offeror may finalise the Basis of Allotment in consultation with the Designated Stock Exchange in accordance with the SEBI ICDR Regulations, 2009.

The allocation may be made in marketable lots, on a proportionate basis as explained below:

- (a) Bidders may be categorised according to the number of Equity Shares applied for;
- (b) The total number of Equity Shares to be Allotted to each category as a whole may be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio;
- (c) The number of Equity Shares to be Allotted to the successful Bidders may be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio;
- (d) In all Bids where the proportionate allotment is less than the minimum bid lot decided per Bidder, the allotment may be made as follows: the successful Bidders out of the total Bidders for a category may be determined by a draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and each successful Bidder may be Allotted a minimum of such Equity Shares equal to the minimum Bid Lot finalised by the Offeror;
- (e) If the proportionate allotment to a Bidder is a number that is more than the minimum Bid lot but is not a multiple of one (which is the marketable lot), the decimal may be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5 it may be rounded off to the lower whole number. Allotment to all bidders in such categories may be arrived at after such rounding off; and
- (f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for allotment may be first adjusted against any other category, where the Allotted Equity Shares are not sufficient for proportionate allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment may be added to the category comprising Bidders applying for minimum number of Equity Shares.

7.6 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the Escrow Collection Banks shall transfer the funds represented by allocation of Equity Shares (other than ASBA funds with the SCSBs) from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Offer Account with the Bankers to the Offer. The balance amount after transfer to the Public Offer Account shall be transferred to the Refund Account. Payments of refund to the Bidders shall also be made from the Refund Account as per the terms of the Escrow Agreement and the RHP.
- (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 Offeror 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 Offer.**

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 Offer.

- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.



- (d) Offeror 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 12 Working Days of the Bid/Offer Closing Date. The Offeror also ensures the credit of shares to the successful Applicant's depository account is completed within two Working Days from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Offer Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING AND COMMENCEMENT OF TRADING

The Offeror may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 12 Working Days of the Bid/Offer Closing Date. The Registrar to the Offer may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 12 Working Days of the Bid/Offer Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Offeror 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 Offeror fails to make application to the Stock Exchange(s) and obtain permission for listing of the Equity Shares, in accordance with the provisions of section 40 of the Companies Act, 2013, the Offeror may be punishable with a fine which shall not be less than five lakh rupees but which may extend to fifty lakh rupees and every officer of the Offeror 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 fifty thousand rupees but which may extend to three lakh rupees, 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 Offeror may forthwith repay, without interest, all moneys received from the Bidders/Applicants in pursuance of the RHP/Prospectus. If such money is not repaid within the prescribed time after the Offeror becomes liable to repay it, then the Offeror and every director of the Offeror 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 Offeror does not receive a minimum subscription of 90% of the Offer (excluding any offer for sale of specified securities), including devolvment to the Underwriters, within 60 days from the Bid/Offer Closing Date, the Offeror may forthwith, without interest refund the entire subscription amount received in a manner prescribed under the SEBI ICDR Regulations, the Companies Act, 2013 and other applicable laws. In case the Offer is in the nature of Offer for Sale only, then minimum subscription may not be applicable. If there is a delay beyond the prescribed time, then the Offeror and every director of the Offeror who is an officer in default may be liable to repay the money, with interest at the rate of 15% per annum.

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Offeror 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 OFFERS MADE UNDER COMPULSORY BOOK BUILDING



In case an Offeror not eligible under Regulation 26(1) of the SEBI ICDR Regulations, 2009 comes for an Offer under Regulation 26(2) of SEBI (ICDR) Regulations, 2009 but fails to allot at least 75% of the Offer to QIBs, in such case full subscription money is to be refunded.

8.3 MODE OF REFUND

- (a) **In case of ASBA Bids/Applications:** Within 12 Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bid/Application and also for any excess amount blocked on Bidding/Application.
- (b) **In case of Non-ASBA Bid/Applications:** Within 12 Working Days of the Bid/Offer Closing Date, the Registrar to the Offer may dispatch the refund orders for all amounts payable to unsuccessful Bidders/Applicants and also for any excess amount paid on Bidding/Application, after adjusting for allocation/allotment to Bidders/Applicants.
- (c) In case of non-ASBA Bidders/Applicants, the Registrar to the Offer 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 Bidders/Applicants in their Bid cum Application Forms for refunds. Accordingly, Bidders/Applicants are advised to immediately update their details as appearing on the records of their DPs. 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 Bidders/Applicants' sole risk and neither the Offeror, the Selling Shareholders, the Registrar to the Offer, the Escrow Collection Banks, or the Syndicate, may be liable to compensate the Bidders/Applicants for any losses caused to them due to any such delay, or liable to pay any interest for such delay. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.
- (d) In the case of Bids from Eligible NRIs, FIIs, FPIs and QFIs, refunds, if any, may generally be payable in Indian Rupees only and net of bank charges and/or commission. If so desired, such payments in Indian Rupees may be converted into U.S. Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and may be dispatched by registered post. The Offeror and the Selling Shareholders may not be responsible for loss, if any, incurred by the Bidder/Applicant on account of conversion of foreign currency.

8.3.1 Mode of making refunds for Bidders/Applicants other than ASBA Bidders/Applicants

The payment of refund, if any, may be done through various modes as mentioned below:

- (a) **NECS**—Payment of refund may be done through NECS for Bidders/Applicants having an account at any of the centres specified by the RBI. This mode of payment of refunds may be subject to availability of complete bank account details including the nine-digit MICR code of the Bidder/Applicant as obtained from the Depository;
- (b) **NEFT**— Payment of refund may be undertaken through NEFT wherever the branch of the Bidders/Applicants' 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 Bidders/Applicants 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 Bidders/Applicants through this method. In the event NEFT is not operationally feasible, the payment of refunds may be made through any one of the other modes as discussed in this section;
- (c) **Direct Credit**— Bidders/Applicants having their bank account with the Refund Banker may be eligible to receive refunds, if any, through direct credit to such bank account;



- (d) **RTGS**— Bidders/Applicants 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
- (e) For all the other Bidders/Applicants, including Bidders/Applicants who have not updated their bank particulars along with the nine-digit MICR code, the refund orders may be dispatched through speed post or registered post for refund orders. Such refunds may be made by cheques, pay orders or demand drafts drawn on the Refund Bank and payable at par at places where Bids are received. Please note that refunds, on account of our Company not receiving the minimum subscription of 90% of the Offer, shall be credited only to the bank account from which the Bid Amount was remitted to the Escrow Bank.

For details of levy of charges, if any, for any of the above methods, Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres etc Bidders/Applicants may refer to RHP/Prospectus.

8.3.2 Mode of making refunds for ASBA Bidders/Applicants

In case of ASBA Bidders/Applicants, the Registrar to the Offer may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Offer.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Offeror may pay interest at rates prescribed under applicable laws if refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/or demat credits are not made to Bidders/Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched within the 12 Working days of the Bid/Offer Closing Date.

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	Issue, allotment and transfer of the Equity Shares to successful Bidders pursuant to this Offer.
Allottee	Any Bidder/Applicant to whom the Equity Shares are Allotted
Allotment Advice	The note or advice or intimation of Allotment, sent to each successful Bidder who has been or is to be Allotted the Equity Shares after discovery of the Offer Price in accordance with the Book Building Process, including any revisions thereof, and approval of the Basis of Allotment by the Designated Stock Exchange.
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor Portion in accordance with the requirements specified in SEBI ICDR Regulations, 2009.
Anchor Investor Portion	Up to 60% of the QIB Category which may be allocated by the Offeror, 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 Form	The form in terms of which the Applicant should make an application for Allotment in case of offers other than Book Built Offers, includes Fixed Price Offers
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by Bidders/Applicants to make a Bid authorising an SCSB to block the Bid Amount in the specified bank account maintained with such SCSB.
ASBA Account	Account maintained with an SCSB which may be blocked by such SCSB to the extent of the Bid Amount of the ASBA Bidder/Applicant
ASBA Bid	A Bid made by an ASBA Bidder
ASBA Bidder/Applicant	Prospective Bidders/Applicants in the Offer who Bid/apply through ASBA
Banker(s) to the Offer/Escrow Collection Bank(s)/Collecting Banker	The banks which are clearing members and registered with SEBI as Banker to the Offer with whom the Escrow Account(s) may be opened, and as disclosed in the RHP/Prospectus and Bid cum Application Form of the Offeror
Basis of Allotment	The basis on which the Equity Shares may be Allotted to successful Bidders/Applicants under the Offer.
Bid	An indication to make an offer during the Bid/Offer Period by a prospective Bidder pursuant to



Term	Description
	submission of Bid cum Application Form or during the Anchor Investor Bid/Offer Period by the Anchor Investors, to subscribe for or purchase the Equity Shares of the Offeror at a price within the Price Band, including all revisions and modifications thereto. In case of offers undertaken through the fixed price process, all references to a Bid should be construed to mean an Application
Bid /Offer Closing Date	The date after which the Syndicate, Registered Brokers and the SCSBs may not accept any Bids for the Offer, 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 Offeror is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Offer Closing Date
Bid/Offer Opening Date	The date on which the Syndicate and the SCSBs may start accepting Bids for the Offer, 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 Offeror is situated, each with wide circulation. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Offer Opening Date
Bid/Offer Period	Except in the case of Anchor Investors (if applicable), the period between the Bid/Offer Opening Date and the Bid/Offer Closing Date inclusive of both days and during which prospective Bidders/Applicants (other than Anchor Investors) can submit their Bids, inclusive of any revisions thereof. The Offeror may consider closing the Bid/Offer Period for QIBs one working day prior to the Bid/Offer Closing Date in accordance with the SEBI ICDR Regulations, 2009. Applicants/bidders may refer to the RHP/Prospectus for the Bid/Offer Period
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form and payable by the Bidder/Applicant upon submission of the Bid (except for Anchor Investors), less discounts (if applicable). In case of offers undertaken through the fixed price process, all references to the Bid Amount should be construed to mean the Application Amount
Bid cum Application Form	The form in terms of which the Bidder/Applicant should make an offer to subscribe for or purchase the Equity Shares and which may be considered as the application for Allotment for the purposes of the Prospectus, whether applying through the ASBA or otherwise. In case of offers undertaken through the fixed price process, all references to the Bid cum Application Form should be construed to mean the Application Form
Bidder/Applicant	Any prospective investor (including an ASBA Bidder/Applicant) who makes a Bid pursuant to the terms of the RHP/Prospectus and the Bid cum Application Form. In case of offers undertaken through the fixed price process, all references to a Bidder/Applicant should be construed to mean an Bidder/Applicant
Book Built Process/Book Building Process/Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Broker Centres	Broker centres notified by the Stock Exchanges, where Bidders/Applicants can submit the Bid cum Application Forms/Application Form 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.
BRLMs/Book Running Lead Managers/Lead Managers/LMs	The Book Running Lead Managers to the Offer as disclosed in the RHP/Prospectus and the Bid cum Application Form of the Offeror. In case of offers undertaken through the fixed price process, all references to the Book Running Lead Managers should be construed to mean the Lead Managers or LM
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Bidder/Applicant indicating the Equity Shares which may be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange
Cap Price	The higher end of the Price Band, above which the Offer Price and the Anchor Investor Offer 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
Category III FPI	FPIs who are registered as "Category III foreign portfolio investors" under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014.
Companies Act	The Companies Act, 1956
Cut-off Price	Offer Price, finalised by the Offeror in consultation with the Book Running Lead Managers, 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 Bidder/Applicant's address, name of the Applicant's father/husband, investor status, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid cum Application Forms used by the ASBA Bidders/Applicants applying through the ASBA and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated Date	The date on which funds are transferred by the Escrow Collection Bank(s) from the Escrow Account or 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, 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 Offer may give delivery instructions for the transfer of the Equity Shares constituting the Offer for Sale
Designated Stock Exchange	The designated stock exchange as disclosed in the RHP/Prospectus of the Offeror
Discount	Discount to the Offer 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 Offers and which may mention a price



Term	Description
	or a Price Band
Employees	Employees of an Offeror 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 promoter. For further details Bidder/Applicant may refer to the RHP/Prospectus
Equity Shares	Equity shares of the Offeror
Escrow Account	Account opened with the Escrow Collection Bank(s) and in whose favour the Bidders/Applicants (excluding the ASBA Bidders/Applicants) may issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into among the Offeror, the Registrar to the Offer, the Book Running Lead Managers, the Syndicate Member(s), the Escrow Collection Bank(s) and the Refund Bank(s) for collection of the Bid Amounts and where applicable, remitting refunds of the amounts collected to the Bidders/Applicants (excluding the ASBA Bidders/Applicants) on the terms and conditions thereof
Escrow Collection Bank(s)	Refer to definition of Banker(s) to the Offer
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 SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Fixed Price Offer/Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Offer is being made
Floor Price	The lower end of the Price Band, at or above which the Offer Price and the Anchor Investor Offer Price may be finalised and below which no Bids may be accepted, subject to any revision thereto
FPI(s)	Foreign portfolio investor registered 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
Offer	Public Offer of Equity Shares of the Offeror including the Offer for Sale
Offeror/Company	The Offeror proposing the initial public offering/further public offering as applicable
Offer Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Offer Price may be decided by the Offeror in consultation with the Book Running Lead Managers.
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
NECS	National Electronic Clearing Service
NEFT	National Electronic Fund Transfer
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Offer and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporate or foreign individuals and Category III FPIs 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 Offer 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, QFIs, FIIs and FVCIs
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60% by NRIs including overseas trusts, in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date had taken benefits under the general permission granted to OCBs under FEMA
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 Shareholders
Other Investors	Investors other than Retail Individual Bidder in a Fixed Price Offer. These include individual applicants other than retail individual bidder and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
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 Offer may be decided by the Offeror in consultation with the Book Running Lead Managers and advertised, at least two working days in case of an IPO and one working day in case of FPO, prior to the Bid/Offer Opening Date, in English national daily, Hindi national daily and regional language at the place where the registered office of the Offeror is situated, newspaper each with wide



Term	Description
	circulation
Pricing Date	The date on which the Offeror in consultation with the Book Running Lead Managers, finalise the Offer Price
Prospectus	The prospectus to be filed with the RoC in accordance with section 60 of the Companies Act after the Pricing Date, containing the Offer Price, the size of the Offer and certain other information
Public Offer Account	An account opened with the Banker to the Offer to receive monies from the Escrow Account and from the ASBA Accounts on the Designated Date
Qualified Foreign Investors or QFIs	Non-Resident investors, other than SEBI registered FIIs or sub-accounts or SEBI registered FVCIs, who meet 'know your client' requirements prescribed by SEBI and are resident in a country which is (i) a member of Financial Action Task Force or a member of a group which is a member of Financial Action Task Force; and (ii) a signatory to the International Organisation of Securities Commission's Multilateral Memorandum of Understanding or a signatory of a bilateral memorandum of understanding with SEBI. Provided that such non-resident investor shall not be resident in country which is listed in the public statements issued by Financial Action Task Force from time to time on: (i) jurisdictions having a strategic anti-money laundering/combating the financing of terrorism deficiencies to which counter measures apply; (ii) jurisdictions that have not made sufficient progress in addressing the deficiencies or have not committed to an action plan developed with the Financial Action Task Force to address the deficiencies
QIB Category	The portion of the Offer 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 Offer. The RHP may be filed with the RoC at least three days before the Bid/Offer Opening Date and may become a Prospectus upon filing with the RoC after the Pricing Date. In case of offers 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 (excluding refunds to ASBA Bidders/Applicants), 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 Offeror
Refunds through electronic transfer of funds	Refunds through NECS, Direct Credit, NEFT, RTGS or ASBA, as applicable
Registered Broker	Stock Brokers registered with the Stock Exchanges having nationwide terminals, other than the members of the Syndicate
Registrar to the Offer/RTI	The Registrar to the Offer as disclosed in the RHP/Prospectus and Bid cum Application Form
Retail Individual Bidder /RIIs	Investors who applies or bids for a value of not more than ₹ 200,000.
Retail Individual Shareholders	Shareholders of a listed Offeror who applies or bids for a value of not more than ₹ 200,000.
Retail Category	The portion of the Offer being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Bidders in an Offer through Book Building process to modify the quantity of Equity Shares and/or bid price indicates 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
Specified Locations	Refer to definition of Broker Centres
Stock Exchanges/SE	The stock exchanges as disclosed in the RHP/Prospectus of the Offeror where the Equity Shares Allotted pursuant to the Offer are proposed to be listed
Syndicate	The Book Running Lead Managers, and the Syndicate Member(s)
Syndicate Agreement	The agreement to be entered into among the Offeror, and the Syndicate in relation to collection of the Bids in this Offer (excluding Bids from ASBA Bidders/Applicants)
Syndicate Member(s)/SM	The Syndicate Member(s) as disclosed in the RHP/Prospectus
Underwriters	The Book Running Lead Managers, and the Syndicate Member(s)
Underwriting Agreement	The agreement amongst the Offeror, and the Underwriters to be entered into on or after the Pricing Date
Working Day	All days other than a Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Price Band and Bid/Offer Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India



SECTION VIII - RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. The government bodies responsible for granting foreign investment approvals are FIPB and the RBI.

The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India (“DIPP”), issued Circular 1 of 2014 (“**Circular 1 of 2014**”), which with effect from April 17, 2014, 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 April 17, 2014. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, Circular 1 of 2014 will be valid until the DIPP issues an updated circular (expected on April 01, 2015 and effective from April 01, 2015).

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (“**FDI**”) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended; (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 the SEBI/RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Offer.

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

The Equity Shares have not been and will not be registered under the Securities Act any state securities laws in the United States, and may not be offered or sold within the United States (as defined in Regulation S under the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold outside the United States in offshore transactions in compliance with Regulation S under the Securities Act and the applicable laws of the jurisdiction where those offers and sales occur.

The above information is given for the benefit of the Bidders. Our Company, the Selling Shareholders and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.



SECTION IX – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning that has been given to such terms in the Articles of Association of our Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI ICDR Regulations, the main provisions of the Articles of Association of our Company are detailed below. The Articles of Association of our Company comprise of two parts. In case of inconsistency between Part I and Part II, the provisions of Part II shall be applicable, however, Part II shall become inapplicable from listing of the Equity Shares of our Company on the Stock Exchanges subsequent to the Issue.

PART I of the Articles of Association

PRELIMINARY

1. Subject to anything to the contrary hereinafter provided the regulation contained in **Table 'F' of the I Schedule** to the Companies Act, 2013 and applicable to public limited companies shall apply to this company unless inconsistent with the provisions contained in these articles.
- 1 (c) Subject to the provisions of this Act, the memorandum and articles shall, when registered, bind the company and the members thereof to the same extent as if they respectively had been signed by the company and by each member, and contained covenants on its and his part to observe all the provisions of the memorandum and of the articles.
- 1 (d) The company may alter its memorandum in its general meeting for the purposes as specified in the section 61(1).
2. The regulations for the management of the Company and for the observance of the members thereof and their representatives shall subject to any exercise of the statutory powers of the company in reference to the repeal or alteration of its regulation by special resolution, as prescribed or permitted by the act be such as are contained in these articles.

SHARE CAPITAL AND VARIATION OF RIGHTS

Shares in the capital of the company shall be under the control of the Directors

4. Subject to the provisions 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 a premium or at par and at such time as they may from time to time think fit.

Members shall be entitled to receive share certificates

5. Every person whose name is entered as a member in the register of members shall be entitled to receive within two months after incorporation, in case of subscribers to the memorandum or 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:
 - (a) one certificate for all his shares without payment of any charges; or
 - (b) several certificates, each for one or more of his shares, upon payment of twenty rupees for each certificate after the first.

Share certificate shall be under the seal of the Company

6. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.

In case of joint shareholding, one share certificate shall be issued



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.

Issuance of Duplicate Share & Debenture Certificates

- 8.1 If any share certificate be worn out, defaced, mutilated or torn or if there be no further space on the back for endorsement of transfer, then upon production and surrender thereof to the company, a new certificate may be issued in lieu thereof, and if any certificate is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, a new certificate in lieu thereof shall be given. Every certificate under this Article shall be issued on payment of twenty rupees for each certificate.
- 8.2 The provisions of Articles 5, 6, 7 and 8.1 shall mutatis mutandis apply to debentures of the company.

No person shall be recognized by the company as holding any share upon any trust, etc

9. Except as required by law, no person shall be recognized by the company as holding any share upon any trust, and the company shall not be bound by, or be compelled in any way to recognize (even when having notice thereof) any equitable, contingent, future or partial interest in any share, or any interest in any fractional part of a share, or (except only as otherwise provided by applicable law/s) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.

Powers of paying commissions

- 10 (i) The company may exercise the powers of paying commissions conferred by sub-section (6) of section 40, provided that the rate per cent or the amount of the commission paid or agreed to be paid shall be disclosed in the manner required by that section and rules made there under.
- 10 (ii) The rate or amount of the commission shall not exceed the rate or amount prescribed in rules made under sub-section (6) of section 40.
- 10 (iii) The commission may be satisfied by the payment of cash or the allotment of fully or partly paid shares or partly in the one way and partly in the other.

Share capital may be divided into different classes of shares

- 11 (i) 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 that class) may, subject to the provisions of section 48, 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 meeting of the holders of the shares of that class.
- 11 (ii) To every such separate meeting, the provisions of these regulations relating to general meetings shall mutatis mutandis apply, but so that the necessary quorum shall be at least two persons holding at least one-third of the issued shares of the class in question.

Variation of shareholder rights

- 11 (iii) Variation of shareholder rights is possible if $\frac{2}{3}$ rd of that the relevant class of shareholders so agree, and, if provision with respect to such variation is contained in the memorandum or articles of the company;

Creation or issue of further shares ranking pari passu

12. The rights conferred upon the holders of the shares of any class issued with preferred or other rights shall not, unless otherwise expressly provided by the terms of issue of the shares of that class, be deemed to be varied by the creation or issue of further shares ranking pari passu therewith.

Issuance of Preference shares



13. Subject to the provisions of section 55, any preference shares may, with the sanction of an ordinary resolution, be issued on the terms that they are to be redeemed on such terms and in such manner as the company before the issue of the shares may, by special resolution, determine.

FURTHER ISSUE OF SHARES

Powers to issue further shares by way of right shares to the existing members

14. Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:
- (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;
 - (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than thirty days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;
 - (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;
 - (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.
 - (e) 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;

Issuance of shares other than on right basis

- 15.1 Notwithstanding anything contained in the clause 14, the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in of sub-clause (a) of Clause 14 hereof) in any manner whatsoever.
- (a) If a special resolution to that effect is passed by the company in general meeting, or
 - (b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of directors in this behalf, that the proposal is most beneficial to the company.
- 15.2 Nothing in sub-clause (c) of Clause 14 hereof shall be deemed:
- 15.2.1 To extend the time within which the offer should be accepted; or
 - 15.2.2 To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.
- 15.3 Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:



- (i) To convert such debentures or loans Into shares in the company; or
- (ii) To subscribe for shares in the company

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

- (a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and
- (b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

SHARES AT THE DISPOSAL OF THE DIRECTORS

Issuance of Shares on Preferential basis

16. Subject to the provisions of Section 42 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or at a discount (subject to the compliance with the provision of section 52 and 53 the Act) and at such time as they may from time to time thing fit and with sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.

Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.

Authority to issue Preference Shares

- 16.1 The Board may issue preference shares which are liable to be redeemed within a period not exceeding twenty years from the date of their issue subject to such conditions as may be prescribed.

ISSUE OF CERTIFICATES

Entitlement to receive share certificates

- 17.1 Every member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of Issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission , subdivision, consolidation or renewal of any of Its shares as the case may be. Every certificates of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one or several joint holders shall be a sufficient delivery to all such holder.

Sub-division/Consolidation of shares



17.2 The Company shall permit the shareholders for sub-division/consolidation of share certificates.

LIEN

Fully paid shares will be free from all liens

20.1 The fully paid shares will be free from all liens, while in the case of partly paid shares, the company's lien, if any, will be restricted to moneys called or payable at a fixed time in respect of such shares.

The company shall have a first and paramount lien

20.2 The company shall have a first and paramount lien:

- (a) on every share (not being a fully paid share), for all monies (whether presently payable or not) called, or payable at a fixed time, in respect of that share; and
- (b) on all shares (not being fully paid shares) standing registered in the name of a single person, for all monies presently payable by him or his estate to the company:

Provided that the Board of Directors may at any time declare any share to be wholly or in part exempt from the provisions of this clause.

The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared

20.3 The company's lien, if any, on a share shall extend to all dividends payable and bonuses declared from time to time in respect of such shares.

Powers of the company to sell the shares under lien

20.4 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:

- (a) unless a sum in respect of which the lien exists is presently payable; or
- (b) until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.

20.5 To give effect to any such sale, the Board may authorise some person to transfer the shares sold to the purchaser thereof.

- (i) The purchaser shall be registered as the holder of the shares comprised in any such transfer.
- (ii) 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.

20.6 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.

20.7 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.

TERMS OF ISSUE OF DEBENTURE

21. 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.

CALLS

Calls on shares

- 22.1 The Board may, from time to time, make calls upon the members in respect of part monies unpaid on their shares (whether on account of the nominal value of the shares or by way of premium) and not by the conditions 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.

At least fourteen days' notice shall be given for payment of calls

- 22.2 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 and place so specified, the amount called on his shares.

The Board may revoke or postpone the call

- 22.3 A call may be revoked or postponed at the discretion of the Board.
- 22.4 The option or right to call of shares shall not be given to any person except with the sanction of the company in general meeting.

Call shall be deemed to have been made

- 22.5 A call shall be deemed to have been made at the time when the resolution of the Board authorising the call was passed and may be required to be paid by installments.

Liability of joint shareholder to pay calls

- 22.6 The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

Interest is payable on unpaid calls

- 22.7 If a sum called in respect of a share is not paid before or on the day appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the day appointed for payment thereof to the time of actual payment at ten per cent per annum or at such lower rate, if any, as the Board may determine.
- 22.8 The Board shall be at liberty to waive payment of any such interest wholly or in part.
- 22.9 Any sum which by the terms of issue of a share becomes 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 regulations, be deemed to be a call duly made and payable on the date on which by the terms of issue such sum becomes payable.

In case of non payment of calls and interest thereon shares may be forfeited

- 22.10 In case of non-payment of such sum, all the relevant provisions of these regulations 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.

Powers of the Company to receive advance call

- 23.1 The Board,



- (a) may, if it thinks fit, receive from any member willing to advance the same, all or any part of the monies uncalled and unpaid upon any shares held by him; and, any amount paid-up in advance of calls on any share may carry interest but shall not entitle the holder of the share to participate in respect thereof, in dividend subsequently declared; and
- (b) upon all or any of the monies so advanced, may (until the same would, but for such advance, become presently payable) pay interest at such rate not exceeding, unless the company in general meeting shall otherwise direct, 12% per annum, as may be agreed upon between the Board and the member paying the sum in advance.

- 23.2 The company may accept from any member, the whole or a part of the amount remaining unpaid on any shares held by him, even if no part of that amount has been called up.

TRANSFER, TRANSMISSION AND REGISTRATION

Transfer of shares

- 24.1 The company shall use a common form of transfer of Securities as prescribed in the Form SH-4. 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 be member of the Company

- 24.2 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.

Transfer shall not be refused on the ground of the transferor indebted

- 24.3 That registration of 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 Issuer on any account whatsoever.

Powers of the Board decline to register

25. The Board may, subject to the right of appeal conferred by section 58, decline to register:
- (a) the transfer of a share, not being a fully paid share, to a person of whom they do not approve; or
 - (b) any transfer of shares on which the company has a lien.
26. The Board may decline to recognise any instrument of transfer unless:
- (a) the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56;
 - (b) the instrument of transfer is 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; and
 - (c) the instrument of transfer is in respect of only one class of shares.

Closure of Register of Transfer of shares

27. On giving not less than seven days' previous notice in accordance with section 91 and rules made there under, the registration of transfers may be suspended 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 thirty days at any one time or for more than forty-five days in the aggregate in any year.

Transmission of shares

- 28.1 On the death of a member, the survivor or survivors where the member was a joint holder, and his nominee or nominees or legal representatives where he was a sole holder, shall be the only persons recognised by the company as having any title to his interest in the shares.



28.2 Nothing in clause 28.1 shall release the estate of a deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.

29.1 Any person becoming entitled to a share in consequence of the death or insolvency of a member may, upon such evidence being produced as may from time to time properly be required by the Board and subject as hereinafter provided, elect, either:

- (a) to be registered himself as holder of the share; or
- (b) to make such transfer of the share as the deceased or insolvent member could have made.

Powers of the Board to suspend registration

29.2 The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.

Notice for transfer by a person

30.1 If the person so becoming entitled shall elect to be registered as holder of the share himself, he shall deliver or send to the company a notice in writing signed by him stating that he so elects.

30.2 If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.

All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable

30.3 All the limitations, restrictions and provisions of these regulations relating to the right to transfer and the registration of transfers of shares shall be applicable to any such notice or transfer as aforesaid as if the death or insolvency of the member had not occurred and the notice or transfer were a transfer signed by that member.

Entitlement of the benefits

31. 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 a member in respect of the share, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the company:

Provided that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the share, until the requirements of the notice have been complied with.

No fee on transfer or transmission

32. No fee shall be charged for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certificate of Death or Marriage, Power of Attorney or similar other document.

FORFEITURE

Forfeiture of shares

33. 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 of so much of the call or installment as is unpaid, together with any interest which may have accrued.



Notice for forfeiture of shares

34. The notice aforesaid shall:

- (a) name a further day (not being earlier than the expiry of fourteen days from the date of service of the notice) on or before which the payment required by the notice is to be made; and
- (b) 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 shall be liable to be forfeited.

35. If the requirements of any such 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.

A forfeited share may be sold or otherwise disposed off by the Company

36.1 A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit.

36.2 At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.

A person whose shares have been forfeited shall cease to be a member in respect of the forfeited shares

37.1 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 to the company all monies which, at the date of forfeiture, were presently payable by him to the company in respect of the shares.

37.2 The liability of such person shall cease if and when the company shall have received payment in full of all such monies in respect of the shares.

Declaration for forfeiture of shares

38.1 A duly verified declaration in writing that the declarant is a director, the manager or the 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.

Consideration for re-issuance of forfeiture of shares

38.2 The company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute a transfer of the share in favour of the person to whom the share is sold or disposed of.

Transferee shall be registered as the holder of the share

38.3 The transferee shall thereupon be registered as the holder of the share.

Transferee is having no responsibility

38.4 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.

39. The provisions of these regulations as to forfeiture shall apply in the case of non-payment of any sum which, by the terms of issue of a share, becomes payable at a fixed time, whether on account of the nominal value of the share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.

ALTERATION OF CAPITAL



40. The authorized capital of the Company shall be as per Clause V of the Memorandum of Association of the Company. The Company may from time to time by ordinary resolution increase the share capital by such sum, to be divided into shares of such amount, as may be specified in the resolution.

Powers to consolidate, sub-division, cancellation of shares, etc

41. Subject to the provisions of section 61, the company may, by ordinary resolution:
- (a) consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;
 - (b) convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;
 - (c) sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum;
 - (d) cancel any shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person.

Shares are convertible into stock

42. Where shares are converted into stock-
- (a) the holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit:

Provided that the Board may, from time to time, fix the minimum amount of stock transferable, so, however, that such minimum shall not exceed the nominal amount of the shares from which the stock arose.
 - (b) the holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, voting at meetings of the company, and other matters, as if they held the shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in shares, have conferred that privilege or advantage.
 - (c) such of the Articles of the company as are applicable to paid-up shares shall apply to stock and the words "share" and "shareholder" in those regulations shall include "stock" and "stockholder" respectively.

Reduction in authorized capital

43. The company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law:
- (a) its share capital;
 - (b) any capital redemption reserve account; or
 - (c) any share premium account.

Capitalisation of Profits

- 44.1 The company in general meeting may, upon the recommendation of the Board, resolve:
- (a) that it is desirable to capitalise any part of the amount for the time being standing to the credit of 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.



- 44.2 The sum aforesaid shall not be paid in cash but shall be applied, subject to other applicable provisions, 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 specified under applicable laws, be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares; and
 - (e) The Board shall give effect to the resolution passed by the company in pursuance of this Article.

Issuance of bonus shares

- 45.1 Whenever such a resolution as aforesaid shall have been passed, the Board shall-
- (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby, and all allotments and issues of fully paid shares if any; and
 - (b) generally do all acts and things required to give effect thereto.
- 45.2 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 authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalisation, or as the case may require, for the payment by the company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalised, of the amount or any part of the amounts remaining unpaid on their existing shares;
 - (c) Any agreement made under such authority shall be effective and binding on such members.

BUYBACK OF SHARES

47. Notwithstanding anything contained in these Articles but subject to 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.

MEETINGS

General meetings

48. All general meetings other than annual general meeting shall be called extraordinary general meeting.

Powers of the Board to call Extra Ordinary General Meeting

- 49.1 The Board may, whenever it thinks fit, call an extraordinary general meeting.

Quorum

- 49.2 If at any time directors capable of acting who are sufficient in number to form a quorum are not within India, any director or any two members of the company may call an extraordinary general meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Proceedings at general meetings



- 50.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business.
- 50.2 Save as otherwise provided herein, the quorum for the general meetings shall be as provided in section 103.

Chairman of the General Meeting

51. The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the company.
52. If there is no such Chairperson, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as chairperson of the meeting, the directors present shall elect one of their members to be Chairperson of the meeting.
53. If at any meeting no director is willing to act as Chairperson or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairperson of the meeting.

Adjournment of meeting

- 54.1 The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place.
- 54.2 No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.
- 54.3 When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.
- 54.4 Save as aforesaid, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.

VOTING

Voting rights

55. Subject to any rights or restrictions for the time being attached to any class or classes of shares,
- (a) on a show of hands, every member present in person shall have one vote; and
 - (b) on a poll, the voting rights of members shall be in proportion to his share in the paid-up equity share capital of the company.

Voting by Electronic means

56. A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.

Voting by Joint holders

- 57.1 In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.
- 57.2 For this purpose, seniority shall be determined by the order in which the names stand in the register of members.

Voting by member(s) of unsound mind, etc



58. A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Voting by Poll

59. Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.

Restrictions on voting rights on unpaid shares

60. No member shall be entitled to vote at any general meeting unless all calls or other sums presently payable by him in respect of shares in the company have been paid.

Objection for qualification on votes

- 61.1 No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered, and every vote not disallowed at such meeting shall be valid for all purposes.
- 61.2 Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.

Proxy

62. The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power a authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.

Proxy Form

63. An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.

Validity of Proxy

64. 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 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.

DIRECTORS/OTHER OFFICERS

Board of Directors

65. The number of the directors and the names of the first directors shall be determined in writing by the subscribers of the memorandum or a majority of them.

Number of directors

66. The Company shall have minimum 3 directors and may increase the directors upto maximum 15 directors, Provided that a Company may appoint more than 15 directors after passing a special resolution in the general meeting;

Powers to appoint additional directors



- 66.1 The Board of Directors shall have powers to appoint any person, other than a person who fails to get appointed as a director in a general meeting, as an additional director at any time who shall hold office up to the date of the next annual general meeting or the last date on which the annual general meeting should have been held, whichever is earlier.

Power to appoint alternate director

- 66.2 The Board of Directors of a company may, appoint a person, not being a person holding any alternate directorship for any other director in the company, to act as an alternate director for a director during his absence for a period of not less than three months from India.

Power to appoint nominee director

- 66.3 The Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement or by the Central Government or the State Government by virtue of its shareholding in a Government company.

Powers to fill casual vacancy

- 66.4 If the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, the resulting casual vacancy may, in default of be filled by the Board of Directors at a meeting of the Board.

First Directors

67. The First directors of the Company shall be as under:

1. Mr. Ashok Mathur
2. Ms. Divya Mathur

Remuneration of directors

- 68.1 The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day.
- 68.2 In addition to the remuneration payable to them in pursuance of the Act, the directors including their respective alternate directors, may be paid all travelling, hotel and other expenses, including without limitation business class travel, lodging and boarding and similar expenses, properly incurred by them-
- (a) in attending and returning from meetings of the Board of Directors or any committee or sub-committee thereof, or general meetings of the company, for the duration of the meeting; and
 - (b) in connection with the business of the company.

Remuneration payable to directors and managers

- 68.3 The remuneration payable to the directors of a company, including any managing or whole-time director or manager, shall be determined, in accordance with and subject to the provisions of this section, either by the articles of the company, or by a resolution or by a special resolution, passed by the company in general meeting and the remuneration payable to a director determined aforesaid shall be inclusive of the remuneration payable to him for the services rendered by him in any other capacity.

Directors and Officers Liability Insurance

- 68.4 The Company shall obtain directors' and officers' liability insurance covering the Board, it being understood that the Company shall bear all costs in relation to the same. The Company shall keep such directors' and officers' liability insurance subsisting.

Powers of the Board to keep Foreign Register



69. The company may exercise the powers conferred on it by section 88 with regard to the keeping of a foreign register; and the Board may (subject to the provisions of that section) make and vary such regulations as it may think fit respecting the keeping of any such register.

Signing of cheques, hundies, etc

70. All cheques, promissory notes, drafts, hands, bills of exchange and other negotiable instruments, and all receipts for monies paid to the company, shall be signed, drawn, accepted, endorsed, or otherwise executed, as the case may be, by such person and in such manner as the Board shall from time to time by resolution determine,
71. Every director present at any meeting of the Board or of a committee thereof shall sign his name in a book to be kept for that purpose.
- 72 (i) Subject to the provisions of section 149, the Board shall have power at any time, and from time to time, to appoint a person as an additional director, provided the number of the directors and additional directors together shall not at any time exceed the maximum strength fixed for the Board by the articles. (ii) Such person shall hold office only up to the date of the next annual general meeting of the company but shall be eligible for appointment by the company as a director at that meeting subject to the provisions of the Act.

Proceedings of the Board

- 73.1 The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.

Powers to call Board meetings

- 73.2 A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.

Decision by Vote of majority

- 74.1 Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.
- 74.2 In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.

Status in case of number of directors reduced below the quorum

75. The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other purpose.

Chairman of the Board meeting

- 76.1 The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office. The Managing Director/Whole-time Director may also act as a chairman of the Board of directors of the Company.
- 76.2 If no such chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the directors present may choose one of their numbers to be Chairperson of the meeting.

Quorum for the Board meeting



- 76.3 Where a meeting of the Board could not be held for want of quorum, then, unless the articles of the company otherwise provide, the meeting shall automatically stand adjourned to the same day at the same time and place in the next week or if that day is a national holiday, till the next succeeding day, which is not a national holiday, at the same time and place.

Delegation of powers by the Board

- 77.1 The Board may, subject to the provisions of the Act, delegate any of its powers to committees consisting of such member or members of its body as it thinks fit.
- 77.2 Any committee so formed shall, in the exercise of the powers so delegated, conform to any regulations that may be imposed on it by the Board.

Chairman of the Committee of the Board

- 78.1 A committee may elect a Chairperson of its meetings.
- 78.2 If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.

Committee meetings

- 79.1 A committee may meet and adjourn as it thinks fit.
- 79.2 Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.

All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall be valid

80. All acts done in any meeting of the Board or of a committee thereof or by any person acting as a director, shall, notwithstanding that it may be afterwards discovered that there was some defect in the appointment of any one or more of such directors or of any person acting as aforesaid, or that they or any of them were disqualified, be as valid as if every such director or such person had been duly appointed and was qualified to be a director.
81. Save as otherwise expressly provided in the Act, a resolution in writing, signed by all the members of the Board or of a committee thereof, for the time being entitled to receive notice of a meeting of the Board or committee, shall be valid and effective as if it had been passed at a meeting of the Board or committee, duly convened and held.

Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer

82. Subject to the provisions of the Act,
- (i) A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief 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.
83. A provision of the Act or these regulations requiring or authorising 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.

DIVIDEND



Dividends and Reserve

85. The company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.
86. 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.
- 87.1 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 equalising dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, think fit.
- 87.2 The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.
- 88.1 Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect 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.
- 88.2 No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.
- 88.3 All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.
89. 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.
- 90.1 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.
- 90.2 Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.
91. 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.
92. 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.
93. No dividend shall bear interest against the company.

No forfeiture of unclaimed dividends

- 46.1 There will be no forfeiture of unclaimed dividends before the claim becomes barred by law. Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, within 7 days from the date of expiry of said period of 30 days, transfer the total amount of dividend which remains unpaid or unclaimed to a special Account to be opened by the company in that behalf in any scheduled bank, to be called "Unpaid Dividend Account".
- 46.2 That there shall be no forfeiture of unclaimed dividends before the claim becomes barred by law;



Transfer of unpaid dividend to IEPF

- 46.3 Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 (1) of the Act.
- 46.4 No unclaimed or unpaid dividend shall be forfeited by the Board.

Dividend may be paid in proportion to paid up capital

- 46.5 The company may, pay dividends in proportion to the amount paid-up on each share.

ANNUAL REVENUE AND CAPITAL BUDGET

- 94.1 Each Annual Revenue and Capital Budget of the Company shall be approved by the majority of the Directors. The process for preparing, reviewing and approving Annual Revenue and Capital Budget for each Financial Year shall be as follows:
- (i) Before commencement of a Financial Year, a proposed Annual Revenue and Capital Budget for the next succeeding Financial Year shall be approved by a majority decision of the Board. Each proposed Annual Revenue and Capital Budget must be consistent with these Articles. Each proposed Annual Revenue and Capital Budget must set out in reasonable detail the work and activities to be carried out, including the timing thereof, an itemised estimate of the corresponding expenditures, any capital contributions required, order booking, sales, income, expenditure, EBIDTA, profit and loss, cash flows, balance sheet and such other relevant information as the Board may request. Each proposed Annual Revenue and Capital Budget shall be accompanied by budget projections for the Financial Year following that to which that proposed Annual Revenue and Capital Budget relates.
 - (ii) The Annual Revenue and Capital Budget shall be subject to review by the Board vis-à-vis the six monthly performance of the Company, and on insistence of the Board, the Company shall have to undergo the process of re-budgeting for remaining part of the Financial Year, if suggested by any of the Directors. Such review shall be completed within 45 (forty five) days of the financial six monthly ending

ACCOUNTS

- 95.1 The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors.
- 95.2 No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.



PART II of the Articles of Association

Part II of these Articles includes the rights and obligations of the parties to the Shareholders Agreement:

In the event of any inconsistency between Part I and Part II of these Articles, the provisions of Part II shall prevail over Part I. However, Part II of these Articles shall automatically terminate and cease to have any force and effect and deemed to fall away on and from the date of listing of Equity Shares of the Company on a stock exchange in India, subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the Shareholders.

1. Notwithstanding anything contained in these Articles, with respect to the Investor (*as defined hereinbelow*), OIJIF (*as defined hereinbelow*), the Investor Shares, and OIJIF Shares, the provisions of Chapter 1 and this Chapter 2 of these Articles shall apply. The provisions of this Chapter 2 shall have precedence over the provisions of Chapter 1 of these Articles and where there are any inconsistencies between the provisions of Chapter 1 and Chapter 2, as applicable to the Investor and OIJIF, provisions of this Chapter 2 shall prevail, subject to compliance with applicable law, and the prevailing rules, regulations and other enactments of the Securities and Exchange Board of India (a) in respect of the Investor, so long as the Investor or Investor Transferee continues to hold at least 5% (five percent) of the issued and paid up equity Share Capital of the Company, and (b) in respect of OIJIF, so long as OIJIF or OIJIF Transferee continues to thereafter hold at least 5% (five percent) of the issued and paid up equity Share Capital of the Company.

Further, save and except the provisions of Article K(i) (Overall Management), Article K(ii) (Appointment and Removal of Directors), Article K (xiii) (Committees of the Board), Article K (xiv) (Subsidiaries), Article K (xvi) (Managing Director), Article K (xvii) (Observer), of Chapter 2 of these Articles, Chapter 2 of these Articles shall automatically terminate and cease to have any force and effect and be deemed to fall away on and from the date of listing of Equity Shares of the Company on a stock exchange in India, subsequent to an initial public offering of the Equity Shares of the Company without any further action by the Company or by the Shareholders. The provisions of the surviving Articles set out above, shall be subject to compliance with the provisions of applicable law, and the prevailing rules, regulations and other enactments of the Securities and Exchange Board of India.

- A. In this Article 1, unless the context otherwise requires, the following words and expressions shall have the following meanings:

“**Additional Equity Shares**” shall have the meaning ascribed to it in Article 1B(ii);

“**Affiliate**” in relation to any Person shall mean any Person that directly or indirectly through one or more intermediaries controls, is controlled by, or is under the common control with that person. The term ‘control’ (and any form thereof, such as ‘controlled’ and ‘controlling’) shall mean the possession by one person, directly or indirectly (through one or more intermediaries), of the power to direct or cause the direction of the management or policies of another person, whether through the ownership of voting interests, by contract or otherwise; with respect to a corporation, partnership, or other body corporate, such power may be evidenced by the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of or other equity ownership interests in such corporation, partnership or other body corporate. Further, the term “Affiliate” in relation to any individual shall also include his or her relatives (as defined under Section 2(77) of the Companies Act) and in case of the OIJIF, Affiliate shall mean (a) any funds or investment vehicles Controlled by the OIJIF or its Affiliates and managed by the investment managers/ advisors of the OIJIF or their Affiliates; and (b) any partner, member or Affiliated entity of the OIJIF;

“**Agreement**” shall mean collectively the Main Agreement, the First Amendment Agreement, the Second Amendment Agreement and the Third Amendment Agreement;

“**Annual Revenue and Capital Budget**” shall mean an annual revenue and capital budget statement;

“**Board**” or “**Board of Directors**” shall mean the board of directors of the Company from time to time;



“**Board Committee**” shall have the meaning ascribed to it in Article 1K(xiii);

“**Board Meeting**” shall mean a meeting of the Board;

“**Business**” shall mean the business of manufacturing sports footwear and retailing of Nike products across India;

“**Business Day**” means a day (other than a Saturday or Sunday) on which banks are generally open in Mumbai and New Delhi for carrying on normal business of the bank;

“**Closing Date-I**” shall have the meaning ascribed to it in the share subscription agreement whereunder the Investor subscribed to 20,91,036 equity shares of the Company;

“**Deed of Adherence**” shall mean the deed annexed to Annexure 4 of the Main Agreement;

“**Dispute**” shall have the meaning ascribed to it in Article 1L(i);

“**Directors**” shall mean a director of the Company for the time being appointed in accordance with these Articles;

“**Distributable Proceeds**” shall have the meaning ascribed to it in Article 1O(i);

“**Down-round Price**” shall have the meaning ascribed to it in Article 1C(i);

“**Drag Along Notice**” shall have the meaning ascribed to it in Article 1G(vi);

“**Drag Along Right**” shall have the meaning ascribed to it in Article 1G(i);

“**Drag Shares**” shall have the meaning ascribed to it in Article 1H(iii);

“**Encumbrance**” means (i) any mortgage, charge (whether fixed or floating), pledge, lien, hypothecation, assignment, deed of trust, security interest or other encumbrance of any kind securing, or conferring any priority of payment in respect of, any obligation of any person, including without limitation any right granted by a transaction which, in legal terms, is not the granting of security but which has an economic or financial effect similar to the granting of security under Law, (ii) any agreement on voting, interest, option, right of first offer, refusal or transfer restriction in favour of any person and (iii) any adverse claim as to title, possession or use;

“**EBIDTA**” shall mean earnings before interest, depreciation, amortisation and taxes;

“**ESOP Shares**” shall have the meaning ascribed to it in Article 1B(viii);

“**First Amendment Agreement**” shall mean the amendment agreement to the Main Agreement dated March 27th, 2007 entered into amongst Mr. Rishab Soni, Mr. Sunil Taneja, Mr. Ashok Mathur, Halcyon Resources and Management Consulting Private Limited, the Investor, the Company, HBP Holdings Limited, Sports Station (India) Private Limited, Sierra Industrial Enterprises Private Limited, Revere Pentland Private Limited and KNS Trading Private Limited, setting out the rights of HBP Holdings Limited in relation to the Company and establishing consistency between the rights of the Investor and of HBP Holdings Limited in the Company;

“**Financial Year**” means each financial year of the Company commencing on April 1st of each calendar year and ending on March 31st of the succeeding calendar year;

“**Fully Diluted Basis**” means that the calculation is to be made assuming that all outstanding convertible securities (whether or not by their terms then currently convertible, exercisable or exchangeable), share options, warrants, including but not limited to any outstanding commitments to issue shares at a future date whether or not due to the occurrence of an event or otherwise, have been so converted, exercised or exchanged;



“**Generally Acceptable Accounting Standards**” or “**GAAP**” shall mean the generally accepted accounting practices in India recommended by the Institute of Chartered Accountants of India.

“**Government Authority**” or “**Government Authorities**” means (a) central, state, city, municipal or local government, governmental authority or political subdivision thereof having jurisdiction; or (b) any agency or instrumentality of any of the authorities referred to in Clause (a); or (c) any regulatory or administrative authority, body or other organisation having jurisdiction, to the extent that the rules, regulations, standards, requirements, procedures or orders of such authority, body or other organisation have the force of Law; or (d) any court or tribunal having jurisdiction t;

“**Group Members**” shall have the meaning ascribed to the term in the Main Agreement;

“**Investor**” shall mean Tano Mauritius India, FVCI;

“**Investor Transferee**” shall mean the transferee to whom the Shares held by the Investor are transferred;

“**IPO**” shall have the meaning ascribed to it in Article 1H(i);

“**Law**” means any statute, law, regulation, ordinance, rule, judgment, order, decree, approval, directive, guideline, policy, requirement or other governmental restriction or any similar form of decision of, or determination by, or any interpretation or administrative order having the force of law as to any of the foregoing in India, or any other relevant jurisdiction, by any Government Authority having jurisdiction over the matter in question;

“**Main Agreement**” shall mean the shareholders agreement entered into on April 25th, 2006 amongst certain shareholders of the Company, namely Mr. Rishab Soni, Mr. Sunil Taneja, Mr. Ashok Mathur, Halcyon Resources and Management Consulting Private Limited, the Investor, and the Company (referred to therein by its erstwhile name Moja Shoes Private Limited), setting out the rights of the Investor as a shareholder of the Company and other matters relating to management of the Company;

“**Nominee Directors**” shall have the meaning ascribed to it in Article 1K(i);

“**Offer**” shall have the meaning ascribed to it in Article 1B(ii);

“**Offer for Sale**” shall have the meaning ascribed to it in the Third Amendment Agreement;

“**Offer Price**” shall have the meaning ascribed to it in Article 1E(i)(e);

“**OLJIF**” shall mean the Oman India Joint Investment Fund;

“**OLJIF Directors**” shall have the meaning ascribed to it in Article 1K(i);

“**OLJIF Drag Along Notice**” shall have the meaning ascribed to it in Article 1H(iii);

“**OLJIF Shares**” shall mean the shares of the Company held by OIJIF;

“**OLJIF Transfer Shares**” shall have the meaning ascribed to it in Article 1H(i);

“**OLJIF Transferee**” shall mean the transferee to whom the OIJIF Shares may be transferred;

“**Other Shareholders**” shall have the meaning ascribed to it in the Third Amendment Agreement;

“**Percentage Interest**” shall mean the total amount of equity shares held by the Investor as a proportion of the total number of equity shares then outstanding, with all outstanding warrants, options, and other convertible instruments counted as equity shares on an as-if-converted basis;

“**Person**” shall mean any individual, sole proprietorship, unincorporated association, unincorporated syndicate, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, governmental authority or trust or any other entity or organisation;



“**Promoter Group**” shall have the meaning ascribed to it in the Main Agreement;

“**Promoters**” shall mean collectively Mr. Rishab Soni, Mr. Sunil Taneja, and Mr. Amit Mathur and
“**Promoter**” shall mean individually any of them;

“**Proposed Transferee**” shall have the meaning ascribed to it in Article 1E(i);

“**Qualified IPO**” shall have the meaning ascribed to it in the Third Amendment Agreement;

“**Ratchet Right**” shall have the meaning ascribed to it in Article 1C(i);

“**Reserved Matters**” means the matters specified in Article 1K(xii);

“**Second Amendment Agreement**” shall mean the amendment agreement to the Main Agreement and the First Amendment Agreement dated July 9th, 2007 entered into amongst Mr. Rishab Soni, Mr. Sunil Taneja, Mr. Ashok Mathur, Halcyon Resources and Management Consulting Private Limited, the Investor, the Company, HBP Holdings Limited, Sports Station (India) Private Limited, Sierra Industrial Enterprises Private Limited, Revere Pentland Private Limited and KNS Trading Private Limited, recording certain amendments to the rights of HBP Holdings Limited and the Investor in relation to the Company;

“**Securities**” means any and all shares of equity capital in the Company (including, without limitation, Equity Shares), and any options, warrants, convertible securities, exchangeable securities, subscription rights, pre-emptive rights, conversion rights, exchange rights or other right or security that could require the Company to issue any of its equity capital or require any other person to sell any such equity capital it owns, any other securities convertible into, exchangeable or exercisable for, or representing the right to subscribe for any equity capital of the Company (in each case, whether or not such derivative securities are issued by the Company), and any other direct equity ownership or participation in the Company;

“**Share Capital**” means all the fully paid-up Shares of the Company, and those Shares which would be issued and fully paid up if all instruments that are convertible into equity (if any) are exercised;

“**Shareholder**” means the holder of the Shares;

“**Shareowner**” shall have the meaning ascribed to it in Article 1C(i);

“**Shares**” or “**Equity Shares**” means the equity shares of the Company each having a par value of Rs. 10 and forming part of the Equity Share Capital of the Company;

“**Tag Along Notice**” shall have the meaning ascribed to it in Article 1E(ii);

“**Tag Along Right**” shall have the meaning ascribed to it in Article 1E(ii);

“**Tag Along Securities**” shall have the meaning ascribed to it in Article 1E(iii);

“**Tag Noticee**” shall have the meaning ascribed to it in Article 1E(ii);

“**Third Amendment Agreement**” shall mean the amendment to the Main Agreement, First Amendment Agreement and Second Amendment Agreement dated October 21st, 2014 entered into amongst the Company, the Promoters, the Investor, OIJIF, and the Other Shareholders setting out the rights of OIJIF in relation to the Company and establishing consistency between the rights of the Investor and of OIJIF in the Company;

“**Third Party Purchaser**” shall have the meaning in Article 1H(i);

“**Transfer**” includes sale, gift, assign or create any Encumbrance on any Securities or any right, title or interest therein or otherwise to dispose of the Securities in any manner whatsoever;



“**Transfer Notice**” shall have the meaning ascribed to it in Article 1E(i);

“**Transfer Securities**” shall have the meaning ascribed to it in Article 1E(i);

B. RIGHT TO MAINTAIN PERCENTAGE INTEREST & ANTI-DILUTION

- (i) Subject to compliance with Article 1K(xii), in the event of further issue of Securities, the Company and the Promoters agree that Investor and OIJIF shall at all times be entitled to maintain their respective Percentage Interest in the Company.
- (ii) If, at any time, the Company takes any steps towards the increase of its capital, or issue of new capital through issue of equity shares or equity linked instruments, or re-organisation, or restructuring, or rearrangement including stock splits and stock dividends, thereof, or any steps for the issuance of instruments with underlying rights for conversion into equity shares, at a later stage, or options in respect thereof (“**Additional Equity Shares**”) the Company, shall issue appropriate notices to the Investor and to OIJIF, and provide each of the Investor and OIJIF the opportunity to subscribe to such new capital or instruments, or participate in the restructuring or reorganisation, so as to enable the Investor and OIJIF to maintain their respective Percentage Interest in the Company (the “**Offer**”).
- (iii) The Offer shall be made to the Investor and to OIJIF in writing and shall be on terms, including pricing and timings, which are no less favourable, in any manner whatsoever, than those which are offered to any other person. The Offer shall clearly set out the proposal and the terms thereof.
- (iv) Each of the Investor/ OIJIF may, at their respective sole discretion, elect to accept or negate the Offer so received within 30 (thirty) days of its receipt. In the event the Investor/ OIJIF elects to accept the Offer, the Investor/ OIJIF shall become eligible to participate in such increase, reorganization, restructuring or rearrangement, so as to enable it to maintain its Percentage Interest in the Company, as of the date of the Offer.
- (v) After Investor and/ or OIJIF electing to subscribe to Securities under this Article, the Investor and/ or OIJIF shall have a period of 30 (thirty) Business Days to pay for the Securities proposed to be offered.
- (vi) In the event of the Offer not being accepted by the Investor/ OIJIF, the Percentage Interest of the Investor/ OIJIF in the Company shall stand diluted to the extent of the subscriptions against such Offer by the other Shareholders.
- (vii) Non-acceptance of the Offer by the Investor/ OIJIF would not in any manner affect its rights in respect of any subsequent Offer including but not limited to any new/modified Offer made by the Company subsequent to such rejected Offer, so as to enable the Investor/ OIJIF to maintain its Percentage Interest in the Company.
- (viii) The provisions mentioned above in this Article would not apply to (i) the right of the Company to (a) issue and allot up to 76,000 (seventy six thousand) Equity Shares and (b) issue and allot up to 14,250 Equity Shares against employee stock options already granted in each case in accordance with the ESOP Scheme (“**ESOP Shares**”), provided that such issuance and allotment under the ESOP Scheme shall be in accordance with the applicable Law, and the price of such ESOP Shares shall be equal to or higher than the fair market value as per applicable Law, (ii) the issue of Additional Equity Shares in a Qualified IPO.
- (ix) Any further issue of Securities by the Company, except as specifically permitted under these Articles by the Investor and OIJIF, to any other person shall be such that the rights available to Investor and/ or OIJIF in relation to their respective Securities shall not be inferior to the rights available to any such person.
- (x) Notwithstanding anything stated herein, the Company shall not, except as specifically permitted under these Articles by the Investor and OIJIF, issue any Securities (a) at a price lower than the price at which OIJIF has subscribed to securities of the Company unless approved by OIJIF and



(b) at a price lower than the price which the Investor has subscribed to securities of the Company unless approved by the Investor.

C. VALUATION PROTECTION

- (i) Each of the Investor and OIJIF (each a “**Shareowner**”) shall be entitled to the right set out herein:

Notwithstanding anything contained herein, in the event of a future issuance of Securities by the Company to one or more third parties at any time, at an issue price more favourable than the price at which the Investor Shares and OIJIF Shares had been acquired by the Investor and OIJIF respectively, the Shareowner will have the right to ratchet down its entry valuation to that of the new investor including through the issue of warrants or fresh shares to the Shareowner or such other mechanism devised by such Shareowner. The issue price for any such issue of Securities shall be the fair market value of the consideration received for the issues of each Security (the “**Down-round Price**”). In such event, the Promoters and the Company jointly and severally covenant at the issuance of Securities to the Investor and/ or OIJIF, as the case may be, to cause a pro-rata issuance of such number of Securities to such Investor and/ or OIJIF at a valuation so as to bring the entry price paid by such Shareowner for the Investor Shares or the OIJIF Shares, as the case maybe, down to the issue price offered to the new investor i.e. the Down-round Price. The right of the Shareowners under this Article shall be the “**Ratchet Right**”.

- (ii) The Shareowner may, in its absolute discretion, decide whether or not it wants to exercise this Ratchet Right in case of a future issuance of Securities to third parties at an issue price more favourable than the price at which the Investor Shares and OIJIF Shares had been acquired by the Investor and OIJIF respectively.

D. TRANSFER OF SHARES BY THE PROMOTERS

- (i) Restriction on Transfer

The Promoters and Other Shareholders (excluding the Promoters) unconditionally and irrevocably undertake that, unless permitted by the Investor and OIJIF in writing, they shall not Transfer any Securities to any Person, save and except (i) the Transfer of Securities by a Promoter to one or more of the other Promoters or Promoter Group and Other Shareholders, and (ii) any pledge of their Securities required by any of the lenders of the Company in accordance with the terms and conditions of a loan sanctioned by such lender to the Company, with a prior written intimation to the Investor and OIJIF.

Notwithstanding any other provision of these Articles, no Transfer may be made pursuant to these Articles, unless the Transfer complies in all respects with (a) the applicable provisions of the Agreement; (b) the applicable Law; and (c) the provisions of these Articles.

E. CO-SALE/ TAG ALONG RIGHT

- (i) In the event, subject to provisions of Article 1D(i), any of the Promoters or Other Shareholders propose to Transfer their Securities (“**Transfer Securities**”) directly or indirectly to a third party (other than transfers permitted in terms of Article 1D(i)) (“**Proposed Transferee**”), such Promoter shall first send a written notice to the Investor and OIJIF, (“**Transfer Notice**”) and the Transfer Notice shall state:
- (a) terms of the proposed Transfer to the third party, including the name and address of the Person (s) to whom the Transfer is proposed to be made;
 - (b) the number of Transfer Securities to be transferred;
 - (c) the price per Transfer Security, which shall take into account the consideration all the amounts received by the Promoters and Other Shareholders in any form including but not limited to the share price, control premium and goodwill.
 - (d) the date by which the Offer must be accepted (which must be no earlier than 30) days after the date on which the Transfer Notice is delivered);
 - (e) payment terms (“**Offer Price**”);



- (f) any other necessary and relevant terms.
- (ii) If any of the Promoters or Other Shareholders, as the case may be, deliver a Transfer Notice to the Investor and OIJIF ("**Tag Noticee**") under Article 1E(i) above, the Tag Noticee may, at its option, within 15 (fifteen) days from the date of receiving the Transfer Notice, serve a written notice to such Promoter ("**Tag Along Notice**") exercising its right to require that the Promoter to procure that the Proposed Transferee purchases from the Tag Noticee and its Affiliates, simultaneously with the purchase of the Securities held by the Promoters and Other Shareholders, for the same consideration per Security and upon the same terms and conditions as to be paid to and given to the Promoter, the Tag Along Securities (such right of the Investor and OIJIF being herein referred to as the "**Tag Along Right**").
- (iii) For the purposes of Article 1E(ii) above, the term "**Tag Along Securities**" shall mean all or any of the OIJIF Shares and Investor Shares, as the case may be.
- (iv) In the event, the Investor and OIJIF both deliver the Tag Along Notice, and the shares being offered by Investor and OIJIF exceed the number of shares being purchased by the buyer, then the Investor and OIJIF shall offer shares in proportion to their respective shareholding in the Company on a Fully Diluted Basis.
- (v) If the Tag Noticee has elected to exercise its Tag Along Right and the Proposed Transferee declines/fails to purchase the Tag Along Securities, the Promoter shall not make the proposed transfer of the Transfer Securities to the Proposed Transferee, and if purported to be made, such Transfer shall be void *ab initio* and the Company shall not register any such transfer of the Transfer Securities.
- (vi) The Investor and OIJIF will not be obliged to make any representations and warranties to any person in connection with any co-sale or tag-along except as to the good title with respect to the Investor Shares and OIJIF Shares respectively, and the authority for and the validity and binding effect of any agreements entered into by the Investor and OIJIF respectively, in connection with such sale.
- (vii) In case the Investor/ OIJIF decide to invoke the co-sale or tag-along rights hereunder, the selling Promoter Group or Promoter shall ensure that the sale and transfer of shares held by the Investor/ OIJIF is completed first before they transfer their shareholding and the transferee as an essential pre-condition shall execute and deliver a Deed of Adherence.
- (viii) Notwithstanding any other remedies available to the Investor/ OIJIF for any breach of this Article, any attempt by the Promoter Group to transfer shares in violation of these Articles shall be treated as a 'null and void' transaction and the Company agrees that it will not effect such transfer not will it treat any alleged transferee as the holder of any equity shares without the written consent of the Investor and OIJIF.
- (ix) The provisions of this Article shall not apply to sale of shares or issue of fresh shares under a Qualified IPO or an Offer for Sale.
- (x) In respect of a transfer of shares by the Promoter Group or any Promoter to a third party, the third party purchaser shall execute a Deed of Adherence.

F. TRANSFER OF SHARES HELD BY THE INVESTOR AND OIJIF

- (i) Notwithstanding any other provision of these Articles, the Investor and/ or OIJIF shall be entitled to sell or Transfer to any Person or Persons, create, or allow the creation of any Encumbrance over, or otherwise dispose off, or deal with any interest in the Securities and the rights pursuant to these Articles. Provided that (i) on or before September 30, 2016 the Investor and OIJIF shall not transfer any Securities to a person who is a competitor of the Company; and (ii) after September 30, 2016 the Investor and OIJIF shall be free to transfer the Securities to any person along with their respective rights herein.



- (ii) Subject to Article 1F(i), the rights of the Investor and OIJIF under these Articles are assignable in whole or in part to any party, without prior written consent of the other parties. The Promoters and other parties will execute all necessary documents (including a deed of adherence) to ensure that such third party purchaser has effectively received assignment of all right of the Investor and OIJIF, as the case may be. OIJIF and the Investor shall have a right to transfer their respective rights to one transferee, each.

G. DRAG ALONG RIGHT

- (i) If the Company does not achieve or complete a Qualified IPO and listing within 60 (sixty) months from Closing Date-I, for any reason whatsoever, then the Investor shall have the right to sell all of its Investor Shares to a third party including a strategic investor without being required to first offer the Investor Shares to the Promoter Group. The Investor shall have the right to drag along upto 100% of the Promoter Group's shareholding in the Company in order to effect 100% exit for the Investor from the Company ("**Drag Along Right**"). The Investor Shares shall not be subject to the provisions of the drag along. The Promoter Group shall cause their family member and group companies (other than Group Members) holding shares in the Company to sell and transfer their shares on exercise by the Investor of its Drag Along Right.
- (ii) The sale consideration for the Investor Shares shall be its proportionate share of the total sale proceeds for the Investor Shares the Promoters Group's shares, or the Investment Amount plus a return of 12% per annum compounded from the date of investment, whichever is higher. The Promoter Group and the Company shall provide all assistance to the Investor, as may be required, for procuring the sale of shares to the third party purchaser and for the remittance of the sale consideration for the Investor Shares to the Investor.
- (iii) Any drag along of the Promoter Group's shareholding will be limited only to top up and to the extent required for the sale to meet the purchaser's requirements and each Promoters contribution shall be in proportion to his/ its shareholding. The Investor shall be required to offer his entire shareholding for the sale and will not be entitled effect a partial exit in a drag along arrangement.
- (iv) The provisions relating to restrictions on transfer of shares of the Promoter Group will not be attracted in cases relating to the dilution of the Promoter Group's shareholding due to exercise of the Drag Along Right by the Investor.
- (v) In the event the Investor decides to exercise its Drag Along Right, the Investor shall not be required to bear any costs or expenses in connection with the sale of shares and the Company shall bear all such expenses.
- (vi) Any transfer of the Promoter Group's shares under this Article shall be for the same consideration and otherwise the same terms and conditions upon which the Investor proposes to effect the transfer of its Investor Shares. The Investor exercising such right shall deliver to the Company and the Promoter Group, a written notice ("**Drag Along Notice**") setting forth the consideration per share to be paid by the proposed purchaser and the other terms and conditions of such transfer. Transfer of shares under the terms of this Article shall be made at the offices of the Company on a mutually satisfactory day within 30 days following the receipt of the Drag Along Notice at which time the Promoter Group shall deliver the certificates or other instruments evidencing such shares along with duly signed transfer forms or necessary delivery instructions if the shares are held in dematerialized form to effect the transfer of shares to the proposed purchaser on the books and records of the Company.
- (vii) Notwithstanding anything stated herein, at any time prior to September 30, 2016, in the event the Investor wishes to exercise its Drag Along Right, the Investor shall require prior approval of OIJIF to exercise such Drag Along Right. In order for OIJIF to provide its consent to the Investor to enable the Investor to exercise its Drag Along Right prior to September 30, 2016, the Investor shall, before issuing any notice to Promoters and Other Shareholders, provide to OIJIF, details of the third party purchaser, the price being offered third party purchaser, the exact percentage of shares that it is willing to purchase and the terms of sale. At terms so approved by OIJIF, the Investor may exercise its Drag Along Right prior to September 30, 2016.



H. OIJIF'S DRAG ALONG RIGHT

- (i) In the event the Company has not completed an initial public offering (“**IPO**”) by September 30, 2016 and OIJIF wishes to transfer all of the Securities of the Company held by it to any Person, OIJIF may, at its discretion, identify a third party purchaser (“**Third Party Purchaser**”) to purchase all or any of the Securities in the Company held by OIJIF (“**OIJIF Transfer Shares**”), and transfer to such Third Party Purchaser any or all of its rights and call upon the Promoters and/ or Other Shareholders, as the case may be, to sell such amount of its Securities in the Company to the Third Party Purchaser.
- (ii) OIJIF shall request the Third Party Purchaser to provide the price that the Third Party Purchaser is willing to pay per Security of the Company, the exact percentage of shares that it is willing to purchase and the terms of sale.
- (iii) OIJIF shall give a written notice (“**OIJIF Drag Along Notice**”) to the Promoters and/ or Other Shareholders mentioning the Securities it requires the Promoters and/ or Other Shareholders to sell to the Third Party Purchaser (“**Drag Shares**”).
- (iv) Upon receiving the OIJIF Drag Along Notice from OIJIF, the Promoters and/ or Other Shareholders shall be obliged to sell the Drag Shares to the Third Party Purchaser at the Third Party Purchaser’s price and other terms on which OIJIF is selling its Securities.
- (v) The sale and purchase of Drag Shares and OIJIF Transfer Shares to a Third Party Purchaser shall be completed simultaneously.

I. DRAG ALONG RIGHT AND OIJIF DRAG ALONG RIGHT

- (i) In the event the Drag Along Right or OIJIF Drag Along Right is exercised by the Investor or OIJIF, as the case may be, which results in a dilution of the shareholding of the Promoters and/ or Other Shareholders, OIJIF and the Investor shall respectively have a right but not an obligation to tag along the Securities of the Company held by OIJIF and Investor to the third party purchaser in respect of which the Investor or OIJIF have exercised their drag along right, on same terms and conditions.
- (ii) In the event OIJIF or the Investor exercises its tag along right as set out herein, unless the third party purchaser agrees and purchases the Securities offered by OIJIF or the Investor, as stated hereinabove, the Investor, OIJIF and Promoter Group shall not be entitled to sell their respective Securities to the third party purchaser.
- (iii) Since the Investor and OIJIF have drag along rights, if both the Investor and OIJIF obtain a third party offer for purchase of their respective shares in the Company, then the Investor and OIJIF will mutually decide which is the best offer received.
- (iv) Notwithstanding anything to the contrary, the order of Securities to be made available to a third party purchaser shall be (i) all of the Securities of OIJIF/ the Investor, as the case may be, (ii) any tag along Securities offered by the Investor or OIJIF pursuant to this Article as the case may be, and (iii) the Shares held by the Promoters and/ or the Other Shareholders to the extent of the top-up required for the sale to meet the purchasers requirement and complete the transaction contemplated hereunder.

J. INFORMATION RIGHTS

- (i) The Company shall on its own initiative provide the investor and OIJIF with the following financial reports and other information, in a mutually agreed format. Additionally, the Company would make presentations on the operations / performance of the Company to the Investors periodically on an as required basis.
 - (a) Quarterly financial statements of the Company and its subsidiaries shall be furnished to the Investor and OIJIF within 30 (thirty) days of the end of each quarter.



- (b) The audited annual financial statements of the Company and its subsidiaries shall be furnished to the Investor and to OIJIF within 60 (sixty) days of the end of each financial year. Financial statements should be accompanied by a report from the Managing Director of the Company and a discussion of key issues and variances to the budget and to the previous period.
 - (c) Capital expenditure budgets for a financial year and annual operating budgets of the Company and its subsidiaries shall be furnished to the Investor within 15 (fifteen) days of the beginning of the next financial year.
 - (d) Rolling 3 (three) year strategic plan of the Company and its subsidiaries shall be furnished to the Investor and OIJIF on an annual basis within 15 (fifteen) days of the beginning of the next financial year.
 - (e) Any additional information reasonably requested by the Investor and/ or OIJIF, shall be furnished to the Investor/ OIJIF on a quarterly basis.
 - (f) as soon as available, but in any event not later than 20 (twenty) days after the end of each month, MIS reports indicating the progress of the Business of the Company;
 - (g) minutes of meetings of the Board, its committees and the shareholders of the Company;
 - (h) details of any litigation (including any winding-up proceedings or notices under any enactment or regulation), proceedings or dispute or adverse changes that impedes or which is likely to adversely affect its Business or assets or otherwise.
- (ii) The Investor, OIJIF and their respective representatives will have standard inspection rights available to shareholders in India, and a right to conduct an independent audit, so long as they provide the Company with prior notice of 3 (three) days of their desire to exercise such right. These information and inspection rights would terminate upon the completion of a Qualified IPO. The cost of the inspection, including the independent audit shall be normally borne by the Investor or OIJIF, as the case maybe. Provided, however, in the event that the audit throws up any material adverse finding regarding the carrying on of the Company's affairs, then the cost of the inspection, including the independent audit shall be borne by the Company.

K. CORPORATE GOVERNANCE

(i) Overall Management

Subject to the provisions of these Articles and the Companies Act, the Board shall be responsible for the management, supervision, direction, and control of the Company. The Business of the Company shall be managed by the Board. Subject to the applicable Laws, the Board shall be comprised of a maximum of 12 (twelve) Directors and the Investor and OIJIF shall each be entitled to nominate and appoint Directors on the Board in proportion to their shareholding in the Company and in accordance with the Law, provided that the Board shall, at all times, include at least 1 (one) Director appointed by OIJIF ("**OIJIF Directors**") and at least 1 (one) Director appointed by the Investor ("**Nominee Directors**").

If (i) OIJIF or the OIJIF Transferee or (ii) the Investor or Investor Transferee, hold less than 5% (five percent) of the Share Capital of the Company, then (i) OIJIF or the OIJIF Transferee or (ii) the Investor or Investor Transferee, as the case may be, shall cease to be entitled to appoint Directors on the Board.

(ii) Appointment and Removal of Directors

- (a) The Investor and OIJIF shall each be entitled to nominate and appoint Directors on the Board in proportion to their shareholding in the Company and in accordance with the Law, subject to OIJIF being entitled to appoint a minimum of 1 (one) OIJIF Director and the Investor being entitled to appoint a minimum of 1(one) Nominee Director on the Board and the committees of the Board at all times.



- (b) Each OIJIF and the Investor can each remove the Directors appointed by them at any time and from time to time in their sole discretion, with or without cause. No other Shareholder shall be entitled to remove any Director appointed/nominated by the Investor or OIJIF, except where an OIJIF Director/ Nominee Director is required to be removed in accordance with Law (and, in such a case, the Investor or OIJIF, as the case maybe, shall be entitled to immediately nominate a replacement).
 - (c) The OIJIF Directors and the Nominee Directors shall be non-executive and non-retiring Directors (not liable to retire by rotation). However, if retirement of an OIJIF director or Nominee Director is required under applicable Laws, then the Promoters, Other Shareholders, Investor, and OIJIF hereby agree to vote in favour of any resolution for the re-election of the OIJIF Director(s) or Nominee Director(s), as the case maybe, and ensure such re-election to the Board, as and when he/she retires by rotation and offers himself/herself for re-election.
 - (d) Any OIJIF Director and any Nominee Director may, by prior written notice to the other Directors and the Company, nominate an alternate director at any time to act on his behalf as a Director in circumstances and for such period as may be valid under the Companies Act, and the Promoters and Other Shareholders, shall procure that the Board shall approve any such nomination and appoint the relevant individual to act as the OIJIF Director's or Nominee Director's, as the case maybe, alternate. The Promoters and Other Shareholders shall procure that the Board will, unless the nominating OIJIF Director or nominating Nominee Director, as the case maybe, instructs the Board otherwise, automatically reappoint any nominated alternate if, for any reason, the nominated alternate Director's office is deemed to have been vacated and such alternate Director shall become a member of all committees of the Board. An alternate Director shall be entitled to receive prior notice in writing of all meetings of the Board and the committees of the Board, to attend and vote at any such meeting at which the Director appointing him is not personally present, and at the meeting to exercise and discharge all the functions, powers and duties of his appointee or as an OIJIF Director or Nominee Director, as the case maybe. An alternate Director shall automatically vacate his office as an alternate Director if the OIJIF Director or Nominee Director, as the case maybe, who appointed him ceases to be an OIJIF Director or Nominee Director, as the case maybe.
 - (e) The Promoters and Other Shareholders shall take all necessary steps as may be required so that the OIJIF Directors and Nominee Directors are not included within the scope of "officer in default" under applicable Law. The Company shall file appropriate forms required under Law so that the personnel of the Company are reported as "officer in default".
 - (f) The OIJIF Directors and Nominee Directors shall not be required to hold any qualification Shares.
- (iii) Voting and matters to be decided by the Board and each committee of the Board
- (a) Subject to quorum requirements under Article 1K(vii), each Director shall have one vote.
 - (b) Save as otherwise expressly provided in these Articles, business items and questions arising at any meeting of the Board or the committee of the Board shall be decided by a majority of votes.
 - (c) Except as otherwise specifically provided in these Articles and/or required under Law, any item of business to be transacted shall be decided at meetings of the Board.
 - (d) Subject to applicable Law, Directors or members of any Board or the committee of the Board may participate in meetings of the Board or the committee of the Board through video-conference or similar electronic means in accordance with the provisions of applicable Law and the Chairman shall ensure that such Director's observations are duly recorded in the minutes of such meeting.



(iv) Meeting and Minutes of Board Meeting

The Board shall meet as may be necessary to discharge its duties but in any case no less frequently than holding at least 1 (one) meeting every 3 (three) calendar months. The minutes of the Board shall be circulated within 15 (fifteen) Business Days of the date of the meeting of the Board. At the beginning of each meeting of the Board, the Board minutes of the previous meeting shall be placed for being taken on record.

(v) Notice

- (a) At least 7 (seven) Business Days' notice of each Board Meeting and meeting of the committee of the Board shall be given to each Director, unless, in any particular case, all of the Directors otherwise agree in writing, save and except in the event of a Board Meeting at which any Reserved Matter is to be considered, in which case at least 15 (fifteen) Business Days' notice shall be given to each Director and OIJIF or the Investor unless OIJIF or the Investor, as the case maybe, otherwise agree in writing.
- (b) The notice of each Board Meeting and meeting of the committee of the Board shall include an agenda setting out the business proposed to be transacted at the meeting. Unless waived in writing by OIJIF and the Investor, any item not included in the agenda of a meeting shall not be considered or voted upon at that meeting of the Board or the committee of the Board. The OIJIF Director and the Nominee Director shall have the right to require that any matter be included in the agenda of any meeting of the Board or the committee of the Board, and the Company shall give to the OIJIF Director and the Nominee Director reasonable prior notice of the proposed agenda of any meeting of the Board or the committee of the Board and consider the suggestions of such OIJIF Director and/or the Nominee Director, if any, prior to finalizing the agenda of the meeting. An itemised notice for a Board Meeting or meeting of any committee of the Board must be given to the Directors and the suggestions of such OIJIF Director and/or the Nominee Director, if any, must be considered prior to finalizing the detailed agenda of the meeting. Thereafter, such detailed agenda must be circulated to the Directors at least 7 (seven) Business Days prior to the date of the Board Meeting or meeting of the committee of the Board, as the case maybe. However, the aforesaid period(s) may be shortened by written consent of the requisite majority of Directors, including that of the Investor and OIJIF in accordance with provisions of the applicable Law.

(vi) Quorum

Subject to Article 1K(xii), the quorum at meetings of the Board and the committees of the Board shall be comprised in accordance with the provisions of the Companies Act, 2013.

(vii) Determination of Quorum

If within 30 (thirty) minutes from the time appointed for the holding of a meeting of the Board or the committee of the Board, a quorum as set forth in this Article is not present, the meeting of the Board or the committee of the Board shall stand adjourned to the same day in the next week (or if that day is a public holiday, to the next Business Day thereafter) at the same time and place as the original meeting. If, at such adjourned meeting, a quorum is not present within 30 (thirty) minutes from the time fixed for holding the meeting, then the Directors present shall constitute quorum at such meeting.

(viii) Resolution by Circulation

Where necessary, the Board or the committee of the Board may pass a resolution by circulation for despatch of business items of the Company. A resolution by circulation must be circulated to all Directors or the members of the committee (as the case may be) and approved by the Directors or the members of the committee (as the case may be) in accordance with the applicable Law and shall be as valid and effectual as if it had been passed at a meeting of Directors duly convened and constituted. The resolution may be contained in one document or in



several documents in like form each signed or approved by one or more Directors concerned; but a resolution signed or approved by an alternate Director need not also be signed or approved by the Director appointing such alternate Director and, if it is signed or approved by a Director who has appointed an alternate Director, it need not be signed or approved by the alternate Director in that capacity.

(ix) Directors and Officers Liability Insurance

The Company shall obtain directors' and officers' liability insurance covering the Board, on such terms that are mutually agreed between OIJIF and the Promoters, it being understood that the Company shall bear all costs in relation to the same. The Company shall keep such directors' and officers' liability insurance subsisting.

(x) Shareholders Meeting Quorum

Subject to Article 1K(xii), the quorum at meetings of the Shareholders shall be in accordance with the applicable Law. If within 30 (thirty) minutes from the time appointed for holding a meeting of the Shareholders, the quorum is not present the meeting shall stand adjourned to the same day in the next week at the same time and place. At such adjourned meeting or reconvened meeting, Shareholder or Shareholders present shall constitute a Quorum.

(xi) Voting at a meeting of the Shareholders

- (a) Voting at a meeting of the Shareholders / members shall only be by poll unless waived in writing by OIJIF and the Investor.
- (b) All matters required by Law to be dealt at a Shareholders meeting shall be dealt by the Shareholders at a general meeting in accordance with the applicable Law.

(xii) Reserved Matters

- (a) Notwithstanding anything contrary stated herein, prior to the Qualified IPO, the Promoters, Other Shareholders and the Company shall not take any decisions or action on the following matters, including by way of approval, at a Board (including committees) and /or Shareholders meeting, without (1) the affirmative vote of the Nominee Director who is present during such a Board Meeting, or the prior written approval of the Investor and (2) affirmative vote of the OIJIF Director who is present during such a Board Meeting, or the prior written approval of OIJIF:
 - (1) Any amendment of the Company's Memorandum of Association and the Articles of Association.
 - (2) Approval of the Annual Revenue and Capital Budget. The budget will be prepared by February 28th of the Financial Year preceding the Financial Year for which the budget belongs and be passed by the Board not later than March 15th. If no budget is prepared, the Company shall not incur any capital expenditure, increase its debt, or create any further liability without taking prior approval from the Investor and OIJIF.
 - (3) Deviation from the Annual Revenue and Capital Budget.
 - (4) Acquisitions and entering into new businesses.
 - (5) Mergers, demergers, restructuring, consolidation, voluntary winding up or dissolution of the Company.
 - (6) Sale, disposition, liquidation, license, or transfer of any substantial assets exceeding Rs.10,000,000 (Rupees ten million only) per annum in the aggregate in the ordinary course of business of the Company, whether in part or in whole.



- (7) Issue of shares including IPO by the Company (excluding the Qualified IPO pursuant to clause 6.1(a) and 6.1(b) of the Agreement), convertible debentures or other securities or stock options/ warrants by the Company, including without limitation ESOP issuance, which has the effect of diluting the shareholding of the OIJIF or the Investor in the Company.
 - (8) Buy back of Shares by the Company.
 - (9) Creation of Subsidiaries of the Company and joint ventures, mergers and acquisition.
 - (10) Any change in the dividend policy.
 - (11) Change of accounting policy and/ or change in tax policy except for regulatory compulsions and change in statutory auditors.
 - (12) Changes in corporate governance policy, including any changes in the composition of the Board of Directors of the Company and/ or various committees of the Board of Directors of the Company, appointment of any committee or sub-committee of the Board of Directors, the assignment of any power of attorney by the Board of Directors to any person, committee, or sub-committee.
 - (13) Related party transactions for a value/ consideration exceeding Rs.100,000 (Rupees one hundred thousand only) per transaction or series of transactions in any fiscal year exceeding Rs.10,000,000 (Rupees ten million only) per annum.
 - (14) Provision of guarantees or funds on loan to any person, other than in the ordinary course of business and not exceeding Rs.2,500,000 (Rupees two million five hundred thousand only) per year.
 - (15) Any delegation of any matter requiring the affirmative vote of the Investor and OIJIF
- (b) Notwithstanding anything contrary stated herein, post the Qualified IPO, the Promoters, Other Shareholders and the Company shall not take any decisions or action on the following matters, including by way of approval, at a Board (including committees) and /or Shareholders meeting without (1) the affirmative vote of the Nominee Director who is present during such a Board Meeting, or the prior written approval of the Investor, and (2) the affirmative vote of the OIJIF Director who is present during such a Board Meeting, or the prior written approval of OIJIF:
- (1) Any amendment of the Company's or its Subsidiaries' Memorandum of Association and the Articles of Association, and
 - (2) Creation of Subsidiaries of the Company and joint ventures, mergers and acquisition.
- (c) In the event the Investor or OIJIF have not communicated a prior written approval in relation to the Reserved Matters, the quorum for the meeting of the Board or committee of the Board or Shareholders or members of the Company shall require at least 1(one) OIJIF Director and 1(one) Nominee Director, which requirement may be waived by OIJIF or Investor as the case may be, in writing at its own discretion. Reserved Matters shall not be approved through circulation, unless the Investor or OIJIF, as the case maybe, has consented to such Reserved Matter, in writing.

(xiii) Committees of the Board

- (a) “**Board Committee**” shall mean each committee of the Board constituted from time to time, which shall include but not be limited to the following:
 - (1) IPO Committee



- (2) Audit Committee
- (3) Compensation Committee
- (4) Capital Expenditure Committee
- (5) Executive Leadership Identification Committee

(b) All the provisions set out in Article 1K and relating to Board Meetings shall mutatis mutandis apply to Board Committees.

(xiv) Subsidiaries. Subject to the provisions of these Articles and if permitted by applicable Law, OIJIF and the Investor shall have the right but not an obligation to nominate individuals on the board of directors of any Subsidiaries and / or joint venture companies of the Company in the same manner and extent as applicable to the Company, and shall also have the right to have their respective nominee directors to be a member of all committees of the board of directors of all Subsidiaries / joint venture companies of the Company in the same manner and extent as applicable to the Company in which case the provisions of Article 1K shall apply mutatis mutandis. The right to nominate a director shall include the right to nominate/terminate/replace/re appoint an alternate in place of the director to attend and vote at meetings of the board of Subsidiaries / joint venture companies in the absence of the original director, as per the provisions of applicable Law.

(xv) Annual Revenue and Capital Budget

Each Annual Revenue and Capital Budget of the Company shall be approved by the majority of the Directors. The process for preparing, reviewing and approving Annual Revenue and Capital Budget for each Financial Year shall be as follows:

- (a) Before commencement of a Financial Year, a proposed Annual Revenue and Capital Budget for the next succeeding Financial Year shall be approved by a majority decision of the Board. Each proposed Annual Revenue and Capital Budget must be consistent with these Articles. Each proposed Annual Revenue and Capital Budget must set out in reasonable detail the work and activities to be carried out, including the timing thereof, an itemised estimate of the corresponding expenditures, any capital contributions required, order booking, sales, income, expenditure, EBIDTA, profit and loss, cash flows, balance sheet and such other relevant information as the Board may request. Each proposed Annual Revenue and Capital Budget shall be accompanied by budget projections for the Financial Year following that to which that proposed Annual Revenue and Capital Budget relates.
- (b) The Annual Revenue and Capital Budget shall be subject to review by the Board vis-à-vis the six monthly performance of the Company, and on insistence of the Board, the Company shall have to undergo the process of re-budgeting for remaining part of the Financial Year, if suggested by OIJIF and the Investor. Such review shall be completed within 45 (forty five) days of the financial six monthly ending.

(xvi) Managing Director.

Mr. Rishab Soni shall not undertake any lead responsibility in any other business, including but not limited to as a part of the management of any other company, without the prior written consent of OIJIF and the Investor.

(xvii) Observer

Each of the Investor and OIJIF shall be entitled to designate a representative to attend all the meetings of the Board or that of the board of directors of the Subsidiaries and any committees thereof in the capacity of a non-voting observer. The Company shall provide any such observers with copies of all notices, materials, and other information provided to the Directors, at the same time and in the same manner as the same are provided to the other Director. In the absence of an express written proxy or other instrument of authorisation duly executed by the Investor and/ or OIJIF, as the case maybe, no observer designated pursuant to this Article shall have any power



or authorisation to cast any vote, approve any matter, or otherwise bind the Investor or OIJIF, as the case maybe, in any matter, as a shareholder or otherwise.

(xviii) Expenses

The expenses incurred by the Directors, including their respective alternate directors in attending Board Meetings, any meeting of the Committees and sub-committee of the Board, shall be reimbursed by the Company, provided that only domestic (within India) air travel shall be payable. Such expenses, if any, of attendance at each Board Meeting may include without limitation a business class travel, lodging and boarding for the duration of the meeting and similar expenses.

L. ARBITRATION

- (i) In the case of any dispute or differences or claim arising out of or in connection with or relating to these Articles or in the interpretation of any provisions of these Articles, or the breach, termination or invalidity hereof ("**Dispute**"), the parties shall attempt to first resolve such Dispute or claim through discussions. If such Dispute is not resolved through such discussions within 30 (thirty) days after one party has served a written notice on the other party requesting the commencement of discussions, the parties shall appoint a sole arbitrator and the Dispute shall be settled by arbitration under the Arbitration and Conciliation Act, 1996.

In the event there is a disagreement on appointment of a sole arbitrator as aforementioned, within 60 (sixty) days after one party has served a written notice on the other party requesting the commencement of discussions, the Dispute shall be finally settled by arbitration under the Arbitration and Conciliation Act, 1996. For the purpose of such arbitration, the arbitration board shall be presided over by 3 (three) arbitrators, of which each party to the Dispute shall appoint 1 (one) arbitrator and the 2 (two) arbitrators shall then jointly appoint a third arbitrator, who shall serve as presiding arbitrator.

- (ii) Venue and Procedure

The place of arbitration shall be Mumbai and the language of arbitration shall be English. The arbitrator's award shall be substantiated in writing. The arbitrators shall also decide on the costs of the arbitration procedure. The parties shall submit to the arbitrator's award and the same shall be enforceable in any competent court of law.

M. APOINTMENT OF AUDITORS

- (i) The Company shall continue with its existing statutory auditors and its internal auditor for the Financial Year 2014-15. Thereafter the Board shall decide on appointment of a reputed accounting firm as statutory auditors and its internal auditor.
- (ii) The firm so appointed shall be engaged to audit the accounts of the Company, and the Company covenants that the annual audited accounts of the Company, its subsidiaries and branches, for the 12 month period ending March 31 of each year will be prepared in accordance with Indian GAAP, shall be expressed in Indian Rupees and will be completed no later than June 30th of each year.

N. ADDITIONAL COVENANTS

- (i) The Company shall not grant to any Person, rights which are more favourable than the rights granted to OIJIF and the Investor.
- (ii) The Company shall obtain and maintain at all times a managerial person insurance for Mr. Rishab Soni as may be agreed between the Shareholders (the cost of which shall be borne and paid by the Company) for the benefit of the Company against any disability or death.
- (iii) All transactions undertaken by the Company and the Subsidiaries with any related parties shall be undertaken at an 'arm's length basis', and all such related party transactions must be reported to the Board of the Company and the board of such Subsidiary every financial quarter.



- (iv) Any proposed bulk planned sales or purchases between the Company and the Promoters and/ or Other Shareholders, shall be approved by the Board of the Company semi-annually in advance, and shall be undertaken on an 'arms length basis'.
- (v) The Company shall maintain true books and records of account in which full and correct entries shall be made of all its business transactions pursuant to a system of accounting established and administered in accordance with Indian GAAP, when applicable, and shall set aside on its books all such proper accruals and reserves as shall be required under the applicable Law.
- (vi) Any transfer of equity shares intended by these Articles shall be in accordance with applicable Law and after obtaining the necessary regulatory approvals. If any certificates or other documents from the statutory auditor of the Company, an independent chartered accountant, merchant bankers, or any valuers are required as per applicable Law, the same shall be arranged for by the Company at its sole expense and cost. The Company shall provide all assistance required for obtaining the relevant statutory and regulatory approvals in respect of each transfer of share contemplated by these Articles.

O. LIQUIDATION PREFERENCE

- (i) In the event of liquidation, winding up, or dissolution of the Company, the proceeds available for distribution to the Shareholders (whether from capital, reserves, surplus or earnings) ("**Distributable Proceeds**") shall be distributed as follows:
 - (a) firstly, pro-rata to the OIJIF, and the Investor such that the amounts invested by each of OIJIF and the Investor for the acquisition of the Securities is repaid in full;
 - (b) secondly, to the other Shareholders, including the Promoters and Other Shareholders of the Company, until their paid-up share capital is repaid in full;
 - (c) pursuant thereto, any remaining proceeds shall distributed pro-rata amongst all the Shareholders of the Company.



SECTION X – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of this Draft Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These contracts, copies of which will be attached to the copy of the Red Herring Prospectus, delivered to the RoC for registration, and also the documents for inspection referred to hereunder may be inspected at our Registered and Corporate Office from 10.00 a.m. to 4.00 p.m. on Working Days from the date of the Red Herring Prospectus until the Offer Closing Date.

Material Contracts in relation to this Offer

1. Offer Agreement among our Company, the Selling Shareholders, the Book Running Lead Managers, dated March 10, 2015.
2. Agreement between our Company, the Selling Shareholders and the Registrar to the Offer dated February 26, 2015.
3. Escrow Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Managers, and the Escrow Collection Banks.
4. Syndicate Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Managers, and the Syndicate Members.
5. Underwriting Agreement dated [●] among our Company, the Selling Shareholder, the Book Running Lead Managers, and the Syndicate Members.

Material Documents

1. Our Memorandum of Association and Articles of Association, as amended.
2. Our certification of incorporation.
3. Our certificate of change of name.
4. Agreement dated September 27, 2011 among NSDL, our Company and the Registrar to the Offer.
5. Agreement dated October 20, 2011 among CDSL, our Company and the Registrar to the Offer.
6. Board resolution dated July 31, 2014 for re-appointment of Risabh Soni as Managing Director of our Company.
7. Board resolution dated December 23, 2014 for re-appointment of Sunil Taneja as Chief Financial Officer of our Company.
8. Resolution passed by our Board dated January 21, 2015 approving this Offer.
9. Resolution passed by our shareholders dated January 27, 2015 approving this Offer.
10. Resolution passed by the board of Tano dated February 10, 2015 approving the Offer for Sale and authority letter from Rajesh Sahgal authorising the Offer for Sale dated February 23, 2014.
11. Resolution of our Board dated March 12, 2015 approving the Draft Red Herring Prospectus.
12. The report of the Auditor, dated February 26, 2015 on our restated financial information – consolidated and unconsolidated, and included in this Draft Red Herring Prospectus.



13. Copies of the annual reports of our Company for Fiscal 2014, Fiscal 2013, Fiscal 2012, Fiscal 2011 and Fiscal 2010.
14. Consent of the Auditor for inclusion of their report on the restated financial information in the form and context in which it appears in this Draft Red Herring Prospectus.
15. Statement of Tax Benefits dated March 02, 2015, prepared by the Auditor.
16. Consents of Bankers to our Company, Selling Shareholders, Book Running Lead Managers, members of the Syndicate, Registrar to the Offer, Bankers to the Offer, Domestic Legal Counsel to the Offer, Directors, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
17. In-principle listing approvals dated [●] and [●] received from the NSE and the BSE, respectively.
18. Due diligence certificate dated March 16, 2015, provided to SEBI by the Book Running Lead Managers.
19. Share Subscription Agreement dated April 25, 2006 executed amongst our Promoters, Halcyon, Tano and our Company along with the addendum to the subscription agreement.
20. Shareholders Agreement dated April 25, 2006 executed amongst our Promoters, Halcyon, Tano and our Company along with the first amendment agreement dated April 25, 2006, second amendment agreement dated July 09, 2007 and the letter of variation dated September 18, 2008.
21. Share Subscription Agreement dated November 30, 2007 executed amongst our Promoters, Tano and our Company.
22. Joint Venture Agreement dated October 01, 2013 with Udit Daluja and Asheesh Kher, and Shubh Footwear Products Private Limited.
23. Partnership Agreement dated August 01, 2013 between Shree Shoes and our Company.
24. Share Subscription Agreement dated October 20, 2014 executed amongst our Promoters, our Company and Oman India Joint Investment Fund.
25. Third Amendment Agreement dated October 20, 2014 executed amongst the Promoters, our Company, Oman India Joint Investment Fund, Tano and members of the Promoter Group holding Equity Shares.
26. Fourth Amendment Agreement dated March 12, 2015 executed amongst the Promoters, our Company, Oman India Joint Investment Fund, Tano and members of the Promoter Group holding Equity Shares.

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 certify and declare that all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India, or the regulations /guidelines issued by the Securities Exchange Board of India, 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 Securities and Exchange Board of India Act, 1992, the Securities Contract (Regulation) Act, 1957, or the rules or regulations issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE DIRECTORS OF OUR COMPANY

Sanjiv Saraf
Chairman, Independent Director

Rishab Soni
Managing Director

Sunil Taneja
Whole Time Director, Chief Financial Officer

Amit Mathur
Non-executive, Non-Independent Director

Carlton Pereira
Non-executive, Non-Independent Director

Abhay Soi
Non-executive, Non-Independent Director

Srinath Srinivasan
Non-executive, Non-Independent Director

Rahul Sood
Independent Director

Meenu Bansal
Independent Director

Raj Vaisoha
Independent Director

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Sunil Taneja
Whole Time Director, Chief Financial Officer

Date: March 16, 2015

Place: New Delhi



DECLARATION BY TANO AS SELLING SHAREHOLDER

We, Tano Mauritius India FVCI, certify that all statements and undertakings made by us in this Draft Red Herring Prospectus in so far as they pertain to us and the Equity Shares offered by us in the Offer for Sale, are true and correct and that we assume no responsibility for statements of any other person(s).

SIGNED BY THE SELLING SHAREHOLDER

Authorised Signatory of Tano Mauritius India FVCI

Date: March 16, 2015

Place: Mauritius



DECLARATION BY RAJESH SAHGAL AS SELLING SHAREHOLDER

I, Rajesh Sahgal, certify that all statements and undertakings made by it in this Draft Red Herring Prospectus in so far as they pertain to me and the Equity Shares offered by me in the Offer for Sale, are true and correct and that I assume no responsibility for statements of any other person(s).

SIGNED BY THE SELLING SHAREHOLDER

Rajesh Sahgal

Date: March 16, 2015

Place: New Delhi