



AVG LOGISTICS LIMITED

Our Company was originally incorporated as a private limited company, at Delhi, India under the erstwhile Companies Act, 1956 in the name of AVG Logistics Private Limited by way of Certificate of Incorporation dated January 25, 2010. Further, pursuant to conversion of our Company to a public limited company, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi on February 21, 2018. For details of changes in name and registered offices of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 105 of this Draft Red Herring Prospectus.

Registered Office: Shop No. 25, DDA Market, Savita Vihar, Delhi 110092, India.

Telephone: +91 11 4567 4071

Corporate Office: 102, 1st Floor (above State Bank of India), Jhilmil Metro Station Complex, Delhi 110095, India.

Telephone: +91-11-22124356; **Facsimile:** +91-11-22124356

Contact Person: Ms. Parul Jain, Company Secretary & Compliance Officer; **E-mail:** compliances@avglogistics.com

Website: www.avglogistics.com; **Corporate Identity Number:** U60200DL2010PLC198327

PROMOTERS OF OUR COMPANY: MR. SANJAY GUPTA; MS. ASHA GUPTA AND MS. NITI GUPTA

INITIAL PUBLIC ISSUE OF UPTO 30,90,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH ("EQUITY SHARES") OF AVG LOGISTICS LIMITED (THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, INCLUDING A SHARE PREMIUM OF RS. [●]/- PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS. [●] LAKHS ("THE ISSUE"), OF WHICH 1,54,800 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS WILL BE RESERVED FOR THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE PUBLIC ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. NET ISSUE TO PUBLIC WILL BE 29,35,200 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FOR CASH AT A PRICE OF RS. [●]/- PER EQUITY SHARE, AGGREGATING RS. [●] LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE PUBLIC ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.01% AND 28.50% RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH. THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY IN CONSULTATION WITH THE BOOK RUNNING LEAD MANAGER ("BRLM") AND WILL BE ADVERTISED IN [●] EDITIONS OF THE ENGLISH NATIONAL NEWSPAPER [●],[●] EDITIONS OF THE HINDI NATIONAL NEWSPAPER [●] AND [●] EDITIONS OF THE REGIONAL NEWSPAPER [●], EACH WITH WIDE CIRCULATION, AT LEAST 5 (FIVE) WORKING DAYS PRIOR TO THE BID/ OFFER OPENING DATE WITH THE RELEVANT FINANCIAL RATIOS CALCULATED AT THE FLOOR PRICE AND THE CAP PRICE AND SHALL BE MADE AVAILABLE TO THE EMERGE PLATFORM OF NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE EMERGE", REFERRED TO AS THE "STOCK EXCHANGE") FOR THE PURPOSE OF UPLOADING ON THEIR WEBSITE.

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

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 the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (the "SEBI ICDR Regulations") wherein 49.96% of the Net Offer will be allocated on a proportionate basis to Qualified Institutional Buyers ("QIBs") (the "QIB Category"). Further, 5% of the QIB Category 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 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 Net Offer will be available for allocation on a proportionate basis to Non-Institutional Investors and not less than 35% of the Net Offer will be available for allocation to Retail Individual Investors, in accordance with the SEBI ICDR Regulations, subject to valid Bids being received at or above the Offer Price. All investors shall participate in this Offer mandatorily through the Applications Supported by Blocked Amount ("ASBA") process by providing details of their respective bank accounts which will be blocked by SCSBs. For details, see "Issue Procedure" on page 179 of this Draft Red Herring Prospectus.

THE OFFER IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI (ICDR) REGULATIONS") READ WITH RULE 19(2)(b)(i) OF SECURITIES CONTRACT (REGULATION) ACT, 1957 ("SCRR"). FOR FURTHER DETAILS PLEASE REFER THE SECTION TITLED "ISSUE INFORMATION" BEGINNING ON PAGE 167 OF THIS DRAFT RED HERRING PROSPECTUS

All potential investors may participate in the Issue through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to section titled "Issue Procedure" beginning on page 179 of this Draft Red Herring Prospectus.

THE FACE VALUE OF THE EQUITY SHARES IS RS.10 EACH AND THE ISSUE PRICE IS [●] TIMES OF THE FACE VALUE.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of our Company, there has been no formal market for the Equity Shares of our Company. The face value of the Equity Shares is Rs.10. The Floor Price is [●] times the face value. The Issue Price (as determined by our Company, in consultation with the BRLM, and as stated in the section titled "Basis for Issue Price" beginning on page 75 of this Draft Red Herring Prospectus, should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISK

Investment in equity and equity related securities involves a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the Risk Factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI") nor does SEBI guarantee the accuracy or adequacy of the contents of this Draft Red Herring Prospectus. Specific attention of the investors is invited to the section titled "Risk Factors" beginning on page 17 of this Draft Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Draft Red Herring Prospectus contains all information with regard to our Company and the Issue, which is material in the context of this Issue; 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.

LISTING

The Equity Shares offered through the Draft Red Herring Prospectus are proposed to be listed on the EMERGE Platform of NSE. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended, we are not required to obtain an in-principal listing approval for the shares being issued in this Issue. However, our Company has received an approval letter dated [●] from NSE for using its name in this Issue Document for listing of our shares on the EMERGE Platform of NSE. For the purpose of this Issue, the designated Stock Exchange will be the National Stock Exchange of India Limited ("NSE").

BRLM

REGISTRAR TO THE ISSUE


SYSTEMATIX GROUPTM
Investments Re-defined

LINKIntime

SYSTEMATIX CORPORATE SERVICES LIMITED
A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex,
Bandra (East), Mumbai 400 051, Maharashtra.
Tel: +91-22-6704 8000; **Fax:** +91-22-6704 8022
Email: avgipo@systematixgroup.in
Website: www.systematixgroup.in
Contact Person: Mr. Amit Kumar
SEBI Registration No: INM 000004224
Validity of Registration: Permanent

LINKINTIME INDIA PRIVATE LIMITED
C-101, 247 Park, L B S Marg, Vikhroli West,
Mumbai 400083, Maharashtra.
Tel: +91 22 4918 6200; **Fax:** +91 22 4918 6195
Email: avglogistics.ipo@linkintime.co.in
Website: www.linkintime.co.in
Contact Person: Ms. Shanti Gopalkrishnan
SEBI Registration Number: INR000004058
Validity of Registration: Permanent

ISSUE PROGRAMME

BID/ISSUE OPENS ON: [●]

BID/ISSUE CLOSES ON: [●]

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SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

This Draft Red Herring Prospectus uses certain definitions and abbreviation which, unless the context otherwise indicates or implies, shall have the respective meanings given below. References to statutes, regulations, rules, guidelines and policies will be deemed to include all amendments and modifications thereto.

As on date of this Draft Red Herring Prospectus, our Company does not have any subsidiaries. Consequently, all references to "our Company", "the Issuer", "we", "our", "us" or "AVG" is to AVG Logistics Limited, a company incorporated under the previous Companies Act, 1956 and having its Registered Office at Shop No. 25, DDA Market, Savita Vihar, Delhi 110092, India and Corporate Office at 102, 1st Floor (above State Bank of India), Jhilmil Metro Station Complex, Delhi-110095, India.

The words and expression used in this Draft Red Herring Prospectus, but not defined herein, shall have the same meaning ascribed to such terms under the SEBI (ICDR) Regulations, the Companies Act, the SCRA, the Depositories Act and the rules and regulations made thereunder as the case may be. Notwithstanding the foregoing, the terms not defined but used in the sections titled "Statement of Tax Benefits"; "Financial Information"; "Outstanding Litigation and Material Developments"; and "Main Provisions of Articles of Association" beginning on pages 77, 133, 148 and 221 respectively, shall have the meanings ascribed to such terms in these respective sections.

Company related terms

Term	Description
Articles/ Articles of Association/ AoA	The articles of association of our Company, as amended
Audit Committee	Audit committee of our Company constituted in accordance with Regulation 18 of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013
Auditor/ Statutory Auditor /Peer Review Auditor	Statutory and Peer Review Auditor of our Company being, M/s. Prakash K Prakash, Chartered Accountants.
Board of Directors/ our Board	The board of directors of our Company, as duly constituted from time to time
Corporate Office	The Corporate Office of our Company located at 102, 1 st Floor (above State Bank of India), Jhilmil Metro Station Complex, Delhi – 110095, India.
Director(s)	The director(s) on our Board, unless otherwise specified. For further details of our Directors, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.
Equity Listing Agreement/ Listing Agreement	The equity listing agreement to be entered into by our Company with the Stock Exchanges
Equity Shares	The equity shares of our Company of face value of Rs.10 each
Group Companies/ Entities	The companies included under the definition of "Group Companies of our Company" under the SEBI (ICDR) Regulations and identified by the Company in its Materiality Policy. For further details, please refer to section titled "Group Companies of our Company" beginning on page 129 of this Draft Red Herring Prospectus.
Key Managerial Personnel/ KMP	The key management personnel of our Company in terms of the SEBI (ICDR) Regulations and the Companies Act disclosed in section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.
Materiality Policy	The policy on identification of group companies, material creditors and material litigation, adopted by our Board on February 01, 2018, in accordance with the requirements of the SEBI (ICDR) Regulations.
Memorandum/ Memorandum of Association/ MoA	The memorandum of association of our Company, as amended
Nomination and Remuneration	Nomination and remuneration committee of our Company constituted in accordance with Regulation 19 of the SEBI Listing Regulations and Companies Act, 2013

Committee	
Promoter Group	Includes such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as disclosed under section titled "Our Promoters and Promoter Group" beginning on page 126 of this Draft Red Herring Prospectus.
Registered Office	The registered office of our Company located at Shop No. 25, DDA Market, Savita Vihar, Delhi 110092, India.
RoC/ Registrar of Companies	The Registrar of Companies, Delhi and Haryana situated at 4 th Floor, IFCI Tower, 61, Nehru Place, New Delhi 110 019, India.
Restated Financial Information	The restated financial information of our Company which comprises of the restated balance sheet, the restated standalone profit and loss and the restated cash flow information for 6 (six) months period ended September 30, 2017 and financial years ended March 31, 2017, March 31, 2016, March 31, 2015, March 31, 2014 and March 31, 2013 together with the annexures and notes thereto, which have been prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations.
Stakeholders' Relationship Committee	Stakeholder's relationship committee of our Company constituted in accordance with Regulation 20 of the SEBI Listing Regulations and Companies Act, 2013
Subsidiary of our Company	Our Company does not have any subsidiary as on the date of this Draft Red Herring Prospectus.

Issue related terms

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue to the successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.
ASBA Account	An account maintained with an SCSB and specified in the Bid-cum-Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid-cum-Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under section titled "Issue Procedure" beginning on page 179 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid-cum-Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations in accordance with the Draft Red Herring Prospectus and Bid-cum-Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid-cum-Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder

Term	Description
	and mentioned in the Bid-cum-Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation and in case of any revision, the extended Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bid-cum-Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus
Bidder(s)	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid-cum-Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Bidding	The process of making a Bid.
Bidding Centres	Centres for acceptance of the Bid-cum-Application Forms and Revision Forms which shall include Broker Centres.
Bid Lot	[●]
Book Building Process	Book building process, as provided in Schedule XI of the SEBI (ICDR) Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	The BRLM to the Issue is Systematix Corporate Services Limited.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid-cum-Application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of NSE India Limited.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time

Term	Description
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank account details
Designated Branches	Such branches of the SCSBs which may collect the Bid-cum-Application Forms used by Bidders/Applicants (<i>excluding Anchor Investor</i>) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-cum-Application Forms are available on the website of the Stock Exchanges (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue may give delivery instructions for the transfer of the Issued Shares.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	National Stock Exchange of India Limited
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 23, 2018 issued in accordance with the SEBI (ICDR) Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI (ICDR) Regulations and including, in case of a new company, persons in the permanent and full-time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the Draft Red Herring Prospectus.
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First/sole Bidder	Bidder whose name shall be mentioned in the Bid-cum-Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Issue	The initial public offer of upto 30,90,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs.[●] each, aggregating up to Rs.[●]
Issue Agreement	The agreement dated February 21, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issuer/Company	The Issuer i.e. AVG Logistics Limited proposing the initial public offering/further public offering as applicable
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus

Term	Description
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified by SEBI and included in Issue Procedure beginning on page 179 of this Draft Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited
Market Making	Systematix Shares & Stocks (India) Limited
Market Making Agreement	Market Making Agreement dated February 21, 2018 between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The Reserved Portion of 1,54,800 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs for the Market Maker in this Issue.
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(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
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 DRHP/RHP/Prospectus and Bid-cum-Application Form
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid-cum-Application Form
Non-Resident OCB/Overseas Corporate Body	A person resident outside India, as defined under FEMA and includes FIIs and FPIs 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
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/Issue Opening Date, all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI (ICDR) Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCsBs from the bank

Term	Description
	accounts of the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being LinkIntime India Private Limited having registered office at C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083, Maharashtra, India.
Registrar Agreement	The agreement dated February 21, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs. 2,00,000
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s)
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations.
SCSB/ Self Certified Syndicate Banker	shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account 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
Specified Locations	Bidding centres where the Syndicate shall accept Bid-cum-Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where

Term	Description
	the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid-cum-Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Systematix Shares & Stocks (India) Limited.
Underwriters	Systematix Corporate Services Limited
Underwriting Agreement	The agreement dated February 21, 2018 entered into between the Underwriter and our Company
Working Day	shall mean all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays.

Technical/Industry Related Terms/Abbreviations

Term	Description
AE	Advance Estimates
AFS	Air Freight Station
AMRUT	Atal Mission for Rejuvenation and Urban Transformation
BoP	Balance of Payment
CAD	Current Account Deficit
CAGR	Compound Annual Growth Rate
CBIC	Central Board of Excise and Custom
CFS	Container Freight Station
CPI	Communist Party of India
EDI	Electronic Data Interchange
EMDE	Emerging Market & Developing Economies
FCI	Food Corporation of India
FDI	Foreign Direct Investment
FIPB	Foreign Investment Promotion Board
FMCG	Fast Moving Consumer Goods
FSSAI	Food Safety and Standards Authority of India
FTL	Full Truck Load
GPS	Global Positioning System
GST	Goods and Services Tax
GVA	Gross Value of Added
H1	First Half
H2	Second Half
IBA	Indian Banks Association
IBC	Intermediate Bulk Container
ICD	Inland Container Depot
IFTRT	Indian Foundation of Transport Research and Training
IIP	Index of Industrial Production
IMF	International Monetary Fund
IT	Information Technology
LFOs	Large Fleet Operators
LPI	Logistics Performance Index
LTL	Less Than Truckload
MFOs	Medium Fleet Operators
MMLPs	Multi-Modal Logistic Parks

Term	Description
MSP	Minimum Support Price
NBFC(s)	Non Banking Finance Company(ies)
OMO	Open Market Operations
PSB	Public Sector Bank
PSUs	Public Sector Undertaking
Q(s)	Quarter(s)
RBI's	Reserve Bank of India
Reefer Trucks	Refrigerated Trucks
RFID	Radio-Frequency Identification
SCK	Smart City Kochi
SEDEX	Supplier Ethical Data Exchange
SFOs	Small Fleet Operators
SWCs	State Warehousing Corporations
US	United States
USD	US Dollar
WDRA	Warehousing Development and Regulatory Authority
E2E	End to End
2PL	Second-party Logistics
3PL	Third- party Logistics
4PL	Fourth- party Logistics

Conventional and General Terms

Term	Description
AIF(s)	The alternative investment funds, as defined in, and registered with SEBI under the Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012
Category I foreign portfolio investor(s)	FPIs who are registered as "Category I foreign portfolio investor" under the SEBI FPI Regulations
Category II foreign portfolio investor(s)	FPIs who are registered as "Category II foreign portfolio investor" under the SEBI FPI Regulations
Category III foreign portfolio investor(s)	FPIs who are registered as "Category III foreign portfolio investor" under the SEBI FPI Regulations
Client ID	The client identification number maintained with one of the Depositories in relation to demat account
Companies Act, 1956	Companies Act, 1956 (<i>without reference to the provisions thereof that have ceased to have effect upon notification of the sections of the Companies Act, 2013</i>) along with the relevant rules made thereunder
Companies Act/ Companies Act, 2013	Companies Act, 2013, to the extent in force pursuant to the notification of sections of the Companies Act, 2013, along with the relevant rules, regulations, clarifications, circulars and notifications made thereunder
Competition Act	The Competition Act, 2002
Consolidated FDI Policy	Consolidated FDI Policy (Circular 1 of 2015) dated May 12, 2015 issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India, and any modifications thereto or substitutions thereof, issued from time to time.
CST Act	Central Sales Tax Act, 1956
Demographic Details	Details of the Bidders including the Bidder's address, name of the Bidder's father/husband, investor status, occupation and bank account details
Depository	A depository registered with SEBI under the Depositories Act, 1996
Depository Participant/ DP	A depository participant registered with SEBI under the Depositories Act
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996
DP/ Depository Participant	A depository participant as defined under the Depositories Act
FCNR Account	Foreign currency non-resident account

Term	Description
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder
FII(s)	Foreign Institutional Investors as defined under the SEBI FPI Regulations.
Financial Year/ Fiscal/ Fiscal Year/ F.Y.	Period of twelve (12) months ended March 31 of that particular year, unless otherwise stated
Foreign Portfolio Investor or FPI	Foreign Portfolio Investors, as defined under the SEBI FPI Regulations and registered with SEBI under applicable laws in India.
FVCI	Foreign Venture Capital Investor, registered under the FVCI Regulations
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
IT Act	The Income Tax Act, 1961, as amended
IT Rules	The Income Tax Rules, 1962, as amended
Indian GAAP	Generally Accepted Accounting Principles in India
Ind AS	New Indian Accounting Standards notified by Ministry of Corporate Affairs on February 16, 2015, applicable from Financial Year commencing April 1, 2016
LLP Act	The Limited Liability Partnership Act, 2008
Notified Sections	The sections of the Companies Act, 2013 that have been notified by the Government as having come into effect prior to the date of this Draft Red Herring Prospectus.
NRE Account	Non-resident external account
NRO Account	Non-resident ordinary account
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 was eligible to undertake transactions pursuant to the general permission granted to OCBs under FEMA
RBI Act	Reserve Bank of India Act, 1934
RoC	The Registrar of Companies, Maharashtra
SCRA	Securities Contracts (Regulation) Act, 1956, as amended
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended
SEBI	The Securities and Exchange Board of India, constituted under the SEBI Act
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI AIF Regulations	Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012, as amended
SEBI FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended
SEBI FPI Regulations	Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, as amended
SEBI FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended
SEBI (ICDR) Regulations	Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended
SEBI Listing Regulations / SEBI (LODR) Regulations	SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended
SEBI VCF Regulations	The Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996
Securities Act	U.S. Securities Act of 1933, as amended
State Government	The government of a state of the Union of India
Stock Exchange	NSE Emerge
Sub-account	Sub-accounts registered with SEBI under the SEBI FII Regulations other than sub-accounts which are foreign corporates or foreign individuals
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI VCF Regulations
Wilful Defaulter	Wilful defaulter as defined under Regulation 2(zn) of the SEBI (ICDR) Regulations

General terms/ Abbreviations

Term	Description
Rs. or Rupees or INR	Indian Rupees
ACIT	Assistant Commissioner of Income Tax
AGM	Annual General Meeting
APEDA	Agricultural and Processed Food Products Export Development Authority
AoA	Articles of Association
AS/Accounting Standards	Accounting Standards issued by the Institute of Chartered Accountants of India
ASBA	Application Supported by Blocked Amount
A.Y.	Assessment year
BPLR	Bank Prime Lending Rate
CARO	Companies (Auditor's Report) Order, 2003
CC	Cash Credit
CCI	Competition Commission of India
CDSL	Central Depository Services (India) Limited
CFO	Chief Financial Officer
CIN	Corporate Identity Number
CS	Company Secretary
CSR	Corporate Social Responsibility
DCIT	Deputy Commissioner of Income Tax
DCST	Deputy Commissioner of Sales Tax
DIN	Director Identification Number
DP ID	Depository participant's identification
DTC	Direct Taxes Code
ECS	Electronic Clearing System
EBITDA	Earnings before Interest, Tax Depreciation and Amortisation
EGM	Extraordinary General Meeting of the Shareholders of the Company
EPS	Earnings Per Share
FDI	Foreign direct investment
FIPB	Foreign Investment Promotion Board
GAAR	General anti avoidance rules
GFSI	Global Food Safety Initiative
GIR	General index register
GoI/ Government	Government of India
GoM	Government of Maharashtra
GST	Goods and Services Tax Act
HNI	High Net worth Individual
HUF	Hindu Undivided Family.
ICAI	Institute of Chartered Accountants of India
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
IRDA	Insurance Regulatory and Development Authority
Ltd.	Limited
MCA	Ministry of Corporate Affairs, Government of India
MD	Managing Director
MoU	Memorandum of understanding
N.A.	Not Applicable
NAV	Net asset value being paid up equity share capital plus free reserves (<i>excluding reserves created out of revaluation</i>) less deferred expenditure not written off (<i>including miscellaneous expenses not written off</i>) and debit balance of profit and loss account, divided by number of issued Equity Shares.
NCR	National Capital Region
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
No.	Number

Term	Description
NoC	No objection certificate
NR	Non-resident
NSDL	National Securities Depository Limited.
NSE EMERGE	EMERGE Platform of NSE Limited
NTA	Net Tangible Assets
p.a.	Per annum
P/E Ratio	Price earnings ratio
PAN	Permanent account number allotted under the Income Tax Act, 1961
PAT	Profit after tax
PBT	Profit before tax
PCB	Pollution Control Board
Pvt.	Private
RBI	Reserve Bank of India
RoC	Registrar of Companies
RONW	Return on net worth
RPC	Ranbir Penal Code, 1989, as amended
RTGS	Real Time Gross Settlement
STT	Securities Transaction Tax
UIN	Unique identification number
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
VAT	Value added tax
YoY	Year on Year

CURRENCY CONVENTIONS, USE OF FINANCIAL, INDUSTRY AND MARKET DATA AND CURRENCY PRESENTATION

Certain Conventions

Unless otherwise specified or the context otherwise requires, all references to "India" in this Draft Red Herring Prospectus are to the Republic of India, all references to the "U.S.", the "USA" or the "United States" are to the United States of America, together with its territories and possessions.

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

Financial Data

Unless stated otherwise, financial data included in this Draft Red Herring Prospectus is derived from the Restated Financial Information, prepared in accordance with the Companies Act and restated in accordance with SEBI (ICDR) Regulations.

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

Our Company's Financial Year commences on April 1 and ends on March 31 of the next year; accordingly, all references to a particular Financial Year or Fiscal, unless stated otherwise, are to the twelve (12) month period ended on March 31 of that year. The Restated Financial Information for 6 (six) Months period ended September 30, 2017 and for Financial Years ended March 31, 2017; March 31, 2016; March 31, 2015; March 31, 2014; and March 31, 2013 are included in this Draft Red Herring Prospectus.

There are significant differences between Indian GAAP, U.S. GAAP and IFRS. The reconciliation of the financial information to IFRS or U.S. GAAP financial information has not been provided. Our Company has not attempted to explain those differences or quantify their impact on the financial data included in this Draft Red Herring Prospectus, and it is urged that you consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the financial information included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act and the SEBI (ICDR) Regulations. Any reliance by persons not familiar with Indian accounting practices, Indian GAAP, Ind AS, the Companies Act, the SEBI Regulations on the financial disclosures presented in this Draft Red Herring Prospectus should accordingly be limited.

Unless otherwise indicated, any percentage amounts, as set forth in this Draft Red Herring Prospectus, including in sections titled "Risk Factors", "Our Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 17; 93; and 137 respectively, have been calculated on the basis of the Restated Financial Information prepared in accordance with the Companies Act and restated in accordance with the SEBI (ICDR) Regulations.

In this Draft Red Herring Prospectus, all figures in decimals have been rounded off to the second decimal place and all percentage figures have been rounded off to two decimal places.

Currency and Units of Presentation

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

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

Industry and Market Data

Unless stated otherwise, industry and market data used in this Draft Red Herring Prospectus has been obtained and derived from publically available information at official website of The Associated Chambers of Commerce & Industry of India, Economic Survey 2017-2018, Confederation of Indian Industry, Annual Report & Website of the Company. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed, and their reliability cannot be assured. Accordingly, no investment decision should be made on the basis of this information. Although, we believe that the industry and market data used in this Draft Red Herring Prospectus is reliable, neither we nor the BRLM nor any of their respective affiliates or advisors have prepared or verified it independently. The extent to which the market and industry data used in this Draft Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

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 – Third party statistical and financial data in this Draft Red Herring Prospectus may be incomplete or unreliable" beginning on page 17 of this Draft Red Herring Prospectus. Accordingly, investment decisions should not be based on such information.

In accordance with the SEBI (ICDR) Regulations, we have included in the section titled "Basis for Issue Price" beginning on page 75 of this Draft Red Herring Prospectus, information pertaining to the peer group companies of our Company. Such information has been derived from publicly available data of the peer group companies.

FORWARD LOOKING STATEMENTS

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

Actual results may differ materially from those suggested by forward-looking statements due to risks or uncertainties associated with expectations relating to, *inter alia*, regulatory changes pertaining to the industries in India in which we operate and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India which have an impact on its business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in the industries in which we operate.

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, assumptions and other factors that may cause the actual results, performance or achievements to be materially different than those contemplated by the relevant forward-looking statements.

Certain important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Our ability to compete effectively;
2. Our Company's inability to meet its working capital requirements or maintain its existing credit facilities;
3. Our Company's inability to meet the consistent quality requirements of its customers or a change in customer preferences;
4. Competition in the industry that we operate;
5. Regulatory changes pertaining to the industries in India in which our Company has its businesses and our ability to respond to them;
6. Our ability to successfully implement our strategy;
7. General economic and political conditions in India and globally, which have an impact on our business activities;
8. Our ability to attract and retain qualified personnel;
9. Any adverse outcome in legal proceedings in which our Company, our Promoters, Directors or key managerial personnel may be involved;
10. Unanticipated turbulence in interest rates; and
11. Equity prices or other rates or prices, the performance of the financial markets in India and globally.

For further discussion of factors that could cause the actual results to differ from our estimates and expectations, please refer to section titled "Risk Factors"; "Our Business"; and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 17; 93; and 137 respectively of this Draft Red Herring Prospectus.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. The forward-looking statements contained in this Draft Red Herring Prospectus are based on the beliefs of our management, as well as the assumptions made by and information currently available to our 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 materializes, or if any of the underlying assumptions prove to be incorrect, the 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.

Our Company, the BRLM, 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 and the BRLM will ensure that investors are informed of material developments until the time of the grant of final listing and trading permissions with respect to Equity Shares being offered in this Issue, by the Stock Exchanges. Our Company will ensure that investors are informed of material developments in relation to statements about our Company in this Draft Red Herring Prospectus, the Prospectus until the Equity Shares are allotted to the investors. Further, in accordance with Regulation 51A of the SEBI (ICDR) Regulations, our Company may be required to undertake an annual updation of the disclosures made in the Draft Red Herring Prospectus and make it publicly available in the manner specified by SEBI.

SECTION II: RISK FACTORS

Any investment in equity securities involves a high degree of risk. You should carefully consider all of the information in this Draft Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. To obtain a more complete understanding, you should read this section together with section titled "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on pages 93 and 137 respectively, as well as the other financial and statistical information contained in this Draft Red Herring Prospectus.

Any of the following risks, as well as the other risks and uncertainties discussed in this Draft Red Herring Prospectus, could have an adverse effect on our business, financial condition, results of operations and prospects and could cause the trading price of our Equity Shares to decline, which could result in the loss of all or a part of your investment. The risks and uncertainties described in this section are not the only risks that we may face. Additional risks and uncertainties not known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Draft Red Herring Prospectus contains forward-looking statements that involve risks 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 and elsewhere in this Draft Red Herring Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are certain risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. You should not invest in this offering unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in the Equity Shares.

The financial information in this section is, unless otherwise stated, derived from our Consolidated Restated Financial Statements prepared in accordance with Indian GAAP, as per the requirements of the Companies Act 2013 and SEBI (ICDR) Regulations. The risk factors have been determined on the basis of their materiality. Some events may not be material individually but may be found to be material collectively, some events may have a material impact qualitatively instead of quantitatively and some events may not be material at present but may have material impacts in the future.

Risks Related to Our Business

- 1. A FMCG MNC is our key customer and accounts for a significant portion of our revenue and our top ten customers account for more than seventy percent (70%) of our revenues. Any failure to maintain our relationship with these customers will have a material adverse effect on our financial performance and results of operations.***

Our top ten customers accounted for more than seventy percent (70%) of our revenues in the past three financial years, including a multinational company in the FMCG sector. Our revenues from our top ten customers was Rs. 1,457.10 Lakhs, Rs. 1,404.80 Lakhs and Rs. 1,395.50 Lakhs for Fiscals 2017, 2016 and 2015, respectively, which accounted for 74.7%, 70.5% and 71.8% of our revenue from operations for such periods. We are dependent on these entities and expect them to continue to be our key customers. Any failure by us to maintain, or a deterioration of, our relationship with these entities will have a material adverse effect on our financial performance and our results of operations. If our relationship with these deteriorates, or is otherwise reduced, we could face the risk of having excess capacity, which we may not be able to easily substitute for with other customers. Further, we are also reliant on the various sectors in which these entities operate and conduct business. If any of these sectors like FMCG, suffer a downturn, for any reason, our results of operations and our financial performance could be adversely affected. In addition, if the reputation of any of these entities is significantly impaired, it could also adversely affect our business, results of operations and financial performance.

- 2. We may face competition from a number of international and domestic third-party logistics companies, which may adversely affect our market position and business.***

While the logistics industry in India is generally fragmented, we may face competition from a number of international and domestic third-party logistics service providers, especially as the trend toward larger-scale logistics providers in India continues. Some of our competitors may have significantly greater financial and marketing resources and operate larger networks than we do. In the regions of India in which we operate, we

face competition from certain regional logistics services providers and the unorganised sector, some of which have market presence in their respective areas of operation. We may also face competition from new entrants into the logistics service industry. If we cannot maintain, or gain, sufficient market presence or are unable to differentiate ourselves from our competitors, we may not be able to compete effectively. Further, if we cannot maintain cost competitiveness within the third-party logistics industry, including, in the event we choose to expand and incur excessive fixed costs or if we experience a disproportionate increase in costs in comparison to our competitors, our customers could choose to service their third-party logistics needs with our competitors rather than us. Our ability to compete effectively may be constrained by the following factors:

- loss of key members of our management and experienced employees (in particular those from our sales force who have established relationships with our key customers and those who have deep sector expertise that we leverage to provide effective solutions for our customers) to our competitors;
- deployment of more advanced technology platforms by our competitors;
- alliances entered into by our competitors with other logistics services providers, increasing their distribution network or resources and technologies that may not be available to us;
- lower cost base of domestic and regional competitors than ours, increasing their cost competitiveness;
- the deployment by our competitors of a more robust fleet of transportation vehicles;
- difficulties entering new sectors that may be dominated by competitors;
- our competitors having a wider domestic and global network of warehouses and delivery centres; and
- existing or new competitors pricing their services with significant discounts.

In addition, increased competition may reduce the growth of our customer base and result in higher selling and promotional expenses. If we are unable to compete effectively with our competitors, we may experience a decline in our revenues and profitability and our business, financial condition and results of operations could be materially and adversely affected.

3. *Delays or defaults in payment by our customers could affect our cash flows and may adversely affect our financial condition and operations.*

We extend credit to certain of our customers for long periods of time and there is no assurance that we will be able to recover outstanding amounts in part, full or at all. We have and may continue to have high levels of outstanding receivables. Our average outstanding receivable days are 60 to 80 days in the past three financial years. Hence, if delays or defaults in client payments continue or increase in proportion to our total revenues, it could negatively affect our cash flows and consequently affect our financial condition and operations. Further, while we may take appropriate action in the event of a non-payment of receivables, there can be no assurance that we will be able to successfully recover outstanding amounts owed to us in part or full, which in turn could affect our cash flows and may adversely affect our financial condition and operations.

4. *Inability to pass on any increase in operating expenses to our customers may adversely affect our business and results of operations.*

Rental expenses for leased space, power and fuel costs (which principally includes electricity and fuel consumed by our warehousing operations), hire charges and transportation expenses (which principally includes the leasing costs of our leased vehicles, the cost of fuel consumed by our reefer trucks and lease expenses for our equipment), labour expenses, employee expenses and security expenses represent some of our most significant operating costs and an increase in such costs or inability to pass on such increased costs to our customers will adversely affect our results of operations. For Fiscal 2017, transportation and warehousing costs represented 79.58% and 4.30%, respectively of our revenue from operations for the FY 2017. Furthermore, increases in the costs of our vendors may increase our costs of securing services from our vendors such as transportation and contract labour services as well as costs of equipment from our vendors, which will also adversely affect our results of operations to the extent we cannot pass these increases on to our customers. The cost of fuel has increased significantly recently and fluctuates significantly due to various factors beyond our control, including, international prices of crude oil and petroleum products, global and regional demand and supply conditions, geopolitical uncertainties, import cost of crude oil, government policies and regulations and availability of alternative fuels. In addition, the Government of India deregulated diesel prices in India removing certain subsidies on diesel prices, and the price of diesel and consequently our fuel cost, have fluctuated significantly in recent periods. Further, rental costs for our leased facilities and pricing for our leased vehicles are subject to potential increases. We cannot assure you that we will be able to renew our leased facilities on favourable terms or continue to lease our vehicles at favourable prices. Although historically we have generally been able to pass on an increase in operating costs to our customers through an increase in our prices, there can be no assurance that we will be

able to pass on any such increase in the future to our customers, either wholly or in part, and our profitability and results of operations may be adversely affected.

5. *We are heavily dependent on trucks, machinery and equipment for our operations. Any breakdown of our trucks, machinery or equipment will have a significant adverse effect on our business, reputation, financial results and growth prospects.*

Our third-party logistics offerings are heavily dependent on trucks, machinery and equipment, including air conditioners, refrigeration infrastructure, data loggers, sorters and conveyors, vehicles and material handling equipment, including reach trucks, forklifts, very narrow aisle trucks and battery-operated pallet trucks. In particular, our reefer trucks and other refrigeration equipment are critical to our temperature-controlled logistics operations, and any failure or breakdown of such trucks or equipment could significantly affect our operations in that business. Any significant malfunction or breakdown of our machinery or equipment may entail significant repair and maintenance costs and cause delays in our operations. Further, if we are unable to repair the malfunctioning machinery or equipment, our operations may need to be suspended until we procure machinery or equipment to replace the same. Any malfunction or breakdown of our machinery or equipment may also cause the quality of products stored with us to be affected, including perishable products in our temperature-controlled logistics operations. Consequently, we may be liable for breach of our contractual obligations with our customers and this could result in significant losses due to damage to our customers' products. Any breach of our obligations may result in termination of our contracts with our customers, which could have an adverse effect on our business, reputation and financial results. Further, we may also be open to public liability from the end consumer for defects in the quality of perishable products we store and transport. Accordingly, any breakdown of our machinery or equipment may have a significant effect on our business, reputation, financial results and growth.

6. *Our business is highly dependent on technology and automation and any disruptions of or failure to update such technology or automation could have an adverse effect on our results and operations.*

We use technology and automation processes throughout our logistics offerings to enable efficient and cost effective operational management to better serve our customers' supply chain needs. Some of our recent technology and automation implementation may not result in the expected efficiencies and benefits we anticipate, which could adversely affect our operations and financial condition. Further, technology is susceptible to outages and technical vulnerabilities, which may result in us incurring additional expenses from time to time. The technology implemented by us is developed by third-party vendors, on whom we rely for the maintenance of our technology, which may result in us incurring additional costs in carrying out such maintenance from time to time. While our maintenance costs typically account for a small portion of our expenses, we may experience significant costs in the event that large-scale maintenance of our technology is required. Our day-to-day operations are heavily dependent on our technology systems; however, we have not implemented disaster recovery systems, which could lead to adverse consequences in the event of disasters affecting our business. As a result, failure to meet our customers' technological demands or to protect against technological disruptions of our operations or operations of our customers could materially and adversely affect our business, financial condition and results of operations. Further, some of our existing technologies and automation processes in the business may become obsolete or perform less efficiently compared to newer and better technologies and automation processes in the future. Our ability to maintain effective technology and automation depends, in part, upon our ability to make timely and cost effective enhancements and additions to the technology and automation underpinning our operational platform and in part on our ability to introduce new technological and automation offerings and services that meet customer demands. We cannot assure you that we will be able to successfully keep up with technological and automation improvements in order to meet our customers' needs, or that the technology and automation developed by others will not render our services less competitive or less attractive. Further, the cost of implementing new technology or automation can be high and we may not be able to recover such costs if the expected efficiencies realised from such technology or automation is not as anticipated or realised at all. In addition, any hardware or software failure relating to our technology could significantly disrupt customer workflows and cause economic losses for which we could be held liable and which could damage our reputation.

7. *The trend toward outsourcing of supply chain management activities, throughout India or within specific sectors, may change, thereby reducing demand for our services.*

Our growth strategy is based on the assumption that the trend of outsourcing of supply chain management and other logistics services will continue, or rise, in the future to a certain extent. Third-party logistics service providers, such as us, are generally able to conduct supply chain management and other logistics services more efficiently than comparable in-house operations run by customers primarily as a result of

expertise, implementation and adoption of technology, efficient management of operations and lower and more flexible employee cost structures. However, many factors could cause a reversal of this trend. For example, our customers may consider the risks in relying on third-party service providers, or they may begin to define these activities as within their own core competencies and decide to perform supply chain and other logistics operations themselves. Our customers may be able to improve the cost structure or invest in technologies for their in-house supply chain and logistics activities, including in particular their labour-related costs, and accordingly, our customers may not outsource their supply chain needs, which could have a material and adverse effect on our business. In addition, some of our multinational customers may change and have, in the past, changed, their third-party logistics provider due to decisions made by management to use a common logistics provider globally. Furthermore, when a customer ceases to outsource portions of its logistics operations to us, the customer may find it less compelling or unattractive to engage us for remaining logistics services, as a result of which some or all of our business with such customer may be adversely affected. In addition, we make investments in storage space on the assumption of continued outsourcing of our customers' logistics needs and a reversal in that trend could result in excess storage space in our distribution centres, which could also result in higher rental costs as a percentage of revenue from operations. Furthermore, if our customers change their logistics strategy by focusing on a new geographic region, this could result in us having excess storage space that becomes unused.

8. *Conditions and restrictions imposed on us by the agreements entered into with some of our customers could adversely affect our business and results of operations.*

Certain of our agreements with our customers impose conditions and restrictions on our operations. Further, a majority of our customer contracts typically have a tenure ranging from one to three years. Further, some of our contracts may be terminated by our clients with or without cause, by giving short notice and without compensation, which may adversely affect our business. Further, in the event we are unable to renew our agreements within the prescribed period, or at all, this may materially affect our business and operations.

9. *A large portion of our transportation operations are conducted through our distribution centres and any damage or disruption of these distribution centres could have an effect on our business and results of operations.*

A large portion of our contract logistics operations is handled through our six (6) trans-shipment centres at Guwahati, Bangalore, Hyderabad, Delhi-UP border, Goa (Ponda) and Kundli (Delhi-Haryana border). Hence, any fires, natural disasters (such as flooding and earthquakes), acts of war, terrorist attacks, strikes and other events, many of which are beyond our control, that destroy, damage or otherwise adversely affect our business, financial condition and results of operations. Although our trans-shipment centres are covered by insurance with respect to such events that are beyond our control, we may not be able to recover any part or all of our business disruption losses that could arise from any disruption of such distribution centres.

10. *Dependence on third-party vendors could have an adverse effect on our business financial condition and results of operations.*

Our ability to service our customers depends on the availability and costs of leased storage space, vehicles used for transport, equipment and adequate work force of independent contractors for operations. We use trucks and reefer trucks used in our temperature-controlled business, owned by third parties on per trip basis. Further, we often engage independent contractors for our skilled and unskilled labour needs and, in the event that such contractors are not available, this may have a material and adverse effect on our operations. We cannot assure you that we will be able to obtain access to preferred third-party vendors for our warehousing space, equipment, vehicles or independent contractors, or at attractive rates or that these vendors will have adequate available capacity to meet our needs or be able to meet our requirements in a timely manner. Further, if we are unable to procure the services of third-party vendors capable of sufficiently scaling up operations in response to increased demand from our customers, we may be compelled to make capital expenditures or seek out costlier or lower quality third-party vendors to meet our needs. Any inability to secure leased spaces, equipment, vehicles or independent contractors or on attractive terms could have an adverse effect on our business, financial condition and results of operations.

11. *We acquire warehouses, transshipment centres, branches on lease basis and hire vehicles for transportation of goods from third parties.*

All of our warehousing and distribution facilities are located in leased premises or have been taken on a lease and licence basis. Many of our current leases or lease and licence agreements are for terms ranging between 11 months to 5 years. If our locations are no longer profitable or if there are other factors to close down a facility, we will generally remain liable to perform our obligations under the underlying lease or lease and licence agreement, which could, among other things, result in payment of rent for the balance of

the rental term. Our obligation to continue making rental payments and fulfil other obligations under these agreements for closed facilities could have a material adverse effect on our business, financial condition and results of operations. In addition, we may fail to negotiate the renewal of our leases or leave and licence agreements for our premises, either on commercially acceptable terms or at all, which could result in increased rental rates for subsequent renewals or setting up of new premises, or to close facilities in desirable locations, affecting our financial condition and operations. Further, many of our rental premises are built-to-suit to specific needs and requirements. If we are unable to renew underlying agreements on favourable terms or at all, we may be forced to move to new facilities and incur significant capital expenditures and others costs in customising such locations to suit needs and requirements. Further, moving also involves costs associated with moving inventory, including potential damage to inventory. These potential increased rental costs and other costs for new facilities could materially and adversely affect our business, financial condition and results of operations.

Our transportation vehicles, in a ratio of around 1:3, are hired from third-party fleet operators. If third-party fleet operators do not provide adequate or reliable vehicles, which can service the needs of our customers, it could cause delays in shipment or damages to goods, which could adversely affect our reputation, financial condition and results of operations.

12. Some of our lease agreements may have certain irregularities.

Our Company has entered into certain lease agreements and leave and license agreements that have not been registered, or are not adequately stamped. Accordingly, such documents may not be produced for enforcement before a court of law until the applicable stamp duty, registration charges, and consequent penalties are paid on such documents. Accordingly, we may be required to incur additional costs in order to adjudicate these agreements before relevant authorities.

13. If we are unable to implement our business and growth strategies effectively, our results of operations may be adversely affected.

Our success depends on our ability to implement our business and growth strategies effectively. While our management typically considers potential revenues, costs and long-term sustainability when implementing its growth strategies, we cannot assure you that we will be able to execute our growth strategies in a timely manner, or at all, or within budget estimates or that we will meet the expectations of our customers. We believe that our business and growth strategies will place significant demands on our senior management and other resources, as well as our operational and technological advancement, and will require us to develop and improve operational, financial and other internal controls. Further, our business and growth strategies may require us to incur indebtedness. Our inability to manage our business and growth strategies could adversely affect our business, financial condition and results of operations. There is no assurance that our strategy of expanding our temperature-controlled logistics services will be as economically beneficial to our Company as we expect or at all. In addition, in anticipation of the introduction and implementation of GST, we intend to strategically invest in large-scale warehousing capacities to capitalise on the new tax regime. However, the introduction and implementation of GST in India may not result in the increase in demand for our large-scale warehousing and technological capacities at all or in the manner we currently expect. We lease our warehousing spaces from third parties and many are subject to long-term contracts and lock-in requirements. We are further identified land for acquisition at Agartala in Tripura and Mysore in Karnataka which will enable the expansion of our warehousing space to 4.62 lakhssquare feet by April, 2019. If we cannot use these excess warehousing capacities, or if we incur penalties for terminating leases because we do not realise increased demand from the introduction and implementation of GST in the magnitude we expect, or at all, we may incur losses, including due to higher rental costs as a percentage of revenue from operations and loss of capital due to the acquisition and construction of our owned warehouses, which could materially and adversely affect our business, financial condition and results of operations.

14. We may not be able to continue or effectively manage expansion through investments in facilities, further technologies and other assets.

We may seek to further expand our business by, among other things, pursuing commercially sustainable opportunities to invest in logistics facilities, technologies and other assets. However, our efforts to continue and effectively manage our expansion may not be successful. If we expand too rapidly, we may encounter financial difficulties in a business downturn. On the other hand, if we fail to expand at a sufficiently rapid pace, we may lose market share and potential customers to our competitors. Our expansion is subject to many risks and uncertainties, including, for example: (i) the growth and development of the third-party logistics market in India; (ii) the development of our businesses in accordance with our projected costs and within our estimated time frame; (iii) consumer spending capacity and purchase and production of goods in

India; and (iv) our delivery of commercially viable services based on new business processes or technologies. We may choose to fund expansion by incurring debt or seeking additional sources of equity financing, which could also affect our future finance costs as well as our overall financial condition and results of operations. Our investments in expansion may not realise immediate returns and could restrict our cash flows if a significant portion of our cash is tied up in expansion projects. Further, our ability to expand our business is dependent on getting the requisite approvals and permits as well as securing ideal locations for our facilities. If we cannot get requisite approvals or permits or are unable to secure strategic locations for our facilities, our business and operations could be adversely affected. We cannot assure you that we will be able to address all the risks involved in expanding our business or that we will be successful in expanding our business beyond our current services or geographic scope.

15. Our employee expense is a significant component of our operating costs. An increase in employee expense could reduce our profitability.

Our operations are highly dependent on skilled, semi-skilled labour including truck drivers. Over the years, our employee expense has been a significant component of our operating costs. In Fiscals 2017, 2016 and 2015, our employee expense was 692.00 Lakhs, 578.00 Lakhs and 511.00 Lakhs, respectively, constituting 3.55%, 3.01% and 2.79%, respectively, of our revenue from operations for such periods. Due to economic growth in the past and the increase in competition for skilled and semi-skilled employees in India, wages in India, in recent years, have been increasing. Further, our plans to expand in order to increase growth will also result in expansion of our work force and may therefore necessitate increased levels of employee compensation. In addition, we may also need to increase our compensation levels to remain competitive in attracting and retaining the quality and number of skilled and semi-skilled employees that our business requires. Finally, our employees' salaries are linked to minimum wage laws in India, and any increase in the minimum wage in any state in which we operate could increase our operating costs. In addition, a shortage in the labour pool or general inflationary pressures will also increase our labour costs. A significant long-term increase in our employee benefit expense could reduce our profitability, which could, among other things, affect our growth, business and financial results.

16. Our business and growth prospects depend on our ability to continue to attract and retain qualified personnel, including our senior management.

We believe the experience of our senior management has been critical to our success and business growth and our continuing success depends on our ability to attract and retain a large group of experienced professionals, especially, since there is a limited availability of experienced professionals in the logistics industry in India. As a result, any loss of the services of any members of our senior management and our failure to recruit and retain a sufficient number of experienced personnel as part of our senior management could materially and adversely affect our business, financial condition and results of operations. In addition, the replacement of members of management may not be straightforward or achievable in a timely manner, and we may be required to wait indefinitely to fill positions until we find suitable candidates. Furthermore, attracting and retaining experienced and qualified personnel could require increasing compensation and benefits payable to such personnel, which could affect our operational costs and accordingly, our financial condition and results of operations.

17. We may be held liable for the payment of wages to the independent contractors we engage in our business.

In order to retain flexibility and ensure timely availability of a pool of skilled and non-skilled workers, our Company engages independent contractors throughout our business. As of September 30, 2017, 214 workers constituting 44.96% of our total workforce were engaged by us on an independent contractor basis. Although our Company does not employ these contractors directly, we may be held responsible for any wage payments to be made to such contractors in the event of default by the third-party agencies who employ them. If we are required to pay the wages of the independent contractors, our results of operations and financial condition could be adversely affected. Further, we could be held liable for the acts committed by, or omission on the part of, personnel engaged by us on an independent contractor basis.

18. We may be subject to labour unrest, slowdowns and increased wage costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal, and legislation that imposes certain financial obligations on employers upon retrenchment. Our employees are not unionised. However, in the event that employees at our facilities seek to unionise, it may become difficult for us to maintain flexible labour policies which may increase our costs and adversely affect our

business. A potential increase in the salary scale of our employees or the disruption in services due to any potential strikes, may affect our business operations.

19. *Improper handling of goods at our facilities could damage our reputation and have an adverse effect on our business, results of operations and financial condition.*

Despite our adoption of technology and automated processes, our facilities continue to rely on our labour force to undertake various activities, enabling us to provide supply chain and logistics services to our customers. Due to our dependence on our labour force to carry out various functions in our supply chain and logistics services, we remain susceptible to risks associated with the improper handling of goods at our facilities. Any shortcoming due to fraudulent activities, theft, negligence, human error, or otherwise by our labour force could damage our reputation, adversely affecting our business, financial condition and results of operations. Further, such activities may also result in legal proceedings being initiated against us, irrespective of whether such allegations have any factual basis.

20. *We face several risks associated with the setting up of our new facilities, which could hamper our growth, cash flows and business and financial condition.*

We allocate a significant part of the cash flows from our business operations for capital expenditures for developing the infrastructure for new facilities and for maintaining our existing facilities. When setting up new facilities, we may encounter cost overruns or delays for various reasons, including, but not limited to, delays in construction, delays in receiving governmental, statutory and other regulatory approvals and permits and delays in, or non-delivery of equipment by suppliers. If any facility that we propose to set up, maintain or renovate is not completed in a timely manner, or at all, our business and results of operations may be adversely affected. Further, our budgeted resources may prove insufficient to meet our requirements due to, among other things, cost escalation, which could drain our internal cash flows or compel us to raise additional capital, which may not be available, on terms favourable to us, or at all. We also face risks specifically for our built-to-suit facilities. We face the risk of not being able to obtain a desired location specific to our customers' requirements, which could affect their supply chain operations and costs as well as our margins on our services provided to them. Further, we may face the risk of having vacant built-to-suit facilities since our facilities are often leased and built-to-suit before we have entered into a service contract with a customer. Hence, we could face the risk of having excess capacity, which we cannot easily substitute for other customers. Any of the foregoing factors could undermine our expansion of facilities and hamper our growth and could adversely affect our business, financial condition and results of operations.

21. *We may require additional financing in the future and our operations could be curtailed if we are unable to obtain required additional financing when needed.*

We may need to raise additional capital from time to time, dependent on business requirements. Some of the factors that may require us to raise additional capital include (i) business growth beyond what the current balance sheet can sustain, (ii) additional capital requirements imposed due to changes in the regulatory regimes to which we are subject or new guidelines, and (iii) significant depletion in our existing capital base due to unusual operating losses. While we do not anticipate seeking additional financing in the immediate future, any additional equity financing may result in dilution to the holders of our outstanding Equity Shares. Additional debt financing may impose affirmative and negative covenants that restrict our freedom to operate our business, including covenants that:

- limit our ability to pay dividends or require us to seek consent for the payment of dividends;
- increase our vulnerability to general adverse economic and industry conditions;
- require us to dedicate a portion of our cash flow from operations to payments on our debt, thereby reducing the availability of our cash flow to fund capital expenditures, working capital and other general corporate purposes;
- limit our flexibility in planning for, or reacting to, changes in our business and our industry;
- limit us from formulating any scheme of amalgamation or reconstruction, merger or demerger; and
- limit us from entering into borrowing arrangements with other banks or financial institutions.

We cannot guarantee that we will be able to obtain additional financing on terms that are acceptable to us, or any financing at all, and the failure to obtain sufficient financing could adversely affect our business operations.

22. *Failure in maintaining the requisite standard for storage of perishable products stored with us or transported by us could have a negative effect on our business.*

In our temperature-controlled logistics operations, we are required to maintain the requisite standard for storage of perishable products that we store and transport. We achieve this through various means, including

by ensuring that our temperature-controlled facilities adhere to specific storage requirements as required by our customers in terms of the agreements entered into with them and deploying data loggers in our reefer trucks to ensure continuous monitoring of temperature. However, if we consistently, or frequently, fail to maintain the prescribed or requisite standards at our temperature-controlled facilities or in our reefer trucks, we may be unable to retain our temperature-controlled logistics customers which will have an adverse effect on our business, growth prospects and our financial results. In particular, given that we are engaged in the storage and transportation of food products, the Food Safety and Standards Act, 2006 requires us to obtain a licence to operate as a ‘food business operator’. Any failure on our part to obtain such licence, or comply with the standards prescribed under the Food Safety and Standards Act, 2006, may result in various sanctions, including fine and imprisonment. Further, under the terms of the agreements entered into with our temperature-controlled logistics customers, if the products delivered by us do not meet the requirements specified by our customers, then our customers may dispose of the products in a manner convenient to them, and the cost of such disposal may be adjusted from payments due to us. Some of the products stored and/or transported by us are perishable in nature. In the event that we fail to maintain the prescribed and/or requisite standards of storage or if the integrity of products that are stored or distributed is compromised, we could be in breach of our contractual obligations to our customers which could lead, among other things, to monetary damages. Furthermore, obtaining insurance coverage with respect to losses incurred in connection with perishable products is often cost prohibitive, such that the cost of insurance can often be greater than the cost of the underlying products. Hence, we may not have adequate insurance coverage or any coverage to mitigate risks associated with losses related to perishable products stored and transported in our temperature-controlled logistics operations. For further details, please see the section entitled “*Our Business– Insurance*” on page 93.

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

Negative publicity, real or perceived, about food quality, illness, injury or other health concerns (including from life-style diseases) or similar issues stemming from food products we store or distribute for our customers in the food and beverage sector could materially and adversely affect us, regardless of whether they pertain to our own temperature-controlled facilities or those operated by others. For example, health concerns about the consumption of meat products or specific events such as outbreaks of food-borne illnesses could lead to changes in consumer preferences, thereby affecting the business of our customers resulting in loss of business to us. In addition, we cannot guarantee that our operational controls and employee training will be effective in preventing food-borne illnesses, food tampering and other food safety issues that may affect our operations. Food-borne illness or food tampering incidents could be caused by customers, employees or food suppliers and transporters and, therefore, could be outside of our control.

24. Conditions and restrictions imposed on us by the agreements governing our indebtedness could adversely affect our ability to operate our business.

As of September 30, 2017 our total outstanding debt were Rs. 4274.91 Lakhs. Our financing agreements governing our borrowings include conditions and restrictive covenants that require us to obtain consents, no-objections or waivers from respective lenders prior to carrying out specified activities or entering into certain transactions. Such restrictive covenants, among other things, restrict our ability to effect a change in our capital structure, formulate any scheme of amalgamation or reconstitution, undertake any new project or expansion or modernization or make capital expenditure, enter into borrowing arrangements either on secured basis or unsecured basis with other banks or financial institutions, undertake guarantee obligations on behalf of any other borrower/organization, declare dividends if our account is running irregular or if any of the terms and conditions of the sanction remain un-complied with by our Company, sell, assign, mortgage, alienate or otherwise dispose off assets charged with our lenders, entering into contractual obligations of a long term nature affecting the our Company financially to a significant extent, undertake any activity other than those indicated in the object clause of the memorandum of association of our Company and any transfer of controlling interest or any drastic change in the management. We cannot assure you that we will be able to obtain approvals to undertake any of these activities as and when required or to comply with such covenants or other covenants in the future. Further, we typically secure these debt obligations with a combination of security interests over our assets and hypothecation of movables and future receivables. The security allows our lenders to sell the relevant assets in the event of our default and to exercise other related rights. Under such financing agreements, we are also required to comply with certain financial covenants, such as maintaining prescribed financial ratios at all times. Further, if we incur more debt or if there is an increase in the applicable interest rates for our existing debt, our interest payment obligations will increase and we may become subject to additional conditions from lenders, including additional restrictions on the operation of our business. The financing agreements that we are party to, or which we may enter into

in the future, may be unilaterally terminated by our lenders or the lenders could decline to lend to us under such agreements. 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. In case we default in any of our outstanding borrowings, we may not be able to declare or issue dividends, without the approval of our lenders. The banks may change the applicable banking policies, increase interest rates or levy penal interest for non-compliances, if any. 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.

25. Our Company, Promoter, Group Companies and Directors are involved in certain legal proceedings and potential litigation. Any adverse decision in such proceedings may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.

Our Company, Promoter, Group Companies and Directors are currently involved in certain legal proceedings. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The summary of outstanding litigation in relation to our Company, our Promoter, Group Companies and Directors as on the date of this Draft Red Herring Prospectus have been provided below in accordance with the materiality policy adopted by our Board. For further details, please see the section entitled “*Outstanding Litigation and Material Developments*” on page 148.

Nature of proceedings	Number of outstanding cases	Amount involved (Rs. in Lakhs)
<i>Cases filed against our Promoter & Director</i>		
Civil	-	--
<i>Cases filed by our Company</i>		
Criminal	3	81.79
Civil	7	112.014
<i>Cases filed against our Company</i>		
Criminal	2	7.50
Civil	4	--
<i>Cases filed by our Promoter & Director</i>		
Criminal	-	--
Civil	-	--
<i>Arbitration matter filed by our Company</i>		
	1	30.43

Decisions in any of the aforesaid proceedings adverse to our interests may have a material adverse effect on our business, future financial performance and results of operations. If the courts or tribunals rule against our Company or our Promoter, Group Companies and Directors, we may face monetary and/or reputational losses and may have to make provisions in our financial statements, which could increase our expenses and our liabilities.

26. Our business is dependent on the road network in India and our ability to utilise our vehicles in an uninterrupted manner. Any disruptions or delays in this regard could adversely affect us and lead to a loss of reputation and/ or profitability.

The transportation and delivery services we provide are dependent on the road network in India. There are various factors which affect road transport such as political unrest, bad weather conditions, natural calamities, road construction, road quality, regional disturbances, fatigue or exhaustion of drivers, improper conduct of the drivers, accidents or mishaps and third-party negligence. Even though we undertake various measures to avoid or mitigate such factors to the extent possible, some of these could cause extensive damage and affect our operations and/or the condition of our vehicles, thereby increasing our operational costs. Also, any such interruption or disruptions could cause delays in the delivery of goods to their destination and/or also cause damage to transported cargo. We may be held liable to pay compensation for losses incurred by our customers in this regard, and/or losses or injuries sustained by other third parties. Further, such delays and/or damage may cause a loss of reputation, which, over a period of time could lead to a decline in business. In the event that goods to be delivered have a short shelf life, such as perishable goods in our temperature-controlled logistics operations, any delay in the delivery of such cargo could also expose us to additional losses and claims. Although, some of these risks are beyond our control, we may still

be liable for the condition of such cargo and their timely delivery and any disruptions or delays could adversely affect us and lead to a loss of reputation and profitability. Under the terms of certain of our agreements with our customers, we are required to facilitate customers' insurance claims for losses on products in transit and to compensate such customers if we fail to do so. In addition, any prolonged or significant downtime of our transportation vehicles or related equipment caused by unforeseen circumstances may cause major disruptions to our operations. In the event we are affected by such prolonged and significant downtime of our vehicles or equipment, our operations and financial performance may be materially and adversely affected.

27. The properties on which our Registered Office and Corporate Office are located are not owned by us, and our inability to continue to use these properties in the future may have an adverse effect on our results of operations and financial results.

Our Corporate Office is in the premises situated at Jhilmil Metro Station Complex, is owned by the Delhi Metro Rail Corporation (DMRC). We have taken these premises on a long term lease of fifteen (15) years. There is no assurance that we will be able to renew our lease agreement for our Corporate Office on favourable terms or at all. We also cannot assure you if DMRC will not terminate the lease prior to the agreed term or may terminate the lease for any non-compliance of the lease terms by our Company. Though the Registered Office is owned by Mr. Sanjay Gupta, one of our Promoters, there is no assurance that we will continue to be permitted to use the location of our Registered Office. If we are unable to continue to use the premises for our Corporate Office or Registered Office, we may face additional costs if we are forced to shift premises, and this may adversely affect our business and operations.

28. Our insurance may be insufficient to cover all losses associated with our business operations.

We procure insurance for our operations against third-party liability, transportation risks, property loss and damage, and workers' compensation for injury and death. Our existing insurance coverage may be insufficient to cover all the risks associated with our business and operations and generally do not cover losses from business interruption. Further, insurance coverage for certain types of risk, and in particular, with respect to certain perishable products that we store and deliver in our temperature-controlled logistics operations, are prohibitively expensive or not available such that we do not maintain coverage on certain types of goods that we store and transport. For example, insurance coverage for handling food and beverages is generally very costly or unavailable. Further, if we are unable to secure vehicular insurance on attractive terms for our reefer trucks, our transportation operations as a part of our temperature-controlled logistics services could be negatively affected. We also cannot assure you that we will renew our existing insurance policies in a timely manner or at all. In the case of an uninsured loss, a loss in excess of insured limits or a loss for which we do not have coverage or coverage is prohibitively expensive, including those caused by natural disasters and other events beyond our control as well as for certain types of perishable goods, we may be required to pay for losses, damages and liabilities out of our own funds, which could materially and adversely affect our business, financial condition and results of operations. Even if our insurance coverage is adequate to cover our direct losses, we may not be able to take remedial actions or other appropriate measures. Furthermore, our claim records may affect the premiums which insurance companies may charge us in the future.

29. Accidents could result in the slowdown or stoppage of our operations and could also cause damage to life and property.

We believe that each of our facilities and transport vehicles have adequate equipment to ensure and meet necessary safety standards. However, certain accidents or mishaps may be unavoidable or may occur on account of negligence in complying with prescribed safety standards. Therefore, although we take all necessary steps to ensure safety, accidents, including human fatalities, may occur and there can be no assurance that our safety measures and the precautions undertaken will be completely effective or sufficient. Further, although we maintain third-party liability insurance, the liability incurred may far exceed the insurance cover. Any accident at our facilities or involving our transport vehicles could also harm our reputation. Such accidents, irrespective of the monetary liability, may have an adverse effect on our business and reputation.

30. We experience the effects of seasonality, which may result in our operating results fluctuating significantly.

Some of our customers' businesses are subject to seasonality, which in turn, affects our business. For instance, our customers in the automobile industry experience higher demands during festival season in India, and our operations from such customers increase accordingly during such periods. As a result of such seasonality, our quarterly financial results may fluctuate significantly. Accordingly, results for any one

quarter are not necessarily indicative of results to be expected for any other quarter and declines in demand during our peak seasonal periods could materially and adversely affect our business, financial condition or results of operations.

31. Our business is affected by prevailing economic conditions in India and indirectly affected by changes in consumer spending capacity in the sectors we serve within India.

Our business is dependent on overall economic conditions in India and any slowdown or other disruption in the production of goods in India or the Indian economy may negatively affect our business in a number of ways, including our financial condition and results of operations. We are also dependent on the macro economic conditions of the various sectors we serve. We cater to customers in a wide variety of sectors, including automotive and engineering, food and agro, FMCG, electronics and technology, paint and dairy. Any disruption or slowdown in these sectors could negatively affect the logistics spending of our customers. Further, any slowdown in consumer spending capacity in India may negatively affect our financial condition and results of operations, since our operations and financial condition are closely linked to the production and consumption of consumer goods in India. Some of our customers are not suppliers of necessity goods, and, consequently, their goods are subject to high price elasticity, and unfavourable economic conditions may result in a reduction of demand for their goods. A fall in the purchasing power of retail and other end consumers, for any reason whatsoever, including rising consumer inflation, changing governmental policies and a slowdown in economic growth may have an adverse effect on our customers' revenues, production levels and profitability, and could in turn negatively affect their demand for our services or the terms on which we provide our services to them.

32. Changing regulations in India could lead to new compliance requirements that are uncertain.

The regulatory environment in which we, and our key customers, operate is evolving and is subject to change. The Government of India may implement new laws or other regulations that could affect the logistics industry or the sectors we serve, which could lead to new compliance requirements. New compliance requirements could increase our costs or otherwise adversely affect our business, financial condition and results of operations. Further, the manner in which new requirements will be enforced or interpreted can lead to uncertainty in our operations and could adversely affect our operations. For instance, as of July 1, 2017, GST in India replaced taxes levied by central and state governments with a unified tax regime in respect of the supply of goods and services for all of India, which we believe will result in fundamental changes to India's third-party logistics industry. However, given the recent introduction of GST in India, there is no established practice regarding the implementation of, and compliance with, GST. Our business and financial performance could be adversely affected by any unexpected or onerous requirements or regulations resulting from the implementation of GST or any changes in laws or interpretation of existing laws, or the promulgation of new laws, rules and regulations relating to GST. Further, as GST is implemented, there can be no assurance that we will not be required to comply with additional procedures and/or obtain additional approvals and licences from the government and other regulatory bodies or that they will not impose onerous requirements and conditions on our operations. Any such changes and the related uncertainties with respect to the implementation of GST may have a material adverse effect on our business, financial condition and results of operations.

33. Natural disasters, fires, epidemics, acts of war, terrorist attacks, civil unrest and other events could materially and adversely affect our business.

Natural disasters (such as typhoons, flooding and earthquakes), epidemics, acts of war, terrorist attacks and other events, many of which are beyond our control, may lead to global or Indian economic instability, which may in turn materially and adversely affect our business, financial condition and results of operations. Our operations may be adversely affected by fires, natural disasters and/or severe weather, which may require us to evacuate personnel or curtail services, may result in damage to a portion of our fleet of vehicles or facilities, resulting in the suspension of operations, and may prevent us from performing services for our customers or generally reduce our productivity. Further, India has witnessed terrorist attacks and civil disturbances in recent years and it is possible that future terrorist attacks or civil unrest as well as other adverse social, economic and political events in India could have a negative effect on us. Such incidents could also create a greater perception that investment in Indian companies involves a higher degree of risk and could have an adverse effect on our business and the price of our Equity Shares.

34. We are required to maintain various licences and permits for our business from time to time. Any failure or delay in obtaining or renewing licences or permits may adversely affect our operations.

Our business is subject to government regulations and we require certain approvals, licences, registrations and permissions for operating our business, some of which may have expired and for which we may have either made or are in the process of making applications for obtaining the approval or their renewal. In addition, we may not be in compliance with certain conditions prescribed under such approvals or licences. Government licences and approvals may also be tied to numerous conditions, some of which may be onerous to our Company and require substantial expenditures. There is no assurance in the future that the licences, approvals and permits applied for or held by us will be issued, approved or renewed in a prompt manner, or at all, under applicable law. Our failure to obtain or timely renew such licences and approvals and comply with the provisions of the applicable laws and regulations could lead to imposition of sanctions by the relevant authorities, including penalties. Furthermore, our failure to obtain or renew licences and approvals could affect our ability to recover under our insurance policies. For details, please see the section entitled “Government and Other Approvals” on page 152. Further, applications for approvals, licences, registrations and permissions for operating our business need to be made within certain timeframes and are often subject to the discretion of relevant authorities. We cannot assure you that we would be able to receive these approvals in a timely manner or at all. In addition, certain government approvals and licences are subject to numerous conditions, some of which may be onerous and may require us to incur substantial expenditure. If we are unable to make applications and renew or obtain necessary permits, licences and approvals on acceptable terms, in a timely manner, at a reasonable cost, or at all, it could materially and adversely affect our financial condition and results of operations. For further details, please see the section entitled “Government and Other Approvals” on page 152.

35. Our inability to deliver products in a timely manner may affect our reputation and business prospects.

Time is of the essence in our business. Our third-party logistics operations are dependent upon timely pick-up and delivery of products that are stored in our distribution centres or that are otherwise distributed by us. However, distribution of such products may be subject to delays including due to factors beyond our control. Any delay in the delivery of products may result in a breach of the contract with the relevant customer and may be grounds for penalties, fines, other damages or termination of such contract. Any inability to retain our customers may harm our reputation and will have an adverse effect on our financial performance and business prospects. Further, a delay in the distribution of perishable products in our temperature-controlled logistics operations may compromise the integrity and quality of the products and could render us susceptible to litigation from our customers and to potential claims from the end consumers of such products. While, thus far, no material proceedings have been initiated against us in this regard, there can be no assurance that we will not face such risks in future or that we will not be subject to litigation.

36. Our transportation operations depend on our ability to generate sufficient transportation volumes to achieve acceptable profit margins or avoid losses.

Our transportation operations are dependent on the availability of sufficient transportation volumes to achieve acceptable margins and avoid losses. The high fixed costs that are typical in our transportation operations do not vary significantly with variations in transportation volumes, and a relatively small change in transportation volumes or the prices we charge to our customers can have a significant effect on our results of operations. Further, difficulties with internal processes or other external adverse influences could lead to shortfalls in revenue. As a result, the success of our business depends on our ability to optimise transportation volumes and revenues. If we are unable to succeed sufficiently at these tasks, we may not be able to achieve acceptable operating or net profit margins, and our business, results of operations and financial condition could be adversely affected.

37. We have had negative net cash flow from investing and financing activities as per restated financial statements. Any negative cash flow in the future would adversely affect our business, results of operations and financial condition.

We had negative net cash flow from investing and financing activities in the financial years 2015, 2016 and 2017. Our cash flows from investing and financing activities are further detailed in the table below:

(Rs. in Lakhs)

Particulars	For the period ended		
	March 31, 2017	March 31, 2016	March 31, 2015
Net Cash from/ (used) in Investing Activities	(924.31)	(16.90)	(1,176.83)
Net Cash from/ (used) in financing Activities	233.07	(47.10)	390.90

Cash flow of our Company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and to make new investments without raising finance from external resources. There can be no assurance that our net cash flow from operating, investing activities will be positive in the future. Any negative cash flows from operating and investment activities in future would adversely affect our business, results of operations and financial condition. For more information regarding cash flows, please refer to the section titled "Financial Information" beginning on page 133 of this Draft Red Herring Prospectus.

Risks Related to India

38. *Economic and political instability could adversely affect economic conditions in India and consequently, our business.*

Our Company is incorporated in India and currently derives all of its revenues from operations in India and all of its assets are located in India. Consequently, our performance and the market price of the Equity Shares may be affected by interest rates, government policies, taxation, social and ethnic instability and other political and economic developments affecting India. Factors that may adversely affect the Indian economy, and hence our results of operations, may include:

- the macroeconomic climate, including any increase in Indian interest rates or inflation;
- any exchange rate fluctuations, the imposition of currency controls and restrictions on the right to convert or repatriate currency or export assets;
- any scarcity of credit or other financing in India, resulting in an adverse effect on economic conditions in India and scarcity of financing for our expansions;
- prevailing income conditions among Indian customers and Indian corporations;
- epidemic or any other public health in India or in countries in the region or globally, including in India's various neighbouring countries;
- volatility in, and actual or perceived trends in trading activity on, India's principal stock exchanges;
- changes in India's tax, trade, fiscal or monetary policies;
- political instability, terrorism or military conflict in India or in countries in the region or globally, including in India's various neighbouring countries;
- occurrence of natural or man-made disasters;
- prevailing regional or global economic conditions, including in India's principal export markets;
- other significant regulatory or economic developments in or affecting India or its retail sector;
- international business practices that may conflict with other customs or legal requirements to which we are subject, including anti-bribery and anti-corruption laws;
- protectionist and other adverse public policies, including local content requirements, import/export tariffs, increased regulations or capital investment requirements;
- logistical and communications challenges;
- downgrading of India's sovereign debt rating by rating agencies;
- difficulty in developing any necessary partnerships with local businesses on commercially acceptable terms and/or a timely basis; and
- Any slowdown or perceived slowdown in the Indian economy, or in specific sectors of the Indian economy, could adversely affect our business, results of operations and financial condition and the price of the Equity Shares.

39. *Financial instability in other countries may cause increased volatility in Indian financial markets.*

The Indian market and the Indian economy are influenced by economic and market conditions in other countries, including conditions in the United States, Europe and certain emerging economies in Asia. Financial turmoil in Asia, Russia and elsewhere in the world in recent years has adversely affected the Indian economy. Any worldwide financial instability may cause increased volatility in the Indian financial markets and, directly or indirectly, adversely affect the Indian economy and financial sector and us. Although economic conditions vary across markets, loss of investor confidence in one emerging economy may cause increased volatility across other economies, including India. Financial instability in other parts of the world could have a global influence and thereby negatively affect the Indian economy. Financial disruptions could materially and adversely affect our business, prospects, financial condition, results of operations and cash flows. The global credit and equity markets have experienced substantial dislocations, liquidity disruptions and market corrections. The dislocation of the sub-prime mortgage loan market in the United States since September 2008, and the more recent European sovereign debt crisis, has led to increased liquidity and credit concerns and volatility in the global credit and financial markets. These and other related events have had a significant adverse effect on the global credit and financial markets as a whole, including reduced liquidity,

greater volatility, widening of credit spreads and a lack of price transparency in the global credit and financial markets. Recent concerns relating to the U.S. Federal Reserve's decision to raise interest rates in the United States have led to increased volatility, particularly in the stock and currency markets in emerging economies. In addition, China is one of India's major trading partners, and there are rising concerns of a possible slowdown in the Chinese economy. The sovereign rating downgrades for Brazil and Russia (and the imposition of sanctions on Russia) have also added to the growth risks for these markets. These factors may also result in a slowdown in India's export growth. In response to such developments, legislators and financial regulators in the United States and other jurisdictions, including India, implemented a number of policy measures designed to add stability to the financial markets. However, the overall long-term effect of these and other legislative and regulatory efforts on the global financial markets is uncertain, and they may not have had the intended stabilising effects. Any significant financial disruption could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

40. *If inflation rises in India, increased costs may result in a decline in profits.*

Inflation rates in India have been volatile in recent years, and such volatility may continue. Increasing inflation in India could cause a rise in the costs of transportation, fuel, rent, wages, raw materials and other expenses. If we are unable to increase our revenues sufficiently to offset our increased costs due to inflation, it could have a material adverse effect on our business, prospects, financial condition, results of operations and cash flows.

Risks Relating to the Offer

41. *Our Promoter will continue to hold a significant equity stake in our Company after the Offer. Further, our Promoter has other interests in our Company in addition to its equity shareholding.*

Following completion of the Offer, our Promoter will continue to hold 69.96% of our Equity Share capital. Our Promoter will therefore have the ability to influence our operations significantly. This will include the ability to appoint Directors to our Board and the right to approve significant actions at Board and at shareholders' meetings including issue of Equity Shares, payment of dividends, determining business plans and mergers and acquisitions strategy. Further, if, in the future, our Promoter is unwilling to dilute its equity stake in our Company and does not, or is unable to, fund us, our growth may be affected. In addition, the trading price of the Equity Shares could be materially adversely affected if potential new investors are disinclined to invest in us because they perceive disadvantages to a large shareholding being concentrated in our Promoter. For details of the stake in our Company held by our Promoter, please see the section entitled "Capital Structure" on page 55. For details of interests of our Promoter in our Company, please see the section entitled "Our Promoter and Promoter Group – Business Interests" on page 126.

42. *We cannot assure payment of dividends on the Equity Shares in the future.*

While our dividend policy is as set out in the chapter entitled "Dividend Policy" on page 132 of this Draft Red Herring Prospectus, the amount of future dividend payments by our Company, if any, will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. Our Company may decide to retain all of its earnings to finance the development and expansion of its business and therefore, we may not declare dividends on the Equity Shares. Additionally, we may, in the future, be restricted by the terms of our loan agreements to make any dividend payments unless otherwise agreed with the lenders.

43. *After the Offer, the price of our Equity Shares may become highly volatile, or an active trading market for our Equity Shares may not develop.*

The price of our Equity Shares on the Stock Exchanges may fluctuate after the Offer as a result of several factors, including: volatility in the Indian and global securities market; our operations and performance; performance of our competitors; adverse media reports about us or the Indian logistics sector generally; changes in the estimates of our performance or recommendations by financial analysts; significant developments in India's economic liberalisation and deregulation policies; and significant developments in India's fiscal regulations. There has been no public market for the Equity Shares of our Company and the price of the Equity Shares may fluctuate after the Offer. If the stock price of the Equity Shares fluctuates after the Offer, investors could lose a significant part of their investment. As at the date of this Draft Red Herring Prospectus, there is no market for the Equity Shares. Following the Offer, the Equity Shares are expected to trade on the Stock Exchanges. There can be no assurance that active trading in the Equity Shares will develop after the Offer or, if such trading develops, that it will continue. Investors might not be able to sell the Equity Shares rapidly at the quoted price if there is no active trading in the Equity Shares.

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

You may be subject to Indian taxes arising out of capital gains on the sale of the Equity Shares. Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of listed equity shares on a stock exchange held for more than 12 months as a capital asset will be subject to capital gains tax in India with effect from February 1, 2018, in addition to the Securities Transaction Tax (“STT”) on the transaction. STT will be levied on and collected by a domestic stock exchange on which the Equity Shares are sold. Any gain realised on the sale of equity shares held for more than 12 months to an Indian resident, which are sold other than on a recognised stock exchange and on which STT has been paid, will be subject to long-term capital gains tax in India to the tune of ten percent (10%) . Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less will be subject to short-term capital gains tax in India. In addition, any gain realised on the sale of listed equity shares for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a higher rate than a transaction where STT has been paid. Capital gains arising from the sale of the equity shares will be exempt from taxation in India in cases where the exemption from taxation in India is provided for under a treaty between India and the country of which the seller is resident. Generally, Indian tax treaties do not limit India’s ability to impose tax on capital gains. As a result, residents of other countries may be liable for tax in India as well as in their own jurisdiction on a gain upon the sale of the equity shares.

45. The Offer Price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Offer.

The initial public offering price will be determined by the Book Building Process and may not be indicative of prices that will prevail in the open market following the Offer. The market price of the Equity Shares may be influenced by many factors, some of which are beyond our control, including:

- the failure of research analysts to cover the Equity Shares after this Offer, or changes in the estimates of
- our performance by analysts;
- the activities of competitors and suppliers;
- future sales of the Equity Shares by our Company or our shareholders;
- investor perception of us and the industry in which we operate;
- our half yearly or annual earnings or those of our competitors;
- developments affecting fiscal, industrial or environmental regulations;
- the public’s reaction to our press releases and adverse media reports; and
- general economic conditions.

As a result of these factors, investors may not be able to resell their Equity Shares at or above the initial public offering price. In addition, the stock market often experiences price and volume fluctuations that are unrelated or disproportionate to the operating performance of a particular company. These broad market fluctuations and industry factors may materially reduce the market price of the Equity Shares, regardless of our Company’s performance. There can be no assurance that the investor will be able to resell their Equity Shares at or above the Offer Price.

Prominent Notes to Risk Factors

1. Initial Public Offer of up to 30,90,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at price of Rs. [●] (including a premium of Rs. [●]) aggregating up to Rs. [●] of which 1,54,800 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue (“the Market Maker Reservation Portion”). The issue less the Market Maker Reservation i.e. Net Issue of 29,35,200 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the “Net Issue”. The Issue and Net Issue will constitute 30.01% and 28.50% respectively of the Post Issue Paid-up Capital of the Company.
2. For six (6) months period ended September 30, 2017 and as at March 31, 2017 and March 31, 2016 our Company’s net worth was Rs.2562.41 lakh, Rs.2181.77 lakh and Rs.1737.07 lakh respectively as per our Company’s Restated Financial Statement.
3. For six (6) months period ended September 30, 2017 and as at March 31, 2017 and March 31, 2016, the net asset value per Equity Share before considering bonus issue was Rs.60.43, Rs.51.46 and Rs.40.97

respectively and after considering bonus issue was Rs. 35.55, Rs. 30.27 and Rs. 24.10 respectively as per our Company's Restated Financial Statement.

4. The average cost of acquisition of Equity Shares by Mr. Sanjay Gupta; Ms. Asha Gupta and Ms. Niti Gupta is Rs.5.88; Rs.6.05; and Rs.6.95. The average cost of acquisition per Equity Share by our Promoters has been calculated by taking the average of the amounts paid by each of our Promoters to acquire the Equity Shares.

Name of the Promoters	Number of Shares held	Average Cost of Acquisition (in Rs.)
Mr. Sanjay Gupta	12,32,500	5.88
Ms. Asha Gupta	54,82,500	6.05
Ms. Niti Gupta	4,89,000	6.95

For further details, please refer to section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer "Related Party Transaction" under chapter titled "Financial Statements as restated" beginning on page 131 of this Draft Red Herring Prospectus.
6. Investors may note that in case of over-subscription in the Offer, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled "Issue Structure" beginning on page 174 of this Draft Red Herring Prospectus.
7. Except as disclosed in the chapter titled "Capital Structure", "Our Promoter and Promoter Group", "Our Management" and "Related Party Transaction" beginning on pages 55, 126, and 131 respectively, of this Draft Red Herring Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus, we have not issued any Equity Shares for consideration other than cash.
9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.
10. Investors are advised to refer to the chapter titled "Basis for Issue Price" beginning on page 75 of the Draft Red Herring Prospectus.
11. Our Company was originally incorporated as a private limited company, at Delhi, India under the Companies Act, 1956 in the name of AVG Logistics Private Limited by way of Certificate of Incorporation dated January 25, 2010. Further, pursuant to conversion of our Company to a public limited company, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi on February 21, 2018. For details of changes in name and registered offices of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 109 of this Draft Red Herring Prospectus.
12. There has been no financing arrangement whereby our Promoter Group, directors of our Promoter, our Directors and their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of filing of the Draft Red Herring Prospectus.
13. For any complaints, information or clarifications pertaining to the Issue, investors may contact the BRLM who has submitted the due diligence certificate to SEBI.

SECTION III: INTRODUCTION

SUMMARY OF INDUSTRY

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Draft Red Herring Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 17 and 133 Draft Red Herring Prospectus.

Overview of Logistics Industry

The growth of the global logistics market is directly related to the development of international trade flow and the current economic environment. Asia Pacific and North America appear to be the most attractive markets for logistics, particularly when it comes to contract service such as third-party logistics. The global logistics market to grow at a CAGR of 6.54% during the period 2017-2021.

The growth of the global logistics market is directly related to the development of international trade flow and the current economic environment. Asia Pacific and North America appear to be the most attractive markets for logistics, particularly when it comes to contract service such as third-party logistics. The global logistics market to grow at a CAGR of 6.54% during the period 2017-2021.

The report covers the present scenario and the growth prospects of the global logistics market for 2017-2021. To calculate the market size, the report considers the revenue generated by different vendors through the sales of logistics services to various industries that include manufacturing, consumer goods, F&B, automotive, and others. There are three major logistics model under global logistics, namely, second-party logistics (2PL), third-party logistics (3PL), and fourth-party logistics (4PL). The report also includes a discussion of the key vendors operating in this market.

(Source: <http://www.wmactionnews5.com>)

In the wake of globalization, the importance of logistics is increasing as more and more, both national and multi-national companies are sourcing, manufacturing and distributing their products and services on a global scale. Thus, the recognition of performance of logistics industry would become prime importance of economic development for India in long term. Favourable government trade policies have resulted in an increased demand for logistics services to keep pace with the increased logistics needs of importers and exporters which provides opportunity for expansion to the existing vendors.

Indian Logistic Industry

The Indian logistics industry is estimated to be worth around US\$ 160 billion in 2016-17 and has grown at a compound annual growth rate (CAGR) of 7.8 per cent over the past five years. Considering the impact of implementation of the Goods and Services Tax (GST), the Indian logistics market is expected to reach about US\$ 215 billion in 2019-20, growing at a CAGR of 10.5%. Improved logistics have huge implications on increasing exports, as a 10% decrease in indirect logistics cost can contribute to around 5-8% of extra exports. India has improved its ranking in the “Logistics Performance Index” (LPI) from 54 in 2014 to 35 in 2016 (Table 7). However, compared to countries like Singapore (rank 5), South Africa (20), Taiwan (25) and China (27), India has some way to go.

Table 7 : Logistics Performance Index: India's ranking

	2007	2010	2012	2014	2016
Overall LPI Ranking	39	47	46	54	35
Efficiency of Customs and Border Management	47	52	52	65	38
Quality of Trade and Transport Infrastructure	42	47	56	58	36
Ease of Arranging Competitively Priced Shipments	40	46	54	44	39
Competences and quality of Logistics Services	31	40	38	52	32
Ability to Track and Trace Consignments	42	52	54	57	33
Timeliness of Deliveries	47	56	44	51	42

Source : World Bank LPI Statistics (2016).

Logistics: Challenges and suggested Action Plan

- High cost of logistics – impacting competitiveness in domestic & global market
- Unfavorable modal mix (Roadways 60%, Railways 30%) and inefficient fleet mix
- Under-developed material handling infrastructure and fragmented warehousing
- Multiple regulatory/policy making bodies with procedural complexities including cumbersome and duplicate processes.
- High dwell time and lack of seamless movement of goods across modes.

Suggested Action Plan

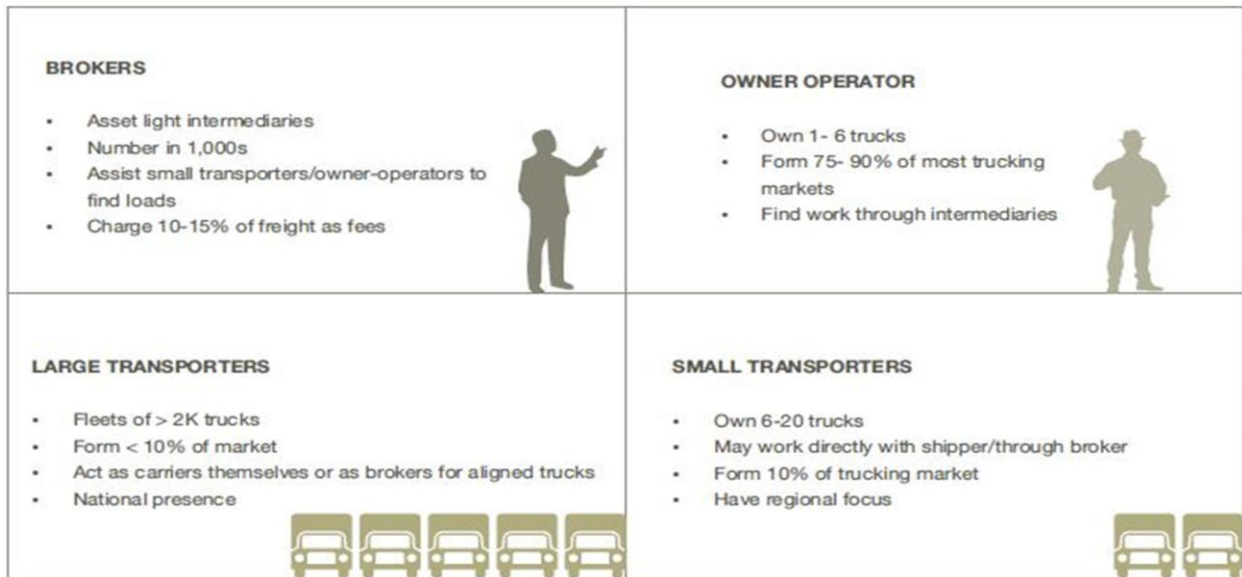
- Formulation of National Integrated Logistics Policy to bring in greater transparency and enhance efficiency in logistics operations.
- Develop integrated IT Platform as a single window for all logistics related matters. This portal will have linkages with the IT systems of Railways, Road transport & Highways, Shipping, Civil Aviation, CBEC, State Transport departments, etc. and act as a Logistics marketplace
- Usher in ease of documentation, faster clearance, digitization.
- Bring down logistics cost to less than 10% of GDP by 2022
- Faster clearances for setting up of logistics infrastructure like Multi-modal logistic parks (MMLPs), Container Freight
- Container Freight Station (CFS), Air Freight Station (AFS) & Inland Container Depot (ICD).
- Introduce professional standards and certification for service providers
- Promote introduction of high-end technologies like high-tech scanning equipment, RFID, GPS, EDI, online Track& Trace systems in the entire logistics network.
- Improve Logistics skilling in the country and increase jobs in Logistics sector to 40 million by 2022.

(Source: Economic Survey 2017-18 [http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume II](http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume-II))

Road Transport in India

Road transportation is a USD 1.5 trillion industry globally. In India it is an especially significant sector, given our reliance on roads for freight transport. Over 60% of total freight in India is transported by road, and road transportation is estimated to be a USD 96 billion industry. Experts expect this industry to grow at a compounded annual rate of 15% over the next 5 years, more than double the expected rate of growth of the economy.

Low entry barriers characterize the Indian trucking market, making it owner-operator driven on the supply side. Moreover, over 90% of the industry comprises of transporters with 25 fleets of under six vehicles. As is common in markets where supply is fragmented and geographically dispersed (another classic example being real-estate), trucking has many intermediaries that help match demand and supply. These agents tend to specialize in certain routes or regions and often provide other services like documentation and carrier verification as well.



In general, freight transportation tends to be far more complex than moving people. Different types of freight have different handling and storage requirements, some of which may require the use of specialized vehicles like tankers and reefers. Even standard vehicles vary based on length and tonnage.

Trucking landscape in India can be segregated as follows:

- By distance: Long haul trucking refers to inter-city trips and short haul refers to intra city trucking within a 50 km radius. The latter usually involves the use of mini-trucks (under 3.5 tonnes) and vans to counter traffic congestion and transportation restrictions.
- By time sensitivity: Express trucking involves operations where routes and departure times are fixed. Express trucks do not halt enroute even on long trips and often have two drivers who drive in relay.
- By consignment size: Trucking may further be split into Full Truckload (FTL) and Less Than Truckload (LTL). The terms are self-explanatory, where for FTL, shippers can book the whole truck, for LTL, only part space can be booked. LTL shippers may need to wait up to a week for goods to be shipped as the carrier tries to fill a truck load with multiple shipments. Experts estimate the Indian LTL market to be lower than 1% of the total road freight. Lack of standardization of trucks and cargo make LTL an underdeveloped and low margin market in India.



Because trucking is fragmented and heavily intermediated, the industry suffers from opaque pricing, which gets exacerbated during demand spikes in harvest and holiday seasons. Trucking brokerage rates can vary between INR 500 to INR 2000 or in the range of 7 – 15% of freight value per transaction. Industry margins depend on macro factors like economic growth, taxes and legislation as well as on fuel prices (which make up close to 50% of total freight transport cost).

The key industry participants include the transport operators which are the trucking companies, and which solicit freight and convey it from one location to another. The transport operators or freight transportation services providers can be broadly classified as small fleet operators (SFOs), medium fleet operators (MFOs) and large fleet operators (LFOs) on the basis of number of trucks they own or control.

For further details, please refer to section titled "Industry Overview" beginning on page 79 of this Draft Red Herring Prospectus.

SUMMARY OF BUSINESS

Business Overview

We are an organised third-party logistics service operator offering logistics solutions to a wide range of customers. We offer Full Truck Load (FTL) and “hub-and-spoke” transportation model and warehousing services to select clients with pan-India distribution network and automated technology systems. Our customers operate in various sectors across India, including automotive and heavy engineering, telecom, food and agro, fast-moving consumer goods (“FMCG”), paint and dairy. We believe our business model enables us to act as a service provider that can comprehensively cover our customers’ logistics requirements. We provide solutions that enable our customers to leverage our distribution network which optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market resulting in lower inventory costs to the customer.

We offer our customers services in three key areas (1) Transportation whereby we provide point-to-point, less-than truck-load, time-definite transportation services; (2) Warehousing whereby we provide warehousing, distribution and cold-chain warehousing; and (3) Value-added Services including, temperature-controlled logistics, supply chain solutions and cargo handling services at integrated check posts.

As of September 30, 2017, we have five (5) trans-shipment centres at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border) and forty nine (49) branches across India, covering twenty three (23) states as of September 30, 2017. We operate two hundred sixty four (264) owned containerised vehicles which are GPS-enabled vehicles, of which eighty five (85) are refrigerated (reefer) trucks. We provide warehousing facilities to select customers and our warehouses are well connected to several manufacturing and consumption clusters in India aggregating to 3.54 lakh square feet. We have warehouses in Modinagar, Ghaziabad, Delhi and Panipat. We are in the process of setting up additional large format, multi-user warehouses in certain strategic locations and have acquired land at Agartala in Tripura and Mysore in Karnataka adding 1.08 lakhs square feet which will enable the expansion of our warehousing space to 4.62 lakhs square feet by April, 2019.

We have adopted technology and processes, including (i) a system on loading and unloading of orders with accuracy; (ii) GPS-enabled trucks that provide real-time visibility of shipments; (iii) data logger for controlling temperature in reefers and (iv) driver and truck management systems. Our warehouses are equipped with information and technology services like warehouse management systems (WMS) for optimal management and storage in the warehouse.

We are certified for Quality Management Systems (ISO 9000-2008) and have certifications from IBA, SEDEX, and FSSAI license for compliance of their standards. We have received the ASSOCHAM Excellence Award – Best Logistics Company of the year 2016. For Fiscals 2017, 2016 and 2015, our revenue from operations was Rs. 19,474.50 Lakhs, Rs. 19218.75 Lakhs and Rs. 18,311.88 Lakhs, respectively, representing a CAGR of 2.07% during the last three Fiscals. For Fiscals 2017, 2016 and 2015, our net profit was Rs. 443.34 Lakhs, Rs. 380.16 Lakhs and Rs. 319.31 Lakhs, respectively, representing a CAGR of 11.56% during the last three Fiscals. For Fiscals 2017, 2016 and 2015, our EBITDA was Rs. 1667.35 Lakhs, Rs. 1599.68 Lakhs and Rs. 1321.19 Lakhs, respectively, representing a CAGR of 8.07% during the last three Fiscals.

Our Strengths

We are an integrated service provider with an extensive network of branches in a fast-growing third-party logistics market.

We are an integrated service provider with five (5) trans-shipment centres for LTL (less than truck load) at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border), forty nine (49) branches spread across India covering 23 states in India. The locations of branches and delivery network enables us to provide our customers with access to multiple destinations for booking and delivery of goods across India. For a map showing our facilities across India, please see “*Our Business – Our Operations*”. We provide certain value-added services as a part of our warehousing services and also design the layout of the value-added services area, the level of technology and automation required and the processes based on the variety and volume of goods being processed. We offer certain additional services to our customers based on their unique requirements like freight forwarding services and cargo handling in respect of goods imported and exported into and outside India, as well as customs clearance to ensure compliance with Indian import-export regulations. We

also provide our customers a mix of transportation services i.e. both road and rail, through the Container Corporation of India (CCI) and Indian Railways for express delivery of their shipments.

Extensive owned fleet of vehicles

We have a low carbon emitting young fleet of Tata Motors, Ashok Leyland and Eicher trucks equipped with a wide range of cargo loads beginning from 1 Ton, used for pick-up and delivery and 9 Ton to 20 Ton used for long haul transportation. The ratio of owned to third party vehicles used in operations is about 1:3 in the FY 2017. We own two sixty four (264) containerized GPS-enabled vehicles of which eight five (85) are refrigerated (reefer) trucks. All of our vehicles ensure timely transport with minimal damage to goods, regardless of weather conditions. Our temperature-controlled reefer trucks maintain a temperature-controlled environment to ensure proper handling of perishable products throughout the transportation process.

Comprehensive solution for transportation requirements.

We provide comprehensive third-party logistics services through transportation, warehousing and temperature-controlled logistics at competitive rates. We provide end-to-end customised logistics, warehousing and supply chain solutions for certain select customers. Our ability to manage most of the supply chain requirements of our customers enables our customers to reduce the number of service providers they engage. Our logistics offerings also present us with cross-selling opportunities for providing warehousing facilities to the customers and other value added services.

Diverse customer base across many sectors.

Our customer base spans many sectors, including retail, pharmaceutical, telecom, automotive and heavy engineering, food and agro, FMCG, paint and dairy. We have a diversified customer base in each of the sectors we serve, including Indian corporate groups and multinational companies. We believe we are well positioned in the logistics industry in India, given our experience and infrastructure suited to serve a wide range of sectors. Over the years, we have built strong customer relations, demonstrating the value proposition we provide and positioning us for expected further growth.

We have installed technology and automation.

We have adopted technology and automated processes for meeting client-specific needs. We have made investments to implement automated technology and processes in order to increase capacity, operating efficiency and costs saving thereby improving our profitability and allowing us to customise services to suit our requirements and those of our customers. We have adopted various technologies and automation in our business, including (i) our Transport Management System (“TMS”), which provides shipment-level visibility from pick-up, to delivery, to billing as well as routing solutions, and is also linked to our enterprise resource planning system, (ii) our Vehicle Tracking System (“VTS”), which enables our customers to track their goods online and in real-time while in transit; (iii) remote access to our delivery vehicles and (iv) a real-time data logging system that enables us to monitor temperature variations in our distribution centres and our reefer trucks used in our temperature-controlled logistics services.

Experienced management team.

We have a management team with vast experience in the logistics industry. The quality of our management team has been critical in achieving our business results. All members of our senior management team have substantial experience. Our Managing Director and CEO Mr. Sanjay Gupta, has over thirty (30) years of experience in the logistics sectors.. Experience in this industry is the key in driving business growth and provides thought leadership on making operations more efficient and productive, including with the use of technology. Our management team is responsible for formulating our strategy, managing our service areas, diversifying our business and sector mix, ensuring strong operating and technology platforms and expanding our customer relationships. Further, our management team enables us to conceptualise and develop new services, effectively markets our services, and develop and maintain relationships with our customers and vendors. Over the years we have had a low attrition rate thereby reducing delays and disruptions in our operations. For further information relating to our management, please see the section entitled “Our Management” on page 114.

Brief Restated Financials of Our Company

(Rs in Lakhs)

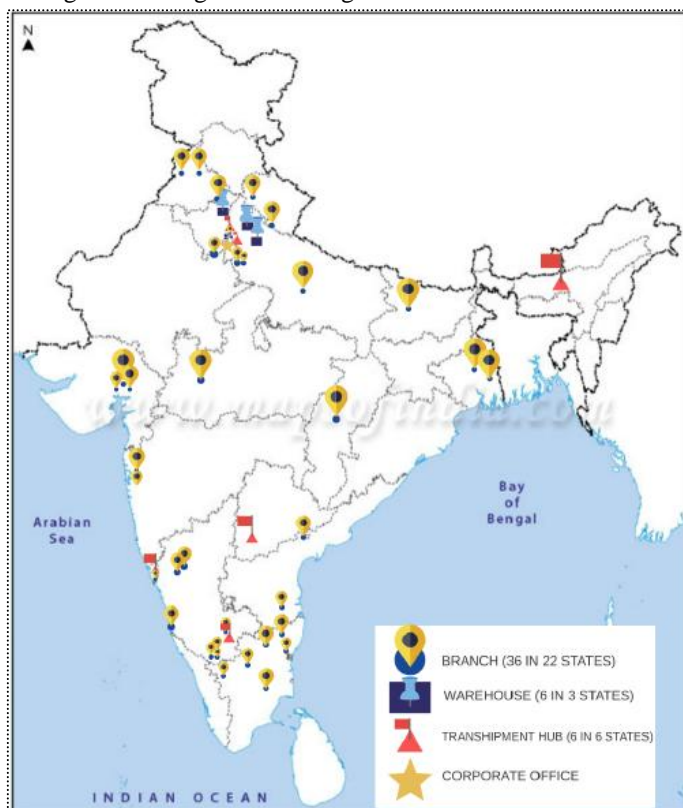
Particulars	As on September 30, 2017	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015
Share Capital	424.00	424.00	424.00	302.50
Reserves	2,138.41	1,757.77	1,313.07	932.91
Net worth	2,562.41	2,181.77	1,737.07	1,235.41
Total Revenue	10,358.78	19,485.88	19,229.35	18,331.70
EBITDA	1,055.06	1,667.35	1,599.68	1,321.19
PAT	345.77	443.34	380.16	319.31

The following table sets forth the revenue from operations attributable to our key service areas for Fiscals 2017, 2016 and 2015:

(Rs. In Lakhs)

Particulars	September 30, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Revenue from Operations				
Warehousing Income	735.55	1,041.75	1,104.39	699.96
Transportation Income	9600.14	18,432.74	18,114.36	17,611.91
Total	10,335.69	19,474.50	19,218.75	18,311.88

The following map shows our network of trans-shipment centres, branches and warehousing facilities used throughout our logistics offerings:



SUMMARY OF FINANCIAL INFORMATION

The following tables set forth the Restated Financial Statements for the financial years ended March 31, 2017, 2016, 2015, 2014, 2013 and for the six months period ended September 30, 2017 and are presented under section titled "Financial Information" beginning on page 133 of this Draft Red Herring Prospectus. The summary financial statements presented below should be read in conjunction with the Restated Financial Statements, the notes and annexures thereto and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 137 of this Draft Red Herring Prospectus.

I. RESTATED STATEMENT OF ASSETS AND LIABILITIES

(Amount in lakhs)						
SR NO.	PARTICULARS	AS AT		AS AT MARCH, 31		
		30-Sep-17	2017	2016	2015	2014
	Equity & Liabilities					
1	Shareholders funds					
	a. Share capital	424.00	424.00	424.00	302.50	200.00
	b. Reserves & surplus	2,138.41	1,757.77	1,313.00	932.91	616.86
	Sub-total	2,562.41	2,181.77	1,737.00	1,235.41	816.86
2	Share Application Money Pending Allotment	-	-	-	-	30.50
3	Non-current liabilities					
	a. Long-term borrowings	1,247.94	1,537.70	1,166.49	1,562.29	1,022.41
	b. Deferred tax liabilities (net)	105.42	135.09	153.23	159.83	110.71
	c. Other Long Term Liabilities	156.25	158.64	49.83	173.81	-
	Sub-total	1,509.61	1,831.43	1,369.55	1,895.92	1,133.12
4	Current liabilities					
	a. Short-term borrowings	3,026.97	2,763.39	2,426.74	1,513.42	1,479.50
	b. Trade payables					
	Due to micro & Small enterprises	-	-	-	-	-
	Due to other	580.24	688.90	461.03	658.95	205.13
	c. Other current liabilities	827.39	497.08	729.46	605.29	85.00
	d. Short term provisions	533.91	390.66	272.90	187.40	308.01
	Sub-total	4,968.51	4,340.03	3,890.14	2,965.06	2,077.64
	Total (1 + 2 + 3 + 4)	9,040.53	8,353.23	6,996.76	6,096.39	4,058.12
	Assets					
5	Non-current assets					
	a. Fixed assets					
	i. Property, Plant and Equipment	2,084.27	2,114.28	1,666.85	2,110.39	1,341.11
	ii. CWIP	5.40	5.40	-	-	-
	b. Long term loans & advances	304.66	305.37	158.37	-	-
	Sub-total	2,394.33	2,425.06	1,825.23	2,110.39	1,341.11

6	Current assets						
	a. Current Investments	-	-	84.33	70.18	100.49	225.40
	b. Trade receivables	4,505.10	4,193.21	3,729.90	2,958.39	2,382.19	1,585.66
	c. Cash and bank balances	210.75	204.27	41.53	24.03	22.82	27.30
	d. Short term loans & advances	1,930.35	1,530.70	1,315.77	933.40	211.50	138.50
	e. Other current assets						
	Sub-total	6,646.21	5,928.17	5,171.53	3,986.00	2,717.01	1,976.86
	Total (4 + 5)	9,040.53	8,353.23	6,996.76	6,096.39	4,058.12	2,951.18

Note:- The above statement should be read with Notes to Restated Summary Statement of Profit and Loss, Cash Flows and Significant Accounting Policies appearing in Annexures II, III and IV

II. RESTATED STATEMENT OF PROFIT AND LOSS

(Amount in lakhs)

SR NO.	PARTICULARS	FOR THE YEAR ENDED MARCH, 31					
		FOR THE PERIOD ENDED 30-Sep-17	2017	2016	2015	2014	2013
1	INCOME						
	Revenue from Operations	10,335.69	19,474.50	19,218.75	18,311.88	13,031.82	9,625.06
	Other income	23.09	11.38	10.60	19.82	9.43	6.86
	Total revenue (A)	10,358.78	19,485.88	19,229.35	18,331.70	13,041.25	9,631.92
2	EXPENDITURE						
	Operating Cost	8,375.71	16,335.74	16,329.28	15,864.63	11,318.12	8,501.75
	Employee benefit expenses	514.19	692.15	578.31	511.47	351.13	270.57
	Finance costs	302.04	549.38	562.15	428.70	299.45	180.72
	Depreciation and amortization expenses	288.16	477.50	463.96	408.68	231.90	61.20
	Other expenses	413.82	790.63	722.08	634.41	442.32	339.68
	Total expenses (B)	9,893.92	18,845.41	18,655.78	17,847.89	12,642.92	9,353.92
3	Net profit/ (loss) before exceptional, extraordinary items and tax, as restated (A-B)	464.86	640.47	573.57	483.81	398.33	278.00
	Exceptional items	-	-	-	-	-	-
4	Net profit/ (loss) before extraordinary items and tax, as restated	464.86	640.47	573.57	483.81	398.33	278.00
	Extraordinary items	-	-	-	-	-	-
5	Net profit/ (loss) before tax, as restated	464.86	640.47	573.57	483.81	398.33	278.00
	Tax expense:						
	(i) Current tax	148.75	215.27	200.00	115.38	93.29	24.66
	(ii) Deferred tax (asset)/liability	(29.67)	(18.14)	(6.59)	49.12	42.97	62.86
6	Total tax expense	119.09	197.13	193.41	164.50	136.26	87.52
7	Profit/ (loss) for the year/ period, as restated	345.77	443.34	380.16	319.31	262.06	190.48

Note-: The above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Cash Flows and Significant Accounting Policies appearing in Annexures I, III and IV.

III. RESTATED CASH FLOW STATEMENT

(Amount in lakhs)

SR NO.	PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
		30-Sep-17	2017	2016	2015	2014	2013
A.	Cash flow from Operating Activities						
	Net Profit / (Loss) before Extraordinary items & Tax	464.86	640.47	573.57	483.81	398.33	278.00
	<u>Adjustments for :</u>						
	Depreciation & Amortisation	288.16	477.50	463.96	408.68	231.90	61.20
	Profit (Loss) on sale of assets	(15.49)	0.27	1.95	-	0.10	-
	Provision for Gratuity for previous years	34.87	-	-	-	-	-
	Finance Costs	302.04	549.38	562.15	428.70	299.45	180.72
	Interest Income	(4.47)	(7.49)	(7.66)	(4.39)	(1.52)	(0.70)
	Operating Profit (Loss) before working capital changes	1,069.97	1,660.12	1,593.97	1,316.80	928.25	519.22
	<u>Changes in working capital :</u>						
	<u>Adjustments for (increase) decrease in operating assets :</u>						
	Trade receivables	(311.89)	(463.31)	(771.52)	(576.20)	(796.53)	(539.08)
	Short Term Loans & Advances	(399.66)	(214.93)	(382.36)	(721.90)	(73.00)	(22.27)
	Long Term Loans & Advances	0.71	(147.00)	(158.37)	-	-	(0.00)
	Other Current Assets	-	84.33	(14.14)	30.31	124.90	(221.38)
		-	-	-	-	-	-
	<u>Adjustments for increase/ (decrease) in operating liabilities :</u>						
	Trade payables	(108.66)	227.87	(197.91)	453.82	83.49	40.72
	Other current Liabilities	330.31	(232.38)	124.17	520.29	54.91	12.46
	Short term Provisions	143.25	117.76	85.50	(120.61)	(20.91)	32.41
		(345.93)	(627.66)	(1,314.64)	(414.28)	(627.13)	(697.13)
	Cash flow from extraordinary items						
	Cash generated from Operations	724.04	1,032.46	279.32	902.51	301.12	(177.91)
	Net income tax (Paid) / refunds	(148.75)	(215.27)	(200.00)	(115.38)	(93.29)	(24.66)
	Net cash Flow from/ (used in) Operating Activities (A)	575.28	817.19	79.32	787.13	207.83	(202.56)
B.	Cash flow from Investing Activities						
	Capital expenditure on Fixed assets, including capital advances	(266.60)	(931.81)	(24.56)	(1,181.22)	(598.84)	(398.74)
	Proceeds from Sale of Fixed assets	23.95	2.57	2.19		0.05	
	Interest Received	4.47	7.49	7.66	4.39	1.52	0.70

Net cash Flow from/ (used in) Investing Activities (B)	(238.19)	(921.74)	(14.72)	(1,176.83)	(597.27)	(398.04)
C. Cash flow from Financing Activities						
Proceeds from Issue of Equity Shares	-	-	121.50	72.00	59.50	95.00
Proceeds from long term borrowings	(289.76)	371.21	(395.79)	713.68	169.51	150.92
Repayment of long term borrowings	(2.39)	108.81	(123.98)	-	-	-
Net Increase / (decrease) in working capital borrowings	263.59	336.64	913.32	33.92	455.40	547.86
Finance Cost	(302.04)	(549.38)	(562.15)	(428.70)	(299.45)	(180.72)
Net cash Flow from/ (used in) Financing Activities (C)	(330.61)	267.29	(47.10)	390.90	384.96	613.06
Net Increase / (decrease) in Cash & cash Equivalents (A+B+C)	6.49	162.73	17.50	1.21	(4.48)	12.45
Cash & Cash Equivalents at the beginning of the year	204.27	41.53	24.03	22.82	27.30	14.85
Cash & Cash Equivalents at the end of the year	210.75	204.27	41.53	24.03	22.82	27.30

Notes:

1. The Cash Flow Statement has been prepared under indirect method as set out in Accounting Standard - 3 on Cash Flow Statement, specified under the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of Companies (Accounts) Rules, 2014).
2. The above statement should be read with Notes to Restated Summary Statement of Asset and Liabilities, Statement of Profit and Loss and Significant Accounting Policies as appearing in Annexures I, II and IV.

THE ISSUE

The following is the summary of the Issue.

Issue of Equity Shares	Upto 30,90,000 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
<i>Out of which:</i>	
Market Maker Reservation Portion	Upto 1,54,800 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
Net Issue to the Public	Upto 29,35,200 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
<i>Out of which:</i>	
Allocation to QIBs	Not more than 14,66,400 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
Allocation to Retail Individual Investors for upto Rs.2.00 lakhs	Not less than 10,27,200 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
Allocation to other investors for above Rs.2.00 lakhs	Not less than 4,41,600 Equity Shares of Rs.10 each fully paid-up of our Company for cash at a price of Rs.[●] per Equity Share aggregating to Rs.[●] lakhs.
Pre and Post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	72,08,000 Equity Shares of Rs.10 each
Equity Shares outstanding after the Issue	1,02,98,000 Equity Shares of Rs.10 each
Objects of the Issue	Please refer to the section titled "Objects of the Issue" beginning on page 65 of this Draft Red Herring Prospectus.

This issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. For further details, please refer to section titled "Issue Related Information" beginning on page 167 of this Draft Red Herring Prospectus.

Allocation to all categories shall be made on a proportionate basis subject to valid Bids received at or above the Issue Price. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the BRLM and NSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

The present issue has been authorised by our Board by way of resolution passed at its meeting held on February 01, 2018 and by our Shareholders by way of a special resolution passed pursuant to Section 62(1)(c) of the Companies Act, 2013 at the EGM held on February 06, 2018.

GENERAL INFORMATION

Our Company was originally incorporated as a private limited company, at Delhi, India under the Companies Act, 1956 in the name of AVG Logistics Private Limited by way of Certificate of Incorporation dated January 25, 2010. Further, pursuant to conversion of our Company to a public limited company, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi on February 21, 2018. For details of changes in name and registered offices of our Company, please refer to the section titled "History and Certain Corporate matters" beginning on page 109 of this Draft Red Herring Prospectus.

Registered Office of our Company

AVG Logistics Limited
 Shop No. 25, DDA Market
 Savita Vihar, Delhi 110092, India.
 Telephone: +91 11 4567 4071
 CIN: U60200DL2010PLC198327
 Website: www.avglogistics.com
 Email id: compliances@avglogistics.com

Corporate Office of our Company

AVG Logistics Limited
 102, 1st Floor (above State Bank of India),
 Jhilmil Metro Station Complex, Delhi-110095, India.
 Telephone: +91-11-22124356
 Facsimile: +91-11-22124356

Designated Stock Exchange

EMERGE Platform of National Stock Exchange of India Limited
 Exchange Plaza, Plot No. C/1, G Block,
 Bandra-Kurla Complex
 Bandra (East), Mumbai - 400051,
 Maharashtra, India

Address of the Registrar of Companies

Our Company is registered at the Registrar of Companies, Delhi, located at 4th floor, IFCI Tower, 61, Nehru Place, New Delhi 110019, India.

Board of Directors

Our Company's board comprises of the following Directors:

Name, Nature of Directorship, DIN and PAN	Age	Residential Address
Mr. Sanjay Gupta Managing Director & Chief Executive Officer DIN: 00527801 PAN: AAGPG6498N	50 years	423, Kanungo Apartment, Indraprastha. Extn, Patparganj, New Delhi- 110092, India.
Ms. Asha Gupta Whole Time Director DIN: 0286495 PAN: AETPG8803J	49 years	423, Kanungo Apartment, Indraprastha. Extn, Patparganj, New Delhi- 110092, India.
Mr. Shyam Sunder Soni Chairman & Non- Executive DIN: 00396429 PAN: APZPS3455H	56 years	D-17, Sector 41, Noida -201303, Uttar Pradesh, India.
Mr. Bishwanath Shukla Independent Director	64 years	D 121, Ground Floor, Saket, New Delhi - 110017, India.

Name, Nature of Directorship, DIN and PAN	Age	Residential Address
DIN: 02257584 PAN: AZTPS7478Q		
Mr. Suresh Kumar Jain Independent Director DIN: 05103064 PAN: ABPPJ6016P	64 years	Flat no. 40, Nepeansea Road, Malabar Hills, S.O. Mumbai- 400006, India.

For further details of the Board of Directors, please refer to the section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

Company Secretary and Compliance Officer

Ms. Parul Jain

AVG Logistics Limited

102, 1st Floor (above State Bank of India),
 Jhilmil Metro Station Complex, Delhi-110095, India.
 Telephone: +91-11-22124356
 Facsimile: +91-11-22124356
 CIN: U60200DL2010PTC198327
 Website: www.avglogistics.com
 Email id: cs@avglogistics.com

Chief Financial Officer of our Company

Mr. Arun Kumar Goel

AVG Logistics Limited

102, 1st Floor (above State Bank of India),
 Jhilmil Metro Station Complex, Delhi-110095, India.
 Telephone: +91-11-22124356
 Facsimile: +91-11-22124356
 CIN: U60200DL2010PTC198327
 Website: www.avglogistics.com
 Email id: cfo@avglogistics.com

Investor Grievances

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

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

Further, the investor shall also enclose the Acknowledgment Slip from the Designated Intermediaries in addition to the documents/information mentioned hereinabove.

Book Running Lead Manager	Legal Counsel to the Issue
Systematix Corporate Services Limited The Capital, A-Wing, No.603-606 6 th Floor, Plot No.C-70, G, Block, Bandra Kurla Complex Bandra (East), Mumbai 400 051, India. Telephone: +91-22-6704 8600 Facsimile: +91-22-6704 8629 Email: avgipo@systematixgroup.in Contact Person: Amit Kumar	Desai & Diwanji Advocates & Solicitors Lentin Chambers, Dalal Street Fort, Mumbai 400 001, India. Telephone: +91-22-3984 1000 Facsimile: +91-22-2265 8245 Email: prachi.doshi@desaidiwanji.com Contact Person: Ms. Praachi Doshi

Website: www.systematixgroup.in
 SEBI registration number: INM 000004224
 CIN: L91990MP1985PLC002969

Registrar to the Issue

Link Intime India Private Limited
 C 101, 247 Park,
 L.B.S. Marg, Vikhroli (West)
 Mumbai 400 083, India
 Telephone: +91-22-4918 6200
 Facsimile: +91 -22-4918 6195
 Email: avglogistics.ipo@linkintime.co.in
 Contact Person: Shanti Gopalkrishnan
 Website: www.linkintime.co.in
 SEBI Registration Number: INR000004058
 CIN: U67190MH1999PTC118368

Statutory & Peer Review Auditors

M/s. Prakash K Prakash, Chartered Accountants
 B-1, Sagar Apartments,
 6, Tilak Marg, New Delhi – 110001, India.
 Telephone: +91 11 2338 8753
 Facsimile: +91 11 2307 2601
 E-mail: dgupta@pkpconsult.com
 Contact Person: Mr. Dhiraj Gupta
 Firm Registration 0000415N
 Membership No.: 505205
 Peer Review Certificate No: 010463

Bankers to our Company

Punjab National Bank
 SME, 372 FIE Industrial Area,
 Patparganj, Delhi-110092, India.
 Telephone: +91-11-2216 5410/5711
 Email: bo4904@pnb.co.in
 Contact Person: Mr. Rupesh Kumar
 Website: www.pnbindia.in
 SEBI registration number: INM000000750

Bankers to our Issue

ICICI Bank Limited
 Capital Market Division, 1st Floor, 122, Mistry Bhavan
 Dinshaw Vachha Road,
 Backbay Reclamation, Churchgate
 Mumbai — 400020, India.
 Telephone: +91-22- 6681 8932/923/924
 Facsimile: +91-22- 2261 1138
 Email: shweta.surana@icicibank.com
 Contact Person: Ms. Shweta Surana
 Website: www.icicibank.com
 SEBI registration number: INBI00000004
 CIN: L65190GJ1994PLCO21012

Syndicate Member

Name	[●]
Correspondence Address:	[●]
Tel No.:	[●]
Fax No.:	[●]
E-mail:	[●]
Website:	[●]
Contact Person:	[●]
SEBI Registration No:	[●]

Statement of *inter se* allocation of Responsibilities for the Issue

Systematix Corporate Services Limited is the sole BRLM to the Issue and all the responsibilities relating to co-ordination and other activities in relation to the Issue shall be performed by them and hence a statement of inter-se allocation of responsibilities is not required.

Self-Certified Syndicate Banks (SCSBs)

The list of banks that have been notified by SEBI to act as the SCSBs for the ASBA process is provided on the website of SEBI at <http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries>, as updated from time to time. For a list of branches of the SCSBs named by the respective SCSBs to receive the ASBA Forms from the Designated Intermediaries, see the above-mentioned link.

Registered Brokers

The list of the Registered Brokers, including details such as postal address, telephone number and e-mail address, is provided on the websites of the NSE at www.nseindia.com, as updated from time to time.

Registrar to the Issue and Share Transfer Agents

The list of the RTAs eligible to accept Bid cum application forms at the Designated RTA Locations, including details such as address, telephone number and e-mail address, are provided on the websites of Stock Exchange of NSE at www.nseindia.com, as updated from time to time.

Collecting Depository Participants

The list of the CDPs eligible to accept Bid cum application forms at the Designated CDP Locations, including details such as name and contact details, are provided on the websites of Stock Exchange of NSE at www.nseindia.com, as updated from time to time.

The list of branches of the SCSBs named by the respective SCSBs to receive deposits of the application forms from the Designated Intermediaries will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time.

Experts

Our Company has received written consent from the Statutory Auditors namely, M/s. Prakash K Prakash, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013, in respect of the reports of the Statutory Auditors on the Restated Financial Statements, each dated 29.01.2018 and the Statement of Tax Benefits dated 29.01.2018, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Our Company has received written consent from M/s. Prakash K Prakash, Chartered Accountants to include their name as required under Section 26(1)(a)(v) of the Companies Act, 2013 in this Draft Red Herring Prospectus and as an "Expert" as defined under Section 2(38) of the Companies Act, 2013 in respect to the industry report, included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus.

Brokers to the Issue

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

Credit Rating

As the Issue is of Equity Shares, credit rating is not required.

Trustees

As the Issue is of Equity Shares, the appointment of trustees is not required.

Debenture Trustees

As the Issue is of Equity Shares, the appointment of Debenture trustees is not required.

IPO Grading

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

Monitoring Agency

In terms of Regulation 16(1) of the SEBI (ICDR) Regulations, since the size of the present Issue is less than Rs.10,000 lakhs, our Company is not required to appoint a monitoring agency for the purposes of this Issue.

Although in terms of the Securities Listing Regulations, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

Appraising Entity

None of the purposes for which the Net Proceeds are proposed to be utilized have been financially appraised by any banks or financial institution.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus and the Bid-cum-Application Forms. The Price Band, the Bid lot size for the issue will be decided by our company and in consultation with the BRLM, which would be announced at least five (5) Working Days before the opening of the Bid/Issue. The Issue Price shall be determined by our Company, in consultation with the BRLM, in accordance with the Book Building Process, after the Bid/ Issue Closing Date.

Principal parties involved in the Book Building Process are:-

- Our Company;
- The Book Running Lead Manager in this case being Systematix Corporate Services Limited, the Syndicate Member(s) who are intermediaries registered with SEBI/ registered as brokers with National Stock Exchange of India Limited and eligible to act as Underwriters. The Syndicate Member(s) will be appointed by the BRLM;
- The Registrar to the Issue and
- The Designated Intermediaries

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

We will comply with the SEBI (ICDR) Regulations and any other ancillary directions issued by SEBI for this Issue. In this regard, we have appointed Systematix Corporate Services Limited as the Book Running Lead Manager, respectively to manage the Issue and procure subscriptions to the Issue.

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

Illustration of Book Building Process and Price Discovery Process

For an illustration of the Book Building Process and the price discovery process, please refer to section titled "Issue Procedure – Part B – Basis of Allocation – Illustration of Book Building Process and Price Discovery Process" beginning on page 179 of this Draft Red Herring Prospectus

Steps to be taken by the Bidders for Bidding:

- (1) Check eligibility for making a Bid (see chapter titled "Issue Procedure" on page 179 of this Draft Red Herring Prospectus;
- (2) Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
- (3) Ensure correctness of your PAN, DP ID and Client ID mentioned in the Bid cum Application Form. Based on these parameters, the Registrar to the Issue will obtain the Demographic Details of the Bidders from the Depositories.
- (4) Except for Bids on behalf of the Central or State Government officials, residents of Sikkim and the officials appointed by the courts, who may be exempt from specifying their PAN for transacting in the securities market, for Bids of all values ensure that you have mentioned your PAN allotted under the Income Tax Act in the Bid cum Application Form. The exemption for Central or State Governments and officials appointed by the courts and for investors residing in Sikkim is subject to the Depository Participant's verification of the veracity of such claims of the investors by collecting sufficient documentary evidence in support of their claims
- (5) Ensure that the Bid cum Application Form is duly completed as per instructions given in the Prospectus and in the Bid cum Application Form;

Bid / Issue Programme

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

Events	Indicative Date
Bid / Issue Opening Date	[●]
Bid / Issue Closing Date	[●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	[●]
Allotment of Shares / Unblocking of Funds	[●]
Credit of Equity Shares to demat accounts of Allottees	[●]
Commencement of trading of the Equity Shares on the Stock Exchange	[●]

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

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

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

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

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

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

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid Cum Application Form, for a particular Bidder, the details as per the Bid file received from the Stock Exchange

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

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time before the Issue Opening Date without assigning any reason thereof.

If our Company withdraws the Issue anytime after the Issue Opening Date but before the allotment of Equity Shares, a public notice within two (2) Working Days of the Issue Closing Date, providing reasons for not proceeding with the Issue shall be issued by our Company. The notice of withdrawal will be issued in the same newspapers where the pre-Issue advertisements have appeared and the Stock Exchange will also be informed promptly.

The BRLM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one (1) working Day from the day of receipt of such instruction. If our Company withdraws the Issue after the Issue Closing Date and subsequently decides to proceed with an Issue of the Equity Shares, our Company will file a fresh Draft Red Herring Prospectus with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is subject to obtaining (i) the final listing and trading approvals of the Stock Exchange with respect to the Equity Shares issued through the Draft Red Herring Prospectus, which our Company will apply for only after Allotment; and (ii) the final RoC approval of the Prospectus.

Underwriting

The Issue is 100% underwritten by the BRLM in their capacity of Underwriter to the issue. Pursuant to the terms of the Underwriting Agreement dated February 21, 2018 entered into by us with Underwriters, the obligations of the Underwriters are subject to certain conditions specified therein. The Underwriters are registered with SEBI or registered as brokers with the stock exchange. The Details of the Underwriting commitments are as under:

(Rs. in lakhs)

Name, Address, Telephone, Fax, and Email of the Underwriters	Indicated number of Equity Shares to be Underwritten*	Amount Underwritten**	% of the total Issue size Underwritten
Systematix Corporate Services Limited A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India. Telephone: +91-22- 6704 8000 Facsimile: +91-22- 6704 8022 Email: avgipo@systematixgroup.in Contact Person: Ritu Sharma Website: www.systematixgroup.in SEBI registration number: INM 000004224 CIN: L91990MP1985PLC002969	2,730,000	[●]	100%

* Includes 1,54,800 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker in its own account

**After the determination of the Issue Price, our Company will enter into the Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

In the opinion of the Board of Directors of our Company, the resources of the abovementioned Underwriter are sufficient to enable them to discharge their respective obligations in full.

Details of Market Making Arrangement for the Issue

Our Company has entered into Market Making Agreement dated February 21, 2018 with the following Market Maker to fulfill the obligations of Market Making for this issue:

Name	Systematix Shares & Stocks (India) Limited
Correspondence Address:	A/603-606, The Capital, Plot No. C 70, G Block, Bandra-Kurla Complex, Bandra (East), Mumbai 400051, Maharashtra, India.
Tel No.:	+91-22-6704 8000
Fax No.:	+91-22-6704 8022
E-mail:	marketmaker@systematixshares.com
Website:	www.systematixshares.com
Contact Person:	Rajkumar Gupta
SEBI Registration No:	INB231132730/ INF231132730/ INE231132730

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations and the circulars issued by the NSE and SEBI regarding this matter. Following is a summary of the key details pertaining to the Market Making Arrangement:

1. The Market Maker(s) (*individually or jointly*) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the stock exchange. Further, the Market Maker(s) shall inform the exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The prices quoted by Market Maker shall be in compliance with the Market Maker Spread Requirements and other particulars as specified or as per the requirements of the NSE EMERGE Platform and SEBI from time to time.
3. The minimum depth of the quote shall be Rs.1,00,000. However, the investors with holdings of value less than Rs.1,00,000 shall be allowed to offer their holding to the Market Maker(s) (*individually or jointly*) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
4. The Market Maker shall not sell in lots less than the minimum contract size allowed for trading on the EMERGE Platform of NSE (in this case currently the minimum trading lot size is [●] equity shares; however the same may be changed by the EMERGE Platform of NSE from time to time).
5. After a period of three (3) months from the market making period, the Market Maker would be exempted to provide quote if the Shares of Market Maker in our Company reaches to 25% of Issue Size. Any Equity Shares allotted to Market Maker under this Issue over and above 1,54,800 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduces to 24% of Issue Size, the Market Maker will resume providing two (2) way quotes.
6. The Market Maker shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. The spread (difference between the sell and the buy quote) shall not be more than 10% or as specified by the Stock Exchange. Further, the Market Maker (s) shall inform the exchange in advance for each and every black out period when the quotes are not being issued by the Market Maker (s).
7. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, NSE may intimate the same to SEBI after due verification.
8. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
9. There would not be more than five (5) Market Makers for a script at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors.

10. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
11. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
12. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non-controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
13. The Market Maker(s) shall have the right to terminate said arrangement by giving a three (3) months notice or on mutually acceptable terms to the BRLM, who shall then be responsible to appoint a replacement Market Maker(s). In case of termination of the abovementioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the BRLM to arrange for another Market Maker in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations. Further our Company and the BRLM reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed five (5) or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our registered office from 11.00 a.m. to 5.00 p.m. on Working Days.
14. **Risk containment measures and monitoring for Market Makers:**
NSE Emerge Exchange will have all margins, which are applicable on the NSE main board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. NSE can impose any other margins as deemed necessary from time-to-time.
15. **Punitive Action in case of default by Market Makers:**
NSE Emerge Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker in case he is not present in the market (*offering two-way quotes*) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership. The Department of Surveillance and Supervision of the Exchange would decide and publish the penalties / fines / suspension for any type of misconduct/ manipulation/ other irregularities by the Market Maker from time to time.
16. Pursuant to SEBI Circular number CIR/MRD/DSA/31/2012 dated November 27, 2012, limits on the upper side for market makers during market making process has been made applicable, based on the issue size and as follows:

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

17. All the above-mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.
18. The price band shall be 20% and the Market Maker Spread (difference between the sell and the buy quote) shall be within 10% or as intimated by Exchange from time to time.

CAPITAL STRUCTURE

Our Company's share capital, as of the date of filing this Draft Red Herring Prospectus, before and after the proposed Issue, is set forth below:

(Rs. in lakhs except share data)

Particulars	Nominal Value	Aggregate value at Issue Price
Authorised Share Capital*		
1,20,00,000 Equity Shares of Rs. 10 each	1200.00	
Issued, Subscribed and Paid Up Capital before the Issue		
72,08,000 Equity Shares of Rs. 10 each	720.80	
Present Issue in terms of the Draft Red Herring Prospectus**		
Consisting of :		
Public Issue of up to 30,90,000 Equity Shares of Rs. [●] each aggregating to Rs. [●] lakhs	309.00	[●]
Reservation for Market Maker – 1,54,800 Equity Shares of face value of Rs. 10/- each reserved as Market Maker portion at a price of Rs. [●] per Equity Share	15.48	[●]
Net Issue to the Public – 29,35,200 Equity Shares of face value of Rs. 10/- each at a price of Rs. [●] per Equity Share	293.52	[●]
Of the Net Issue to the Public		
Allocation to QIB Investors - Not more than 14,66,400 Equity Shares of face value of Rs. 10/- each at a price of Rs [●] per Equity Share shall be available for allocation for Investors applying to QIBs	146.64	[●]
Allocation to Retail Individual Investors – Not less than 10,27,200 Equity Shares of face value of Rs. 10/- each at a price of Rs [●] per Equity Share shall be available for allocation for Investors applying for a value of upto Rs. 2.00 Lakhs	102.72	[●]
Allocation to Non Institutional Investors – Not less than 4,41,600 Equity Shares of face value of Rs. 10/- each at a price of Rs [●] per Equity Share shall be available for allocation for Investors applying for a value of above Rs. 2.00 Lakhs	44.16	[●]
Issued, Subscribed and Paid-up Capital after the Issue		
1,02,98,000 Equity Shares of Rs. 10 each	1029.80	[●]
Securities Premium Account		
Before the Issue	Nil	
After the Issue	[●]	

**For details of the changes in the authorized share capital of our Company, please refer to section titled "History and Certain Corporate Matters" beginning on page 109 of this Draft Red Herring Prospectus.*

***The Issue has been authorized by our Board pursuant to a resolution dated February 01, 2018, and by our Equity Shareholders pursuant to a resolution passed at the Extra Ordinary General Meeting held on February 06, 2018.*

Notes on Capital Structure

1. Equity Share Capital History of our Company

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

Date of Allotment	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of allotment	Cumulative Number of Equity Shares	Cumulative Share Capital (Rs.)	Cumulative Share Premium (Rs.)
Upon incorporation	50,000	10.00	20.00	Cash	Subscription to the Memorandum of Association ⁽¹⁾	50,000	5,00,000	5,00,000
March 31, 2010	50,000	10.00	20.00	Cash	Further allotment ⁽²⁾	1,00,000	10,00,000	10,00,000
May 21, 2010	10,000	10.00	50.00	Cash	Further allotment ⁽³⁾	1,10,000	11,00,000	14,00,000
January 25, 2012	1,00,000	10.00	10.00	Cash	Further allotment ⁽⁴⁾	2,10,000	21,00,000	14,00,000
May 30, 2012	2,90,000	10.00	10.00	Cash	Further allotment ⁽⁵⁾	5,00,000	50,00,000	14,00,000
June 1, 2012	2,00,000	10.00	10.00	Cash	Further allotment ⁽⁶⁾	7,00,000	70,00,000	14,00,000
March 22, 2013	3,00,000	10.00	10.00	Cash	Further allotment ⁽⁷⁾	10,00,000	1,00,00,000	14,00,000
October 30, 2013	7,00,000	10.00	10.00	Cash	Further allotment ⁽⁸⁾	17,00,000	1,70,00,000	14,00,000
February 4, 2014	3,00,000	10.00	10.00	Cash	Further allotment ⁽⁹⁾	20,00,000	2,00,00,000	14,00,000
September 29, 2014	3,05,000	10.00	10.00	Cash	Further allotment ⁽¹⁰⁾	23,05,000	2,30,50,000	14,00,000
November 25, 2014	2,20,000	10.00	10.00	Cash	Further allotment ⁽¹¹⁾	25,25,000	2,52,50,000	14,00,000
March 25, 2015	5,00,000	10.00	10.00	Cash	Further allotment ⁽¹²⁾	30,25,000	3,02,50,000	14,00,000
May 20, 2015	2,55,000	10.00	10.00	Cash	Further allotment ⁽¹³⁾	32,80,000	3,28,00,000	14,00,000
June 15, 2015	5,10,000	10.00	10.00	Cash	Further allotment ⁽¹⁴⁾	37,90,000	3,79,00,000	14,00,000
March 30, 2016	4,50,000	10.00	10.00	Cash	Further allotment ⁽¹⁵⁾	42,40,000	4,24,00,000	14,00,000
February 06, 2018	29,68,000	10.00	Nil	-	Bonus Issue ⁽¹⁶⁾	72,08,000	7,20,80,000	Nil
Total	72,08,000							Nil

Notes:

- (1) Allotment of 25,000 Equity Shares each to Ms. Asha Gupta and Ms. Niti Gupta as initial subscription to the MoA.
- (2) Further allotment of Equity Shares to Ms. Asha Gupta (25,000); and Ms. Niti Gupta (25,000).
- (3) Further allotment of Equity Shares to Ms. Asha Gupta (10,000).
- (4) Further allotment of Equity Shares to Mr. Sanjay Gupta (50,000); and Ms. Asha Gupta (50,000).
- (5) Further allotment of Equity Shares to Ms. Asha Gupta (2,90,000).
- (6) Further allotment of Equity Shares to Ms. Asha Gupta (2,00,000).
- (7) Further allotment of Equity Shares to Mr. Sanjay Gupta (2,50,000); and Ms. Asha Gupta (50,000).
- (8) Further allotment of Equity Shares to Ms. Asha Gupta (7,00,000).
- (9) Further allotment of Equity Shares to Ms. Asha Gupta (3,00,000).
- (10) Further allotment of Equity Shares to Mr. Sanjay Gupta (1,25,000); Ms. Asha Gupta (1,60,000); and Ms. Niti Gupta (20,000).
- (11) Further allotment of Equity Shares to Mr. Sanjay Gupta (1,50,000); and Ms. Niti Gupta (70,000).
- (12) Further allotment of Equity Shares to Ms. Asha Gupta (5,00,000).
- (13) Further allotment of Equity Shares to Ms. Asha Gupta (2,55,000).

- (14) Further allotment of Equity Shares to Ms. Asha Gupta (5,10,000).
 (15) Further allotment of Equity Shares to Mr. Sanjay Gupta (1,50,000); Ms. Asha Gupta (1,50,000); and Ms. Niti Gupta (1,50,000).
 (16) Bonus Issue in the ratio of 10:7 Equity Shares to Mr. Sanjay Gupta (5,07,500); Ms. Asha Gupta (22,57,500); and Ms. Niti Gupta (2,03,000).

2. Issue of Equity Shares in the last one (1) year

Our Company has not made any issue of specified securities at a price lower than the Issue Price during the preceding one (1) year from the date of filing of this Draft Red Herring Prospectus.

3. Equity Shares issued for consideration other than cash

Our Company has not issued any Equity Shares out of revaluation reserves. Our Company has not issued any Equity Shares for consideration other than cash as on the date of this Draft Red Herring Prospectus:

4. Build-up of our Promoter's Shareholding, Promoter's Contribution and Lock-in

(a) Build-up of our Promoter's shareholding in our Company

The promoters of our Company are Mr. Sanjay Gupta, Ms. Asha Gupta and Ms. Niti Gupta. As on the date of this Draft Red Herring Prospectus, our Promoter holds 72,04,000 Equity Shares, which constitutes approximately 99.94% of the issued, subscribed and paid-up Equity Share capital of our Company.

Set forth below is the build-up of the equity shareholding of our Promoter, since the incorporation of our Company.

i) Mr. Sanjay Gupta

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
January 25, 2012	50,000	10.00	10.00	Cash	Further allotment	0.69	0.49
March 22, 2013	2,50,000	10.00	10.00	Cash	Further allotment	3.47	2.43
September 29, 2014	1,25,000	10.00	10.00	Cash	Further allotment	1.73	1.21
November 25, 2014	1,50,000	10.00	10.00	Cash	Further allotment	2.08	1.46
March 30, 2016	1,50,000	10.00	10.00	Cash	Further allotment	2.08	1.46
February 06, 2018	5,07,500	10	Nil	-	Bonus Issue	7.04	4.93
Total	12,32,500					17.10	11.97

ii) Ms. Asha Gupta

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
Upon incorporation	25,000	10.00	20.00	Cash	Initial subscription to MoA	0.35	0.24
March 30, 2010	25,000	10.00	20.00	Cash	Further allotment	0.35	0.24
May 21, 2010	10,000	10.00	50.00	Cash	Further allotment	0.14	0.10
January 25, 2012	50,000	10.00	10.00	Cash	Further allotment	0.69	0.49
May 30, 2012	2,90,000	10.00	10.00	Cash	Further allotment	4.02	2.82
June 1, 2012	2,00,000	10.00	10.00	Cash	Further allotment	2.77	1.94
March 22, 2013	50,000	10.00	10.00	Cash	Further allotment	0.69	0.49
October 30, 2013	7,00,000	10.00	10.00	Cash	Further allotment	9.71	6.80
February 4, 2014	3,00,000	10.00	10.00	Cash	Further allotment	4.16	2.91
September 29, 2014	1,60,000	10.00	10.00	Cash	Further allotment	2.22	1.55
March 25, 2015	5,00,000	10.00	10.00	Cash	Further allotment	6.94	4.86
May 20, 2015	2,55,000	10.00	10.00	Cash	Further allotment	3.54	2.48
June 15, 2015	5,10,000	10.00	10.00	Cash	Further allotment	7.08	4.95
March 30, 2016	1,50,000	10.00	10.00	Cash	Further allotment	2.08	1.46
February 06, 2018	22,57,500	10	Nil	-	Bonus Issue	31.32	21.92
Total	54,82,500					76.06	53.24

iii) Ms. Niti Gupta

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
Upon incorporation	25,000	10.00	10.00	Cash	Initial subscription to MoA	0.35	0.24
March 30, 2010	25,000	10.00	20.00	Cash	Further allotment	0.35	0.24
September 29, 2014	20,000	10.00	10.00	Cash	Further allotment	0.28	0.19
November 25,	70,000	10.00	10.00	Cash	Further	0.97	0.68

Date of Allotment/ Acquisition/ Sale	Number of Equity Shares	Face Value per Equity Share (Rs.)	Issue/ Acquisition/ Sale Price per Equity Share (Rs.)	Nature of Consideration (Cash/ Other than Cash)	Nature of transaction	% of pre-Issue equity share capital	% of post-Issue equity share capital
2014					allotment		
March 30, 2016	1,50,000	10.00	10.00	Cash	Further allotment	2.08	1.46
January 20, 2018	(4000)	10	10	Cash	Transfer	(0.06)	(0.04)
February 06, 2018	2,03,000	10	Nil	-	Bonus Issue	2.82	1.97
Total	4,89,000					6.78	4.75

All the Equity Shares held by our Promoters were fully paid-up as on the respective dates of acquisition of such Equity Shares. Our Promoters have confirmed to our Company and the BRLM that the Equity Shares held by our Promoters have been financed from their personal funds, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed of by him for such purpose.

As on the date of this Draft Red Herring Prospectus, none of the Equity Shares held by our Promoters are subject to any pledge. Our Company has not issued any preference shares to our Promoters as on the date of this Draft Red Herring Prospectus.

(b) Shareholding of our Promoter and Promoter Group

The table below presents the shareholding of our Promoter and Promoter Group, who hold Equity Shares as on the date of filing of this Draft Red Herring Prospectus:

Particulars	Pre-Issue		Post-Issue*	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
Promoter				
Mr. Sanjay Gupta	12,32,500	17.10	12,32,500	11.97
Ms. Asha Gupta	54,82,500	76.06	54,82,500	53.24
Ms. Niti Gupta	4,89,000	6.78	4,89,000	4.78
Promoter Group				
Mr. Vinayak Gupta	1000	0.01	1,000	0.00
Total	72,05,000	99.96	72,05,000	69.96

*Assuming full subscription to the Issue.

(c) Details of Promoters' Contribution Locked-in for three (3) Years

Pursuant to Regulations 32 and 36 of the SEBI (ICDR) Regulations, an aggregate of 20% of the fully diluted post-Issue equity share capital of our Company held by our Promoter shall be considered as the minimum Promoter's contribution and locked in for a period of three (3) years from the date of Allotment ("**Minimum Promoter's Contribution**"). All Equity Shares held by our Promoter is eligible for inclusion in the Minimum Promoter's Contribution, in terms of Regulation 33 of the SEBI (ICDR) Regulations.

Accordingly, Equity Shares aggregating to 20% of the post-Issue capital of our Company, held by our Promoter shall be locked-in for a period of three (3) years from the date of Allotment in the Issue as follows:

Date on which the Equity Shares were Allotted/ Acquired	Date when made fully paid up	Consideration	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	% of post-Issue share capital	Period of Lock-in
Ms. Asha Gupta							
February 06, 2018	February 06, 2018	-	20,59,600	10	Nil	20.00	3 Years
Total			20,59,600			20.00	

*Details of Minimum Promoter's Contribution shall be determined after finalizing the basis of allotment.

For details on the build-up of the Equity Share capital held by our Promoter, please refer to "Build-up of our Promoter's shareholding in our Company" beginning on page 57 of this Draft Red Herring Prospectus.

Our Promoters have given consent to include such number of Equity Shares held by them as may constitute 20% of the fully diluted post-Issue Equity Share capital of our Company as Minimum Promoter's Contribution. Our Promoters have agreed not to sell, transfer, charge, pledge or otherwise encumber in any manner the Minimum Promoter's Contribution from the date of filing this Draft Red Herring Prospectus, until the expiry of the lock-in period specified above, or for such other time as required under SEBI (ICDR) Regulations, except as may be permitted, in accordance with the SEBI (ICDR) Regulations.

The minimum Promoter's Contribution has been brought in to the extent of not less than the specified minimum lot and from persons identified as "promoter" under the SEBI (ICDR) Regulations.

The Equity Shares that are being locked-in are not, and will not be, ineligible for computation of Minimum Promoter's Contribution under Regulation 33 of the SEBI (ICDR) Regulations. In this regard, we confirm that:

- (i) the Equity Shares offered as part of the Minimum Promoter's Contribution do not comprise Equity Shares acquired during the three (3) years preceding the date of this Draft Red Herring Prospectus for consideration other than cash and where revaluation of assets or capitalisation of intangible assets was involved or bonus issue out of revaluations reserves or unrealised profits or against Equity Shares that are otherwise ineligible for computation of Minimum Promoters' Contribution;
- (ii) the Minimum Promoter's Contribution does not include Equity Shares acquired during the one (1) year preceding the date of this Draft Red Herring Prospectus at a price lower than the price at which the Equity Shares are being offered to the public in the Issue;
- (iii) our Company has not been formed by conversion of a partnership firm into a company and hence, no Equity Shares have been issued in the one (1) year immediately preceding the date of this Draft Red Herring Prospectus pursuant to conversion of a partnership firm; and
- (iv) the Equity Shares held by our Promoters and offered as part of the Minimum Promoter's Contribution are not subject to any pledge.

(d) Details of Equity Shares Locked-in for One (1) Year

In terms of Regulation 37 of the SEBI (ICDR) Regulations, the entire pre-Issue Equity Share capital will be locked-in for a period of one (1) year from the date of Allotment in the Issue, except (a) the Minimum Promoter's Contribution which shall be locked in as above.

(e) Other requirements in respect of lock-in

Pursuant to Regulation 39 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter and locked-in for one (1) year may be pledged only with scheduled commercial banks or public financial institutions as collateral security for loans granted by such banks or public financial institutions, provided that such pledge of the Equity Shares is one of the terms of the sanction of the loan. Equity Shares locked-in as Minimum Promoter's Contribution for three (3) years 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 Issue.

In terms of Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by our Promoter may be transferred between our Promoter and Promoter Group or a new promoter or persons in control of our Company, subject to continuation of lock-in applicable to the transferee for the remaining period and compliance with provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as amended (the "**Takeover Regulations**").

Further, in terms of Regulation 40 of the SEBI (ICDR) Regulations, Equity Shares held by persons other than our Promoter prior to the Issue and locked-in for a period of one (1) year, may be transferred to any other person holding Equity Shares which are locked in along with the Equity Shares proposed to be transferred, subject to the continuation of the lock in applicable to the transferee and compliance with the provisions of the Takeover Regulations.

5. Shareholding Pattern of our Company

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

(Face value of Equity Shares of Rs.10 each)

Category	Category of shareholder	No. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of voting rights held in each class of securities*				No. of shares underlying outstanding convertible securities (including warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	No. of locked in shares**		No. of shares pledged or otherwise encumbered		No. of equity shares held in dematerialized form***	
								No of Voting Rights						As a % of (A+B+C2)	No. (a)	As a % of total Shares held (b)	No. (a)		As a % of total Shares held (b)
								Class X	Class Y	Total	Total as a % of (A+B+C)								
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII) = (IV)+(V) + (VI)	(VIII)	(IX)			(X)	(XI) = (VII)+(X)	(XII)		(XIII)	(XIV)			
(A)	Promoter & Promoter Group	04	72,05,000	-	-	72,05,000	99.96	72,05,000	-	72,05,000	99.96	-	99.96	72,05,000	99.96	-	-	-	
(B)	Public	03	3,000	-	-	3,000	0.04	3,000	-	3,000	0.04	-	0.04	3,000	0.04	-	-	-	
(C)	Non-Promoter-Non Public	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C1)	Shares underlying DRs	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
(C2)	Shares held by Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
	Total	07	72,08,000	-	-	72,08,000	100.00	72,08,000	-	72,08,000	100.00	-	100.00	72,08,000	100.00	-	-	-	

*As on the date of this Draft Prospectus 1 Equity Share holds 1 vote.

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

***In terms of SEBI circular bearing no. Cir/ISD/3/2011 dated June 17, 2011 and SEBI circular bearing no. SEBI/Cir/ISD/05/2011, dated September 30, 2011, the Equity Shares held by the Promoters/Promoters Group Companies and 50% of the Equity Shares held by the public shareholders, shall be dematerialised prior to filing the Prospectus with the RoC.

Our Company will file the shareholding pattern of our Company, in the form prescribed under Regulation 31 of the SEBI (LODR) Regulations, 2015 one day prior to the listing of the equity shares. The shareholding pattern will be uploaded on the website of BSE (BSE Limited) before commencement of trading of such Equity Shares.

6. The BRLM and their respective associates do not hold any Equity Shares as on the date of this Draft Red Herring Prospectus.
7. The BRLM and their respective affiliates may engage in transactions with and perform services for our Company in the ordinary course of business or may in the future engage in commercial banking and investment banking transactions with our Company and/or our Subsidiaries, for which they may in the future receive customary compensation.
8. Except as mentioned below, none of the Directors hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Shareholding (%)	Number of Shares	Shareholding (%)
Mr. Sanjay Gupta	12,32,500	17.10	12,32,500	11.97
Ms. Asha Gupta	54,82,500	76.06	54,82,500	53.24
Total	67,15,000	93.16	67,15,000	65.21

9. None of the Key Managerial Personnel holds Equity Shares in our Company as on the date of this Draft Red Herring Prospectus except as mentioned below:

Name	Designation	Shares held
Mr. Sanjay Gupta	Managing Director	12,32,500
Ms. Asha Gupta	Whole Time Director	54,82,500

10. As on the date of this Draft Red Herring Prospectus, our Company has seven (7) shareholders.

11. Top Ten Shareholders of our Company

- a. The top *seven (7) shareholders of our Company as of the date of the filing of the Draft Red Herring Prospectus with SEBI are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
	Mr. Sanjay Gupta	12,32,500	17.10
	Ms. Asha Gupta	54,82,500	76.06
	Ms. Niti Gupta	4,89,000	6.78
	Mr. Vijay Kumar Garg	1,000	0.01
	Mr. Praveen Kumar	1,000	0.01
	Mr. Jagdish Chander Sharma	1,000	0.01
	Mr. Vinayak Gupta	1,000	0.01
Total		72,08,000	100.00

**As on the date of this draft red herring prospectus company had seven shareholders.*

- b. The top *seven(7) shareholders of our Company as of ten (10) days prior to the filing of the Draft Red Herring Prospectus with SEBI are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
	Mr. Sanjay Gupta	12,32,500	17.10
	Ms. Asha Gupta	54,82,500	76.06
	Ms. Niti Gupta	4,89,000	6.78
	Mr. Vijay Kumar Garg	1,000	0.01
	Mr. Praveen Kumar	1,000	0.01
	Mr. Jagdish Chander Sharma	1,000	0.01

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
	Mr. Vinayak Gupta	1,000	0.01
Total		72,08,000	100.00

**As on ten days prior to the filing of this draft red herring prospectus company had seven shareholders.*

- c. The top *three (3) shareholders of our Company as of two (2) years prior to the filing of the Draft Red Herring Prospectus are as follows:

No.	Name of the Shareholder	Number of Equity Shares	Shareholding (%)
	Mr. Sanjay Gupta	5,75,000	15.17
	Ms. Asha Gupta	30,75,000	81.13
	Ms. Niti Gupta	1,40,000	3.69
Total		42,40,000	37,90,000

**As on two years prior to the filing of this draft red herring prospectus company had three shareholders.*

12. None of our Promoters, members of our Promoter Group or our Directors or their immediate relatives have sold or purchased, or financed the sale or purchase of, Equity Shares by any other person, other than in the normal course of business of the financing entity, during the six (6) months immediately preceding the date of this Draft Red Herring Prospectus.
13. Our Company, our Promoters, members of our Promoter Group, our Directors and the BRLM have not entered into any buy-back and/or standby arrangements for the purchase of Equity Shares being offered through this Issue from any person.
14. As on the date of this Draft Red Herring Prospectus, there are no Equity Shares held by the members of our Promoter Group. None of the Equity Shares being offered through the Issue are pledged or otherwise encumbered.
15. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange.
16. The Equity Shares are fully paid-up and there are no partly paid-up Equity Shares as on the date of this Draft Red Herring Prospectus.
17. There are no outstanding warrants, options or rights to convert debentures, loans or other convertible instruments into Equity Shares as on the date of this Draft Red Herring Prospectus.
18. As on the date of this Draft Red Herring Prospectus, our Company has not allotted any Equity Shares pursuant to any scheme approved under Sections 391 to 394 of the Companies Act, 1956 or Sections 230-234 of the Companies Act, 2013.
19. There will be no further issue of Equity Shares whether by way of issue of bonus shares, preferential allotment, rights issue or in any other manner during the period commencing from the date of filing of the Draft Red Herring Prospectus with the Stock Exchange until the Equity Shares have been listed on the Stock Exchanges or all application monies have been refunded, as the case may be.
20. Our Company presently does not intend or propose to alter the capital structure for a period of six (6) months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares, or further issue of Equity Shares (including issue of securities convertible into or exchangeable for, directly or indirectly into Equity Shares), whether on a preferential basis or issue of bonus or rights or further public issue of Equity Shares or qualified institutions placement. However, if our Company enters into acquisitions,

joint ventures or other arrangements, our Company may, subject to necessary approvals, consider raising additional capital to fund such activity through issue of further Equity Shares.

21. None of our Promoters or the members of our Promoter Group will participate in the Issue.
22. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. We shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.
23. There has been no financing arrangement whereby our Promoters, members of our Promoter Group, our Directors or their relatives have financed the purchase by any other person of securities of our Company other than in normal course of the business of the financing entity during the period of six (6) months immediately preceding the date of this Draft Red Herring Prospectus.
24. Our Company shall ensure that any transactions in the Equity Shares by our Promoters and the Promoter Group during the period between the date of registering the Red Herring Prospectus filed in relation to this Issue with the RoC and the date of closure of the Issue shall be reported to the Stock Exchanges within twenty-four (24) hours of the transactions.
25. Our Company has not revalued its assets since incorporation.

OBJECTS OF THE ISSUE

The Issue comprises of the Issue of 30,90,000 Equity Shares at an Issue Price of Rs. [●] per Equity Share aggregating to Rs. [●] Lakh.

Requirement of Funds

Our Company proposes to utilize the Net Proceeds of the Issue towards the following objects:

1. Setting-up Warehousing facilities at Agartala, Tripura and Mysore (Mysuru), Karnataka
2. Working Capital Requirement
3. General Corporate Purpose and
4. To meet Issue related Expenses

Collectively, above-tabled are “Objects” for this Issue. In addition, our Company expects to receive the benefits of listing of the Equity Shares on the Emerge platform of NSE.

We believe that listing will enhance our corporate image and brand name in the domestic market, create a public market for Equity Share of our Company in India and will further enable us to avail future growth opportunities. The main object clause and the ancillary object clause of the Memorandum of Association of our Company enable us to undertake our existing activities and the activities for which we are raising funds through this Issue. The existing activities of our Company are within the object clause of our Memorandum. The Fund requirement and deployment is based on internal management estimates and has not been appraised by any bank and financial institution.

Issue Proceeds and Net Proceeds

The details of the proceeds of the Issue are summarized in the table below:

Particulars	Rs. in Lakhs*
Gross Proceeds of the Issue	[●]
Less: Issue related expenses	[●]
Net Proceeds of the Fresh Issue (“Net Proceeds”)	[●]

**To be finalized upon determination of the Issue Price.*

Utilisation of Issue Proceeds

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

The following table summarizes the requirement of funds to our Company:

Sr. No	Particulars	Rs. in Lakhs
1	Setting up warehousing facilities at Agartala and Mysore	[●]
2	Working Capital Requirement	[●]
3	General Corporate Purpose	[●]
4	Issue Expenses	[●]
	Total	[●]

Details of the use of the proceeds

1. Setting up warehousing facilities at Agartala and Mysore

A. Warehousing Project at Agartala, Tripura

Particulars	Rs. In Lakhs
i. Cost of leasehold land	20.00
Cost of 3 acres (12,154 Sq. mtr.) lease hold land @ Rs. 5.00 Lakh per acre	15.00
Service Tax paid towards lease hold land	2.00
Cost of Stamp Paper & Registration Charges	2.00
Other miscellaneous charges	1.00
ii. Construction related expenses	673.92
Cost inclusive of covered building (4,788 Sq. mtr.); semi covered (2016 Sq. mtr.) complete in all respects including external, internal construction, plumbing & sanitary, external development, road work, drainage, boundary wall, gates, guard rooms, fire fighting equipments, fire hydrants, architectural consultancy, supervision and administrative expenses	
iii. Interest during Construction Period	6.00
Bank finance cost towards setting up warehouse	
Total	699.92

Notes:

- We have taken 30 years lease of above mentioned land situated at RK Nagar Industrial Park Area, Bodhjunnagar, Agartala, Dist. West Tripura from Tripura Industrial Development Corporation Ltd. (TIDC), Agartala vide lease deed dated February 07, 2017.
- Team Consultants (Architecture, Interior, Landscape & Civil Engineering) having their office at A-405, Saransh, 34, IP Extension, Delhi 110 092 vide their letter dated February 12, 2018 has certified total construction cost including 5% towards contingencies towards setting up warehouse is Rs. 673.92 Lakh.
- The Bank vide its letter dated August 02, 2017 has sanctioned a term loan of Rs. 500.00 Lakh towards setting up warehouse at Agartala.

iv. Implementation Schedule

Activity	Start	Completion
Land purchase	December, 2016	March, 2017
Land Development	April, 2017	March, 2018
Warehouse Building upto Door Level	April, 2018	September, 2018
Warehouse Building Steel Structure & Roofing	July, 2018	November, 2018
Warehouse Building Flooring	November, 2018	January, 2019
Open Area Flooring and Drainage	January, 2019	February, 2019
boundary Wall and Gate	November, 2018	January, 2019
Check Post	January, 2019	January, 2019
Internal Roads	January, 2019	February, 2019
Electrification	December, 2018	January, 2019
Finishing & Painting	February, 2019	March, 2019
Commencement of Commercial Operations	April, 2019	

This implementation schedule is certified by Team Consultants (Architecture, Interior, Landscape & Civil Engineering) having their office at A-405, Saransh, 34, IP Extension, Delhi 110 092 vide their letter dated February 12, 2018.

B. Warehousing Project at Mysore, Karnataka

Particulars	Rs. In Lakhs
i. Cost of leasehold land	180.10
Cost of 2 acres (8,096 Sq. mtr.) lease hold land @ Rs. 75.00 Lakh per acre & 30 mtrs.	165.10
Cost of Stamp Paper & Registration Charges	10.00
Other miscellaneous charges	5.00

ii. Construction related expenses	711.12
Cost inclusive of covered building (5,574 Sq. mtr.); semi covered (2000 Sq. mtr.) complete in all respects including external, internal construction, plumbing & sanitary, external development, road work, drainage, boundary wall, gates, guard rooms, fire fighting equipments, fire hydrants, architectural consultancy, supervision and administrative expenses	
iii. Interest during Construction Period	9.00
Bank finance cost towards setting up warehouse	
Total	900.02

Notes:

- i. We have taken 99 years lease of above mentioned land situated at Plot No. 103 in Adakanahaalli Industrial Area, Mysuru from Karnataka Industrial Areas Development Board (KIADB), Zonal Office Mysuru vide allotment letter dated May 25, 2017.
- ii. Team Consultants (Architecture, Interior, Landscape & Civil Engineering) having their office at A-405, Saransh, 34, IP Extension, Delhi 110 092 vide their letter dated February 12, 2018 has certified total construction cost including 5% towards contingencies towards setting up warehouse is Rs. 711.02 Lakh.
- iii. The Bank vide its letter dated August 02, 2017 has sanctioned a term loan of Rs. 650.00 Lakh towards setting up warehouse at Mysore.

iv. Implementation Schedule

Activity	Start	Completion
Land purchase	December, 2016	March, 2018
Land Development	April, 2018	May, 2018
Warehouse Building upto Door Level	May, 2018	October, 2018
Warehouse Building Steel Structure & Roofing	August, 2018	December, 2018
Warehouse Building Flooring	December, 2018	February, 2019
Open Area Flooring and Drainage	January, 2019	February, 2019
boundary Wall and Gate	November, 2018	January, 2019
Check Post	January, 2019	January, 2019
Internal Roads	January, 2019	February, 2019
Electrification	December, 2018	January, 2019
Finishing & Painting	February, 2019	March, 2019
Commencement of Commercial Operations	April, 2019	

This implementation schedule is certified by Team Consultants (Architecture, Interior, Landscape & Civil Engineering) having their office at A-405, Saransh, 34, IP Extension, Delhi 110 092 vide their letter dated February 12, 2018.

2. Working Capital Requirement

Our business is working capital intensive and we finance our working capital requirement from various banks / financial institutions and from our internal accruals. Considering the existing and future growth, the total working capital needs of our Company, as assessed based on the internal workings of our Company is expected to reach Rs. 6221.10 Lakhs for FY2018-19. We intend to meet our working capital incremental requirement to the extent of Rs. [●] Lakhs from the Net Proceeds.

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

Particulars	(Rs. in Lakhs)		
	As at 30 th September 2017 (Restated)	As at 31 st March 2018 (Estimated)	As at 31 st March 2019 (Projected)
Current Assets			
Inventories	-	-	-
Trade Receivables	4,505.10	4,750.00	6,325.00
Cash and Cash Equivalents	210.75	80.10	261.10
Short Term Loans and Advances	1,930.35	2,004.24	2,376.00
Total (I)	6,646.20	6,834.34	8,962.10
Current Liabilities			
Trade Payables	580.24	625.00	830.00
Other Current Liabilities	827.39	840.00	1,235.00
Short Term Provisions	533.91	554.24	676.00
Total (II)	1,941.54	2,019.24	2,741.00
Net Working Capital (I) – (II)*	4,704.66	4,815.10	6,221.10
Year Wise requirement (Incremental GAP)		110.44	1406.00
Total Working Capital Requirement			1516.44
Funding Pattern			
IPO Proceeds			[●]
Internal Accruals and Borrowings			[●]

*Excluding Bank borrowings

Assumptions for working capital requirement

Holding levels

On the basis of existing working capital requirement of our Company and the estimated incremental working capital requirement, our Board pursuant to their resolution dated February 07, 2018 has approved the business plan for the period ended March 31, 2018 and March 31, 2019 and the projected working capital requirement for Fiscals 2018 and 2019 as stated below. Provided below are details of the holding levels (days) considered.

Particulars	(Days)		
	As at 30 th September 2017 (Days)	As at 31 st March 2018 (Days)	As at 31 st March 2019 (Days)
Current Assets			
Inventories	-	-	-
Trade Receivables	2.62	2.64	2.65
Short Term Loans and Advances	1.12	1.11	1.00
Current Liabilities			
Trade Payables	0.34	0.35	0.35
Other Current Liabilities	0.48	0.47	0.52
Short Term Provisions	0.31	0.31	0.28

Justification for “Holding Period” levels

The justifications for the holding levels mentioned in the table above are provided below:

Assets - Current Assets	Justification
Trade Receivable	Taken on average credit period allowed by the company to its customers in the past.
Short term Loans and Advances	Taken on the basis of average of past historical data and future estimates & Projections
Liabilities - Current Liabilities	
Trade Liabilities	Taken on average credit period allowed to the company by its Vendors
Other Current Liabilities	Taken on the basis of average of past historical data and future estimates & Projections
Short term provisions	Taken on the basis of past historical data and future estimates & Projections

The working capital requirements are based on historical Company data and estimation of the future requirements in Financial Year 2018-19 considering the growth in activities of our Company.

Pursuant to the certificate dated February 21, 2018, Prakash K. Prakash, Chartered Accountants, have compiled the working capital estimates from the Restated Financial Statements and the working capital projections as approved by the Board by the resolution dated February 07, 2018.

3. General Corporate Expense

The Net Proceeds will be first utilized towards the Objects as mentioned as mentioned above. The balance is proposed to be utilized for general corporate purposes, subject to such utilization not exceeding 25% of the Net Proceeds, in compliance with the SEBI ICDR Regulations. Our Company intends to deploy the balance Net Proceeds, if any, for general corporate purposes, subject to above mentioned limit, as may be approved by our management, including but not restricted to, the following:

- Expansion of existing fleets
- Strategic initiatives
- Brand building and strengthening of marketing activities; and
- Ongoing general corporate exigencies or any other purposes as approved by the Board subject to compliance with the necessary regulatory provisions.

The quantum of utilization of funds towards each of the above purposes will be determined by our Board of Directors based on the permissible amount actually available under the head “General Corporate Purposes” and the business requirements of our Company, from time to time. We, in accordance with the policies of our Board, will have flexibility in utilizing the Net Proceeds for general corporate purposes, as mentioned above.

4. Issue Related Expenses

The estimated Issue related expenses includes Issue Management Fee, Underwriting and Selling Commissions, Printing and Distribution Expenses, Legal Fee, Advertisement Expenses, Registrar’s Fees, Depository Fee and Listing Fee. The total expenses for this Issue are estimated to be approximately [●] Lakhs which is [●] % of the Issue Size. All the Issue related expenses shall be met out of the proceeds of the Issue and the break-up of the same is as follows:

Activity	Rs. in Lakhs
Fees payable to Merchant Banker, Registrar, Legal Advisors, Statutory Expenses, Printing and Stationery Expenses, Advertising and Marketing Expenses	[●]**
Fees payable to Market Maker for 3 years towards market making	[●]
Underwriting, Brokerage & Selling Commission	[●]
Total Estimated Issue Expenses	[●]

***SCSBs will be entitled to a processing fee of Rs. 10/- per Application Form for processing of the Application Forms procured by other Application Collecting Intermediary and submitted to them on successful allotment.*

Selling commission payable to Registered Broker, SCSBs, RTAs, CDPs on the portion directly procured from Retail Individual Applicants and Non Institutional Applicants, would be 0.30% on the Allotment Amount# or Rs 10/- whichever is less on the Applications wherein shares are allotted.

The commissions and processing fees shall be payable within 30 working days post the date of receipt of final invoices of the respective intermediaries.

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

Means of Finance

The means of finance towards objects of the Issue is tabled hereunder:

Objects of the Issue	Amount Required	Net Proceeds	(Rs. in Lakhs)
			Bank Borrowings/ Internal Accruals
Warehousing facilities at Agartala and Mysore	1600.00*	[●]	[●]*
Working Capital Requirement	1516.44	[●]	NIL
General Corporate Purpose	[●]	[●]	NIL
Issue Expense	[●]	[●]	NIL

*Any shortfall in total the fund requirements shall be met by the term loans sanctioned to us towards setting up of warehousing facilities at Agartala and Mysore. The sanctioned term loan shall be utilised to the extent of meeting the gap between the amount required and the net proceeds.

Accordingly, we confirm that we are in compliance with the requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI (ICDR) Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amount to be raised through the Net Proceeds and existing identifiable internal accruals.

Deployment of Funds

Particulars	Amount Required	Net Proceeds	Deployment till February 20, 2018	Deployment by FY2017-18	Deployment by FY2018-19
Setting-up Warehousing facilities at Agartala, Tripura and Mysore (Mysuru), Karnataka	1600.00*	[●]	151.00	[●]	[●]
Working Capital Requirement	1516.44	[●]	[●]	[●]	[●]
General Corporate Purpose	[●]	[●]	[●]	[●]	[●]
To meet Issue related Expenses	[●]	[●]	5.90	[●]	[●]
Total	[●]	[●]	156.90	[●]	[●]

As per the certificate dated February 21, 2018, by the Statutory Auditors of the Company, Prakash K. Prakash, Chartered Accountants, the company has deployed Rs. 156.90 lakhs upto February 20, 2018.

Appraisal

None of the Objects have been appraised by any bank or financial institution or any other independent third party organization. The funding requirements of our Company and the deployment of the Net Proceeds of the Issue are

currently based on management estimates. The funding requirements of our Company are dependent on a number of factors which may not be in the control of our management, including variations in interest rate structures, changes in our financial condition and current commercial conditions and are subject to change in light of changes in external circumstances or in our financial condition, business or strategy.

Shortfall of Funds

Any shortfall in meeting the fund requirements shall be met by the term loans (Rs.1150.00 Lakhs) sanctioned by the bank towards setting up of warehousing facilities at Agartala and Mysore.

Bridge Financing Facilities

As on the date of this Draft Red Herring Prospectus, we have not raised any bridge loans which are proposed to be repaid from the Issue Proceeds.

Monitoring Utilization of Funds

As this is a Fresh Issue for less than Rs.50,000 Lakhs, we are not required to appoint a monitoring agency for the purpose of the Issue in terms of regulation 16 of the SEBI (ICDR) Regulations. Our Board will monitor the utilization of the Issue Proceeds through its Audit Committee.

The Audit committee and the Board of Directors of our Company will monitor the utilization of funds raised through this public issue. Pursuant to Regulation 32 of SEBI Listing Regulation 2015, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. Our Company shall prepare a statement of funds utilized for purposes other than stated in this Draft Red Herring Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the proceeds of the Issue have been utilized in full. The statement of funds utilized will be certified by the Statutory Auditors of our Company. Furthermore, in accordance with the SEBI Listing Regulations, our Company shall furnish to the Stock Exchange on a half yearly basis, a statement including deviations, if any, in the utilization of the Issue Proceeds of the Issue from the objects of the Issue as stated above and details of category wise variation in the actual utilization of the Issue Proceeds of the Issue from the objects of the Issue as stated above. The information will also be published in newspapers simultaneously with the submission of such information to the Stock Exchange, after placing the same before the Audit Committee. We will disclose the utilization of the Issue Proceeds under a separate head along with details in our balance sheet(s) until such time as the Issue Proceeds remain unutilized clearly specifying the purpose for which such Issue Proceeds have been utilized.

Interim Use of Proceeds

Our management, in accordance with the policies established by our Board of Directors, will have flexibility in deploying the proceeds received from the Issue. Pending utilization of the proceeds of the Issue for the purposes described above, our Company will temporarily invest the Issue Proceeds in deposits with schedule commercial banks included in second schedule of Reserve Bank of India Act, 1934.

Variation in Objects

In accordance with Section 13(8) and 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 the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution ("*Postal Ballot Notice*") shall specify the prescribed details as required under the Companies Act and applicable rule. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in vernacular language of the jurisdiction where our Registered Office is situated. 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.

Investor may note that the Selling Shareholder are not liable under Section 27 of the Companies Act or any other applicable law or regulation (including any direction or order by any regulatory authority, court or tribunal) for any variation of (i) terms of the contract referred to in this Draft Red Herring Prospectus and /or (ii) Object of the Issue.

Other Confirmations

There is no material existing or anticipated transactions with our Promoters, our Directors, our Company's Key Managerial Personnel, in relation to the utilisation of the Issue Proceeds. No part of the Issue Proceeds will be paid by us as consideration to our Promoter, our Directors or Key Managerial Personnel, our Group Company/(ies), our Associate Company, except in the normal course of business and in compliance with the applicable laws.

BASIC TERMS OF THE ISSUE

Authority for the Offer

The present Issue of 30,90,000 Equity Shares of the Company in terms of Draft Red Herring Prospectus has been authorized pursuant to a resolution of our Board of Directors dated February 01, 2018 and by special resolution passed under Section 62(1) (c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on February 06, 2018

Ranking of Equity Shares

The Equity Shares being issued under the Issue shall be subject to the provisions of our Memorandum and Articles and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividends. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends or any other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please refer to the chapter “*Main Provisions of the Articles of Association*” beginning on [●] of this Draft Red Herring Prospectus.

Terms of the Issue

The Equity Shares, now being offered, are subject to the terms and conditions of this Draft Red Herring Prospectus, Red Herring Prospectus and Prospectus, Application form, Confirmation of Allocation Note (“*CAN*”), the Memorandum and Articles of Association of our Company, the guidelines for listing of securities offered by the Government of India and SEBI (ICDR) Regulations, the Depositories Act, Stock Exchange, RBI, RoC and/or other authorities as in force on the date of the Offer and to the extent applicable.

In addition, the Equity Shares shall also be subject to such other conditions as may be incorporated in the Share Certificates, as per the SEBI (ICDR) Regulations, 2009, notifications and other regulations for the issue of capital and listing of securities laid down from time to time by the Government of India and/or other authorities and other documents that may be executed in respect of the Equity Shares.

Face Value	Each Equity Share shall have the face value of Rs.10.00 each.
Price Band	Each Equity Share is being offered at a floor price of Rs. [●] each and cap price of Rs. [●] each.
Issue Price	Each Equity Share is being offered at a price of Rs. [●] each and is [●] time of Face Value.
Market Lot and Trading Lot	The Market lot and Trading lot for the Equity Share is [●] and the multiple of [●]; subject to a minimum allotment of [●] Equity Shares to the successful bidders.
Terms of Payment	100% of the Issue price of Rs.[●] each shall be payable on Application. For more details please refer “ <i>Issue Procedure</i> ” on page 179 of this Draft Red Herring Prospectus.
Ranking of the Equity Shares	The Equity Shares shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividends with the existing Equity Shares of the Company. The Allottees in receipt of Allotment of Equity Shares under this Offer will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see “ <i>Main Provisions of Articles of Association</i> ” on page 221 of this Draft Red Herring Prospectus.

Minimum Subscription

In accordance with Regulation 106P (1) of SEBI (ICDR) Regulations, this Issue is 100% underwritten. Also, in accordance with explanation to Regulation 106P (1) of SEBI (ICDR) Regulations the underwriting shall not be restricted up to the minimum subscription level.

If our Company does not receive the subscription of 100% of the Issue including devolvement on Underwriter within 60 (Sixty) days from the date of closure of the offer, our Company shall forthwith unblock the entire subscription amount received. If there is a delay beyond 8 (eight) days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed in the Companies Act.

Further, in accordance with Regulation 106R of SEBI (ICDR) Regulations, no allotment shall be made pursuant to the Offer, if the number of prospective allottees is less than 50 (fifty). For further details, please refer to chapter titled "*Terms of the Issue*" beginning on page 167 of this Draft Red Herring Prospectus.

BASIS FOR ISSUE PRICE

Investors should read the following summary with the section titled "Risk Factors", the details about our Company under the chapter titled "Our Business" and its financial statements under the section titled "Financial Information" beginning on pages 17, 93 and page 133 respectively of the Draft Red Herring Prospectus. The trading price of the Equity Shares of our Company could decline due to these risks and the investor may lose all or part of his investment.

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

Qualitative Factors

1. Integrated service provider with an extensive network of branches in a fast-growing third-party logistics market.
2. Comprehensive solution for transportation requirements.
3. Diverse customer base across many sectors.
4. Installed technology and automation.
5. Experienced management team

For a detailed discussion on the qualitative factors which form the basis for computing the price, please refer to chapter titled "Our Business" beginning on page 93 of this Draft Red Herring Prospectus.

Quantitative Factors

Information presented in this section is derived from our Company's restated financial statements prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic & Diluted Earnings per Share (EPS), as adjusted:

Period	Basic & Diluted (Rs.)	Weights
FY 2015	13.93	1
FY 2016	10.41	2
FY 2017	10.46	3
Weighted Average	11.02	
September 30, 2017	8.15*	

* Not Annualised

Notes:

- (i) The figures disclosed above are based on the restated financial statements of the Company.
- (ii) Earnings per Share has been calculated in accordance with **Accounting Standard 20 "Earnings per Share"** issued by the Institute of Chartered Accountants of India.
- (iii) The above statement should be read with Significant Accounting Policies and the Notes to the Restated Financial Statements as appearing in the chapter Section "Financial information" beginning on page 133

2. Price Earning (P/E) Ratio in relation to the Issue Price of Rs. [●]:

S. No	Particulars	P/E on Floor Price	PE on Cap Price
1	P/E ratio based on the Basic & Diluted EPS, as adjusted for FY 2017	[●]	[●]
2	P/E ratio based on the Weighted Average EPS, as adjusted for FY 2017	[●]	[●]

3. Peer Group P/ E*-

Industry PE	P/E Ratio
Lowest	0
Highest	73.80
Average	45.07

Source: Capitaline

4. Return on Net worth (RoNW):

Period	RONW (%)	Weights
FY 2015	25.85	1
FY 2016	21.88	2
FY 2017	20.32	3
Weighted Average	21.76	6
September 30, 2017	13.49	

* Not Annualised

5. Minimum Return on Net Worth after Issue to maintain Pre-Issue EPS for the financial year 2016-17:

S. No	Particulars	(%)
1	At the Floor Price	[●]
2	At the Cap Price	[●]

6. Net Asset Value (NAV) per Equity Share:

Sr. No.	As at	NAV (Rs.) (Before Bonus)	NAV (Rs.) (After Bonus)
1	March 31, 2015	40.84	20.61
2	March 31, 2016	40.97	24.10
3	March 31, 2017	51.46	30.27
4	September 30, 2017	60.43	35.55
5	NAV after the Issue – At Floor Price		[●]
6	NAV after the Issue – At Cap Price		[●]
	Issue Price		[●]

7. The face value of our shares is. Rs. 10.00 per share and the Issue Price is of Rs [●] per share is [●] times of the face value.

8. Our Company in consultation with the Book Running Lead Manager believes that the Issue Price of Rs. [●] per share for the Public Issue is justified in view of the above parameters. The investors may also want to peruse the risk factors and financials of the Company including important profitability and return ratios, as set out in the Auditors' Report in the Issue Document to have more informed view about the investment.

Investors should read the above mentioned information along with Sections titled "Our Business", "Risk Factors" and "Financial Information" beginning on pages 93,17 and 133 respectively of this Draft Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

The Board of Directors
AVG Logistics Limited
Office No. 25,
DDA Market, Savita Vihar,
New Delhi – 110 092,

Sub: **PROPOSED INITIAL PUBLIC OFFERING OF EQUITY SHARES (THE “EQUITY SHARES”)
BY AVG LOGISTICS LIMITED (THE “COMPANY”)**

Dear Sirs,

We hereby report that the enclosed statement is in connection with (i) the possible special tax benefits available to the Company under the Income Tax Act, 1961, and indirect tax laws, presently in force in India, and, (ii) to the shareholders of the Company under the Income Tax Act, 1961.

Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant statutory provisions. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfill.

The benefits discussed is enclosed in statement **Annexure “A”** are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. In view of the individual nature of the tax consequences and changing tax laws, each investor is advised to consult his or her own tax consultant with respect to the specific tax implications arising out of their participation in the Offer. We do not express any opinion or provide any assurance as to whether:

- (a) the Company or its shareholders will continue to obtain these benefits in the future; or
- (b) the conditions prescribed for availing of the benefits have been / would be met with.
- (c) the revenue authorities/courts will concur with the views expressed herein

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

This report including Annexure are intended solely for your information and for the inclusion in the draft prospectus/ Prospectus or any other offer related material in connection with the proposed initial public offer of the company and is not to be used, referred to or distributed for any other purpose without our prior written consent

PRAKASH K PRAKASH
CHARTERED ACCOUNTANTS
FIRM REGN 000415N

Sd/-
PRAKASH K GUPTA
PARTNER.
M No. 80320

New Delhi
07.02.2018

CN/PKP/1069/2017-18

ANNEXURE “A”

The information provided below sets out the possible special tax benefits available to the Company under the Income Tax Act, 1961, Goods and Services Tax Act, 2016, Central Goods and Services Tax Act, 2017, Integrated Goods and Services Tax Act, 2017 and Union Territory Goods and Services Tax Act, 2017 presently in force and the Equity Shareholders under the Income Tax Act, 1961 presently in force in India.

A. SPECIAL TAX BENEFITS TO THE COMPANY

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

B. SPECIAL TAX BENEFITS TO THE SHAREHOLDERS

The shareholders of the Company are not entitled to any special tax benefits under the Income Tax Act, 1961.

SECTION IV: ABOUT THE COMPANY AND THE INDUSTRY

INDUSTRY OVERVIEW

The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and other industry sources. Neither we nor any other person connected with this Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly investment decisions should not be based on such information.

Overview of Indian Economy

After registering GDP growth of over 7 per cent for the third year in succession in 2016-17, the Indian economy is headed for somewhat slower growth, estimated to be 6.5 per cent in 2017-18, as per first Advance Estimates released by CSO. This is slightly lower than the range of 6.5 per cent to 6.75 per cent being currently projected based on recent developments. Even with this lower growth for 2017-18, GDP growth has averaged 7.3 per cent for the period from 2014-15 to 2017-18, which is the highest among the major economies of the world. That this growth has been achieved in a milieu of lower inflation, improved current account balance and notable reduction in the fiscal deficit to GDP ratio makes it all the more creditable. In addition to the introduction of GST, the year also witnessed significant steps being undertaken towards resolution of problems associated with non-performing assets of the banks, further liberalization of FDI, etc., thus strengthening the momentum of reforms. After remaining in negative territory for a couple of years, growth of exports rebounded into positive one during 2016-17 and strengthened further in 2017-18. There was an augmentation in the spot levels of foreign exchange reserves to close to US\$ 414 billion, as on 12th January 2018.

Concerns have been expressed about growing protectionist tendencies in some countries and it remains to be seen as to how the situation unfolds. Additionally, average crude oil (Indian basket) prices have risen by around 14 per cent so far in 2017-18 (mid January 2018) vis-à-vis 2016-17. Going by the recent trends, the average crude oil prices could be in the vicinity of US\$ 56-57 per barrel in the current financial year and could rise further by another 10-15 per cent in 2018-19. Some of these factors could have dampening effect on GDP growth in the coming year. However, with world growth likely to witness moderate improvement in 2018, expectation of greater stability in GST, likely recovery in investment levels, and ongoing structural reforms, among others, should be supporting higher growth. On balance, country's economic performance should witness an improvement in 2018-19.

GDP Growth in 2017-2018

With Gross Domestic Product (GDP) growth averaging 7.5 per cent between 2014-15 and 2016-17, India can be rated as among the best performing economies in the world on this parameter. Although growth is expected to decline to 6.5 per cent in 2017-18, bringing the 4-year average to 7.3 per cent, the broad story of India's GDP growth to be significantly higher than most economies of the world does not alter. The growth is around 4 percentage points higher than global growth average of last 3 years and nearly 3 percentage points more than the average growth achieved by emerging market & developing economies (EMDE).

As per the first Advance Estimates (1stAE), released by Central Statistics Office (CSO), growth rate of Gross Value of Added (GVA) at constant basic prices is estimated at 6.1 per cent in 2017-18, as compared to 6.6 per cent in 2016-17. This is on account of lower growth in 'Agriculture & allied', and 'Industry' sector, which are expected to grow at 2.1 per cent and 4.4 per cent respectively. In 2017-18, service sector is expected to grow at 8.3 per cent, as compared to 7.7 per cent in 2016-17. Within the services sector, only the growth of 'Public administration, defence & other services' sector is expected to decline in 2017-18.

From a low of 5.5 per cent in 2012-13, growth in GDP steadily improved for 3 years and peaked in 2015-16, particularly in fourth quarter (Q4) when it printed 9.1 per cent (GVA growth also peaked in Q4 of 2015-16). However, growth started slowing down from first quarter (Q1) of 2016-17. GDP and GVA growth slowed to 6.1

percent and 5.6 per cent respectively in Q4 of 2016-17. GDP growth further declined to 5.7 per cent in Q1 of 2017-18. However, the second quarter (Q2) of 2017-18 witnessed reversal of declining trend of GDP growth, with growth increasing to 6.3 per cent. The nominal GDP and GVA growth also picked up to 9.4 per cent and 8.6 per cent respectively in Q2 of 2017-18.

As per the 1st AE, the real GDP growth is expected to be 6.5 per cent in 2017-18, while the real GVA at basic prices is expected to register a growth of 6.1 per cent. With GDP and GVA growth of 6.0 per cent and 5.8 per cent respectively in the first half (H1) of the current financial year, the implicit growth for the second half (H2) of the year works out to be 7.0 per cent and 6.4 per cent respectively, indicating further recovery of the economy that began in the Q2 of 2017-18. Major macro indicators viz. gross fixed investment and exports are also expected to grow at a faster pace in H2 vis-à-vis H1 of 2017-18.

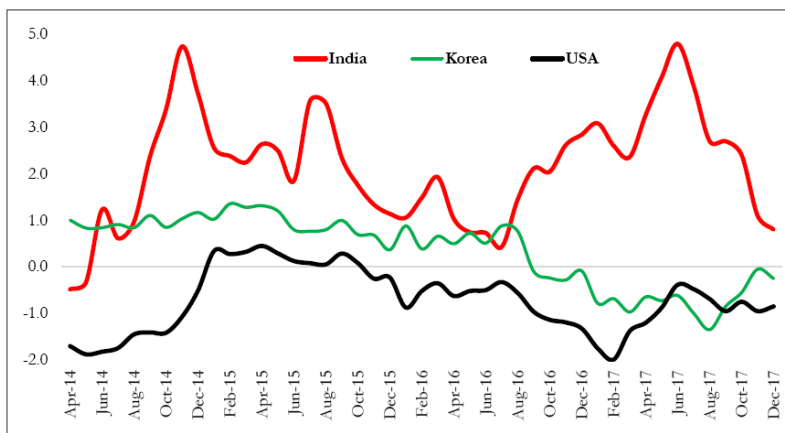
In the recent years, the wedge between the real and nominal GDP growth has narrowed significantly. While real GDP growth averaged 6.4 per cent between 2012-13 and 2014-15, the nominal growth was 12.5 per cent in this period. In comparison, during the three-year period from 2015-16 to 2017-18, the real and nominal GDP average growth is estimated to be 7.2 per cent and 10.1 per cent respectively, pointing to higher differences in the former period than latter. This is not surprising given that the fact that inflation in the earlier period (particularly in 2012-13 and 2013-14) was significantly higher than the latter.

The growth in nominal GDP in 2016-17 is estimated to be 11 per cent and it is expected at 9.5 per cent in 2017-18 on account of both lower real growth as well as lower value of deflator in 2017-18. The growth of nominal GVA in these two years is estimated to be 9.7 per cent and 9.0 per cent respectively. The differences in the nominal growth between GVA and GDP have also increased in the last few years. This is indicative of an increase in the share of net indirect taxes in GDP.

REVIEW DEVELOPMENTS IN INDIAN ECONOMY

Until early 2016, India’s growth had been accelerating when growth in other countries was decelerating. But then the converse happened. The world economy embarked on a synchronous recovery, but India’s GDP growth and indeed a number of other indicators such as industrial production, credit, and investment decelerated. Any explanation would need to explain this change in fortunes, this “decoupling” of Indian growth from global growth, identifying the factors that caused India to forge its unique path. Five explanations suggest themselves First, India’s monetary conditions decoupled from the rest of the world (Figure 9) shows that until the middle of 2016, real policy interest rates were following the global trend downwards. Since then, the downward drift has continued in most other countries, with rates falling on an average by 1 percentage point between July and December 2016 in the US. But in India, for the same period, average real interest rates increased by about 2.5 percentage points.

Figure 9. Real Policy Interest Rates in India and Selected Economies, Apr. 2016-Dec. 2017

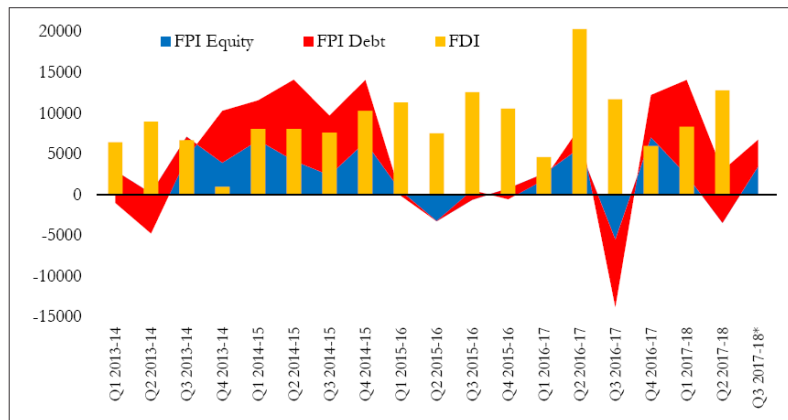


Source: Survey calculations.

This tightening of monetary conditions contributed to the divergence in economic activity in two ways. First, it depressed consumption and investment compared to that in other countries. Second, it attracted capital inflows (Figure 10), especially into debt instruments, which caused the rupee to strengthen dampening both net services

exports (Figure 11) and the manufacturing trade balance (Figure 12). Between early-2016 and November 2017, the rupee appreciated by another 9 percent in real terms against a basket of currencies.

Figure 10. Net Capital Inflows (US\$ million)



Source: RBI, Survey calculations.*-Data for FDI is not available for Q3.

Figure 11. Services Balance (in percent of GDP) and REER (3MMA, April 2014=100)

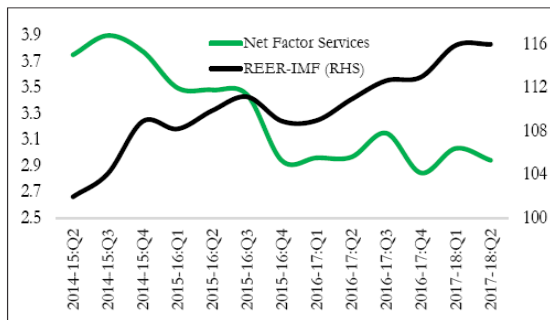
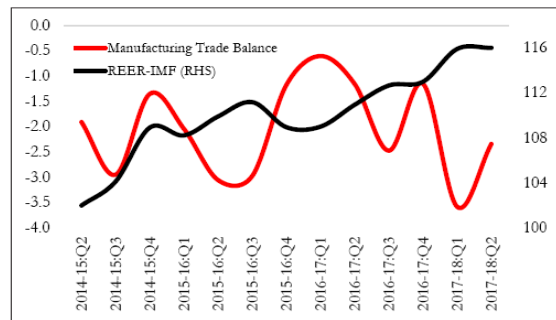


Figure 12. Manufacturing Trade Balance (in percent of GDP) and REER (3MMA, April 2014=100)



Source: RBI, CSO, Survey calculations.

The second and third factors were one off policy actions: demonetization and GST. Demonetization temporarily reduced demand and hampered production, especially in the informal sector, which transacts mainly in cash. This shock largely faded away by mid-2017, when the cash-GDP ratio stabilized. But at that point GST was introduced, affecting supply chains, especially those in which small traders (who found it difficult to comply with the paper work demands) were suppliers of intermediates to larger manufacturing companies.

(Source: Economic Survey 2017-18 <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-> Volume I)

External Sector

The global economy has been gathering pace and is expected to accelerate from 3.2 percent in 2016 to 3.7 per cent in 2018. World trade volume growth is projected to increase from 2.4 per cent in 2016 to 4.2 per cent and 4.0 per cent respectively in 2017 and 2018. Commodity prices (fuel and nonfuel) are also expected to grow in contrast to decline in the last few years. India's external sector has continued to be resilient and strong in 2017-18 so far and the balance of payments (BoP) situation continued to be comfortable. Current account deficit (CAD) was 1.8 per cent of GDP, merchandise exports grew by 12 per cent, net services receipts grew by 14.6 per cent, net foreign investment grew by 17.4 per cent, and external debt indicators improved in H1 of 2017-18.

(Source: Economic Survey 2017-18 <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-> Volume II)

OUTLOOK FOR 2017-2018

The key question going forward is whether the economy has troughed, and if so at what pace it will recover toward its medium term trend. High frequency indicators do suggest that a robust recovery is taking hold as reflected in a variety of indicators, including overall GVA, manufacturing GVA, the IIP, gross capital formation and exports.

Similarly, real non-food credit growth has rebounded to 4 percent in November 2017 on a year-on-year basis, while the squeeze on real credit to industry is abating. Moreover, the flow of nonbank resources to the corporate sector, such as bond market borrowing and lending by NBFCs, has increased by 43 percent (April-December 2017 compared to the same period a year ago), substituting in part for weak bank credit. Rural demand, proxied by motorcycle sales, and auto sales, while not yet back to its pre-demonetization trend, are recovering.

Perhaps most significantly, the behavior of manufacturing exports and imports in the second and third quarters of this fiscal year has started to reverse. The re-acceleration of export growth to 13.6 percent in the third quarter of FY2018 and deceleration of import growth to 13.1 percent in line with global trends, suggest that the demonetization and GST effects are receding. Services export and private remittances are also rebounding.

On demonetization specifically, the cash to-GDP ratio has stabilized, suggesting a return to equilibrium. The evidence is that since about June 2017 the trend in currency is identical to that pre-demonetization. The stabilization also permits estimation of the impact of demonetization: about Rs. 2.8 lakh crores less cash (1.8 percent of GDP) and about Rs. 3.8 lakh crores less high denomination notes (2.5 percent of GDP).

A final, important factor explaining the growth recovery is fiscal, which is providing a boost to aggregate demand. For reasons related to smoothening the transition, GST revenues will only be collected for 11 months, which is akin to a tax cut for consumers. Meanwhile, overall revenue expenditure growth by the central and state governments at remains strong at 11.7 percent (April to November). Cyclical conditions may also lead to lower tax and non-tax revenues, which act as an automatic stabilizer.

All this said, while the direction of the indicators is positive, their level remains below potential. IIP growth (April-November 2017 over same period in the previous year) is 3.2 percent, real credit growth to industry is still in negative territory, and the growth in world trade remains less than half its level of a decade ago. Moreover, even though the cost of equity has fallen to low levels, corporate have not raised commensurate amounts of capital, suggesting that their investment plans remain modest. In other words, the twin engines that propelled the economy's take-off in the mid-2000s – exports and investment – are continuing to run below take-off speed.

Meanwhile, developments in the agriculture sector bear monitoring. The trend acceleration in rural wages (agriculture and non-agriculture), which had occurred through much of 2016 because of increased activity on the back of a strong monsoon, seems to have decelerated beginning just before the kharif season of 2017-18 but it is still greater than much of the last three years. Three crop-specific developments are evident. Sowing has been lower in both kharif and rabi, reducing the demand for labor. The acreage for kharif and rabi for 2017-18 is estimated to have declined by 6.1 percent and 0.5 percent, respectively. Pulses and oilseeds have seen an increase in sowing, but this has translated into unusually low farm gate prices (below their minimum support price, MSP), again affecting farm revenues. The so-called TOP perishables (tomatoes, onions, and potatoes) have mean while fluctuated between high and low prices, engendering income uncertainty for farmers.

The CSO has forecast real GDP growth for 2017-18 at 6.5 percent. However, this estimate has not fully factored in the latest developments in the third quarter, especially the greater-than-CSO forecast exports and government contributions to demand. Accordingly, real GDP growth for 2017-18 as a whole is expected to be close to 6.3/4 percent. Given real GDP growth of 6 percent in the first half, this implies that growth in the second half would rebound to 7.5 percent, aided by favorable base effects, especially in the fourth quarter.

Average CPI inflation for the first nine months has averaged 3.2 percent and is projected to reach 3.7 percent for the year as a whole. This implies average CPI inflation in the last quarter of 5 percent, in line with the RBI's forecast. Therefore, the GDP deflator is expected to grow by 3.6 percent for 2017-18, somewhat higher than the CSO's forecast of 2.8 percent. Consequentially, nominal GDP growth is estimated at 10.5 percent, compared with the CSO's 9.5 percent estimate.

OUTLOOK FOR 2018-19

The outlook for 2018-19 will be determined by economic policy in the run-up to the next national election. If macro-economic stability is kept under control, the ongoing reforms are stabilized, and the world economy remains buoyant as today, growth could start recovering towards its medium term economic potential of at least 8 percent.

Consider the components of demand that will influence the growth outlook. The acceleration of global growth should in principle provide a solid boost to export demand. Certainly, it has done so in the past, particularly in the mid-2000s when the booming global economy allowed India to increase its exports by more than 26 percent per annum. This time, the export response to world growth has been in line with the long-term average, but below the response in the mid-2000s. Perhaps it is only a matter of time until exports start to grow at a healthy rate. Remittances are already perking up, and may revive further due to higher oil prices.

Private investment seems poised to rebound, as many of the factors exerting a drag on growth over the past year finally ease off. Translating this potential into an actual investment rebound will depend on the resolution and recapitalization process. If this process moves ahead expeditiously, stressed firms will be put in the hands of stronger ownership, allowing them to resume spending. But if resolution is delayed, so too will the return of the private capex cycle. And if this occurs public investment will not be able to step into the breach, since it will be constrained by the need to maintain a modicum of fiscal consolidation to head off market anxieties.

Consumption demand, meanwhile, will encounter different tugs. On the positive side, it will be helped by the likely reduction in real interest rates in 2018-19 compared to the 2017-18 average. At the same time, average oil prices are forecast by the IMF to be about 12 percent higher in 2018-19, which will crimp real incomes and spending assuming the increase is passed on into higher prices, rather than absorbed by the budget through excise tax reductions or by the oil marketing companies. And if higher oil prices requires tighter monetary policy to meet the inflation target, real interest rates could exert a drag on consumption.

Putting all these factors together, a pick-up in growth to between 7 and 7.5 percent in 2018-19 can be forecasted, reinstating India as the world's fastest growing major economy. This forecast is subject to upside potential and downside risks. The biggest source of upside potential will be exports. If the relationship between India's exports and world growth returns to that in the boom phase, and if world growth in 2018 is as projected by the IMF, then that could add another ½ percentage point to growth.

Another key determinant of growth will be the implementation of the IBC process. Here timeliness in resolution and acceptance of the IBC solutions must be a priority to kick-start private investment. The greater the delays in the early cases, the greater the risk that uncertainty will soon shroud the entire IBC process. It is also possible that expeditious resolution may require the government to provide more resources to PSBs, especially if the haircuts required are greater than previously expected, the ongoing process of asset quality recognition uncovers more stressed assets, and if new accounting standards are implemented.

Persistently high oil prices (at current levels) remain a key risk. They would affect inflation, the current account, the fiscal position and growth, and force macroeconomic policies to be tighter than otherwise.

One eventuality to guard against is a classic emerging market "sudden stall" induced by sharp corrections to elevated stock prices suggests that India's stock price surge is different from that in other countries but does not warrants an unguineness about its sustainability.) Savers, already smarting from reduced opportunities in the wake of demonetization, from depressed gold prices, and from lower nominal interest rates, would feel aggrieved, leading to calls for action. Stock price corrections could also trigger capital outflows, especially if monetary policy unwinds less hesitantly in advanced countries and if oil prices remain high. Policy might then have to respond with higher interest rates, which could choke off the nascent recovery. The classic emerging market dilemma of reconciling the trade-off between macro-stability and growth could then play itself out.

A key policy question will be the fiscal path for the coming year. Given the imperative of establishing credibility after this year, given the improved outlook for growth (and hence narrowing of the output gap), and given the urgency of price pressures, fiscal policy should ideally have targeted a reasonable fiscal consolidation. However, setting overly ambitious targets for consolidation especially in a pre-election year based on optimistic forecasts that carry a high risk of not being realized will not garner credibility either. Pragmatically steering between these extremes would suggest the following: a modest consolidation that credibly signals a return to the path of gradual but steady fiscal deficit reductions.

Against this overall economic and political background, economic management will be challenging in the coming year. If the obvious pitfalls (such as fiscal expansion) are avoided and the looming risks are averted that would be no mean achievement.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

Fiscal development

Bond yields have increased sharply since August 2017, reflecting a variety of factors, including concerns that the fiscal deficit might be greater-than-budgeted, expectations of higher inflation, a rebound in activity that would narrow the output gap, and expectations of rate increases in the US. As a result, the yield curve has become unusually steep.

The fiscal deficit for the first eight months of 2017-18 reached 112 percent of the total for the year, far above the 89 percent norm (average of last 5 years), largely because of a shortfall in non-tax revenue, reflecting reduced dividends from government agencies and enterprises. Expenditure also progressed at a fast pace, reflecting the advancing of the budget cycle by a month which gave considerable leeway to the spending agencies to plan in advance and start implementation early in the financial year. Partially offsetting these trends will be disinvestment receipts which are likely to exceed budget targets.

GST revenue collections are surprisingly robust given that these are early days of such a disruptive change. Government measures to curb black money and encourage tax formalization, including demonetization and the GST, have increased personal income tax collections substantially (excluding the securities transactions tax). From about 2 percent of GDP between 2013-14 and 2015-16, they are likely to rise to 2.3 percent of GDP in 2017-18, a historic high. Precise estimates of the government's contribution to this improvement vary depending on the methodology used. An econometric exercise yields an estimate of Rs. 40,000 crores over the two fiscal years of 2016-17 and 2017-18. Another based on comparing the difference in actual tax buoyancy in 2016-17 and 2017-18 over the previous seven-years' average buoyancy, yields an estimate of about Rs. 65,000 crores (both exclude the 25,000 crores collected under the Income Disclosure Scheme and Pradhan Mantri Garib Kalyaan Yojana). Thus, the sum of all government efforts increased income tax collections, thus far, between Rs. 65,000 and Rs. 90,000 crores. These numbers imply a substantial increase in reported incomes (and hence in formalization) of about 1.5 percent to 2.3 percent of GDP.

As a result of the budget overruns, the central government's fiscal deficit until November 2017 was Rs. 6.1 lakh crore compared to the budgeted Rs. 5.5 lakh crore. In contrast, state governments seem to be hewing closely to their targeted fiscal consolidation – in part because the center has guaranteed them a large increase in their indirect tax take, as part of the GST agreement.

Reflecting largely fiscal developments at the center, a pause in general government fiscal consolidation relative to 2016-17 cannot be ruled out. In addition, the measured deficit for 2017-18 will include Rs. 80,000 crore (0.5 percent of GDP) in capital provided to public sector banks. But this will not affect aggregate demand, as reflected in international accounting practice which deems such operations as financing (“below-the-line”) rather than expenditure.

In the case of borrowing by the states, markets have perhaps inadequately taken into account the fact that higher market borrowings by them does not reflect higher deficits; rather about Rs. 50,000 crore or 0.3 percent of GDP of market borrowings is due to changes in the composition of financing, away from higher cost NSSF borrowings

toward lower cost market borrowings. This lack of strict correspondence between the deficit and borrowings at the central and state levels is discussed in greater detail. For general government, about Rs. 40,000 crores represents greater market borrowings that are not due to deficits a fact which markets apparently have not internalized.

Another factor contributing to the rise in bond yields has been stepped-up Open Market Operations (OMO) by the RBI. This amounted to a net sale of about Rs. 90,000 crores during April-December 2017-18 (compared to a net redemption of Rs. 1.1 lakh crores during the same period in 2016-17) to sterilize the impact of foreign flows, themselves induced by high interest rates.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

The macroeconomic indicators

After 13 months of continuously under shooting the inflation target by an average of 130 basis points, headline inflation for the first time crossed the RBI's 4 percent target in November, posting a rate of 5.2 percent in December 2017. The recent upswing in inflation stems from rising global oil prices (not all of which has been passed on to consumers), unseasonal increases in the prices of fruits and vegetables, and the 7th Pay Commission housing rent allowances, which mechanically increase inflation. Stripped of all these factors, underlying inflation has been increasing at a more modest pace, reaching 4.3 percent at end-December in part because firms are passing the incidence of GST on to final consumers only gradually.

The current account deficit has also widened in 2017-18 and is expected to average about 1.5-2 percent of GDP for the year as a whole. The current account deficit can be split into a manufacturing trade deficit, an oil and old deficit, a services deficit, and a remittances deficit (Figure 25). In the first half of 2017-18, the oil and gold balance has improved (smaller deficit of \$47 billion) but this has been offset by a higher trade deficit (\$18 billion) and a reduced services surplus (\$37 billion), the latter two reflecting a deterioration in the economy's competitiveness.

Despite these developments, the overall external position remains solid. The current account deficit is well below the 3 percent of GDP threshold beyond which vulnerability emerges. Meanwhile, foreign exchange reserves have reached a record level of about \$432 billion (spot and forward) at end-December 2017, well above prudent norms.

(Source: *Economic Survey 2017-18* <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume I>)

Overview Of Logistics Industry

The growth of the global logistics market is directly related to the development of international trade flow and the current economic environment. Asia Pacific and North America appear to be the most attractive markets for logistics, particularly when it comes to contract service such as third-party logistics. The global logistics market to grow at a CAGR of 6.54% during the period 2017-2021.

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The report covers the present scenario and the growth prospects of the global logistics market for 2017-2021. To calculate the market size, the report considers the revenue generated by different vendors through the sales of logistics services to various industries that include manufacturing, consumer goods, F&B, automotive, and others. There are three major logistics model under global logistics, namely, second-party logistics (2PL), third-party logistics (3PL), and fourth-party logistics (4PL). The report also includes a discussion of the key vendors operating in this market.

(Source: <http://www.wmcactionnews5.com>)

In the wake of globalization, the importance of logistics is increasing as more and more, both national and multi-national companies are sourcing, manufacturing and distributing their products and services on a global scale. Thus, the recognition of performance of logistics industry would become prime importance of economic development for India in long term. Favorable government trade policies have resulted in an increased demand for logistics services to keep pace with the increased logistics needs of importers and exporters which provides opportunity for expansion to the existing vendors.

Indian Logistic Industry

The Indian logistics industry is estimated to be worth around US\$ 160 billion in 2016-17 and has grown at a compound annual growth rate (CAGR) of 7.8 per cent over the past five years. Considering the impact of implementation of the Goods and Services Tax (GST), the Indian logistics market is expected to reach about US\$ 215 billion in 2019-20, growing at a CAGR of 10.5%. Improved logistics have huge implications on increasing exports, as a 10% decrease in indirect logistics cost can contribute to around 5-8% of extra exports. India has improved its ranking in the “Logistics Performance Index” (LPI) from 54 in 2014 to 35 in 2016 (Table 7). However, compared to countries like Singapore (rank 5), South Africa (20), Taiwan (25) and China (27), India has some way to go.

Table 7 : Logistics Performance Index: India’s ranking

	2007	2010	2012	2014	2016
Overall LPI Ranking	39	47	46	54	35
Efficiency of Customs and Border Management	47	52	52	65	38
Quality of Trade and Transport Infrastructure	42	47	56	58	36
Ease of Arranging Competitively Priced Shipments	40	46	54	44	39
Competences and quality of Logistics Services	31	40	38	52	32
Ability to Track and Trace Consignments	42	52	54	57	33
Timeliness of Deliveries	47	56	44	51	42

Source : World Bank LPI Statistics (2016).

Logistics: Challenges and suggested Action Plan

- High cost of logistics – impacting competitiveness in domestic & global market
- Unfavorable modal mix (Roadways 60%, Railways 30%) and inefficient fleet mix
- Under-developed material handling infrastructure and fragmented warehousing
- Multiple regulatory/policy making bodies with procedural complexities including cumbersome and duplicate processes.
- High dwell time and lack of seamless movement of goods across modes.

Suggested Action Plan

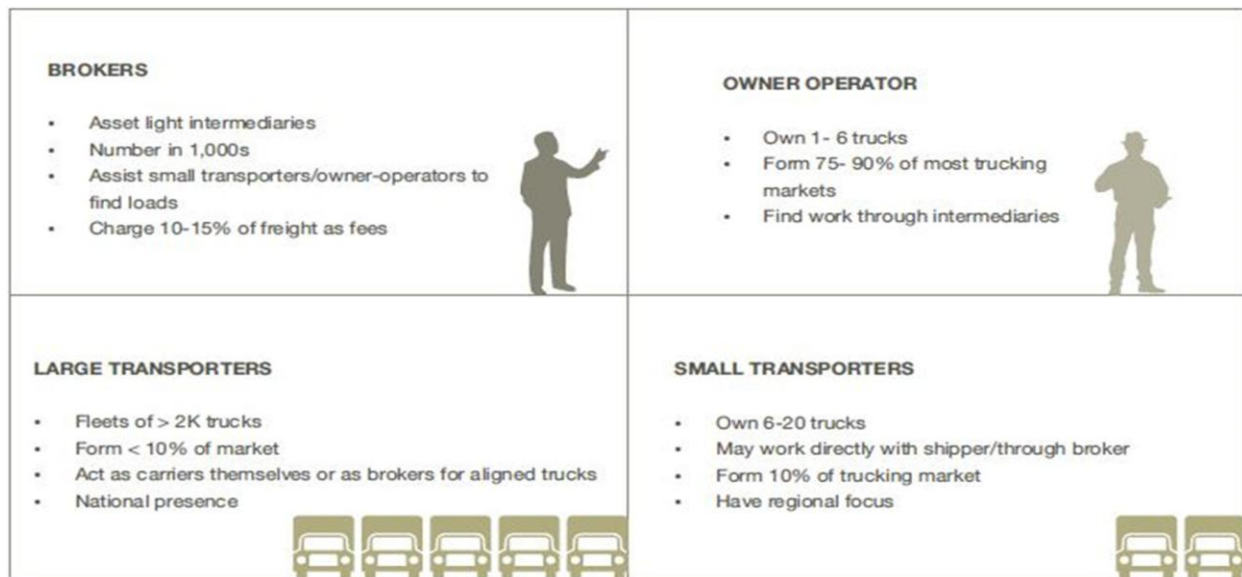
- Formulation of National Integrated Logistics Policy to bring in greater transparency and enhance efficiency in logistics operations.
- Develop integrated IT Platform as a single window for all logistics related matters. This portal will have linkages with the IT systems of Railways, Road transport & Highways, Shipping, Civil Aviation, CBEC, State Transport departments, etc. and act as a Logistics marketplace
- Usher in ease of documentation, faster clearance, digitization.
- Bring down logistics cost to less than 10% of GDP by 2022
- Faster clearances for setting up of logistics infrastructure like Multi-modal logistic parks (MMLPs), Container Freight
- Container Freight Station (CFS), Air Freight Station (AFS) & Inland Container Depot (ICD).
- Introduce professional standards and certification for service providers

- Promote introduction of high-end technologies like high-tech scanning equipment, RFID, GPS, EDI, online Track& Trace systems in the entire logistics network.
 - Improve Logistics skilling in the country and increase jobs in Logistics sector to 40 million by 2022.
- (Source: Economic Survey 2017-18 <http://iksa.in/upsc/economic-survey-2018-download-free-pdf/5697/-Volume II>)

Road Transport in India

Road transportation is a USD 1.5 trillion industry globally. In India it is an especially significant sector, given our reliance on roads for freight transport. Over 60% of total freight in India is transported by road, and road transportation is estimated to be a USD 96 billion industry. Experts expect this industry to grow at a compounded annual rate of 15% over the next 5 years, more than double the expected rate of growth of the economy.

Low entry barriers characterize the Indian trucking market, making it owner-operator driven on the supply side. Moreover, over 90% of the industry comprises of transporters with 25 fleets of under six vehicles. As is common in markets where supply is fragmented and geographically dispersed (another classic example being real-estate), trucking has many intermediaries that help match demand and supply. These agents tend to specialize in certain routes or regions and often provide other services like documentation and carrier verification as well.

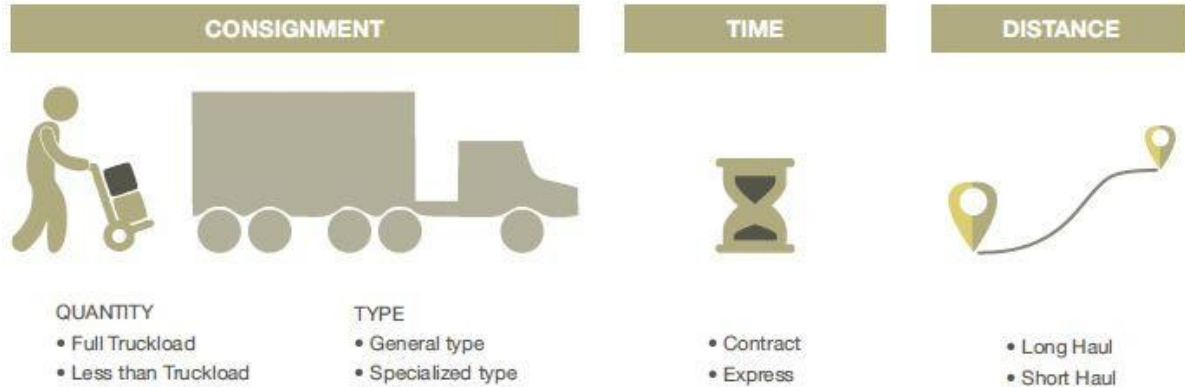


In general, freight transportation tends to be far more complex than moving people. Different types of freight have different handling and storage requirements, some of which may require the use of specialized vehicles like tankers and reefers. Even standard vehicles vary based on length and tonnage.

Trucking landscape in India can be segregated as follows:

- By distance: Long haul trucking refers to inter-city trips and short haul refers to intra city trucking within a 50 km radius. The latter usually involves the use of mini-trucks (under 3.5 tonnes) and vans to counter traffic congestion and transportation restrictions.
- By time sensitivity: Express trucking involves operations where routes and departure times are fixed. Express trucks do not halt enroute even on long trips and often have two drivers who drive in relay.
- By consignment size: Trucking may further be split into Full Truckload (FTL) and Less Than Truckload (LTL). The terms are self-explanatory, where for FTL, shippers can book the whole truck, for LTL, only part space can

be booked. LTL shippers may need to wait up to a week for goods to be shipped as the carrier tries to fill a truck load with multiple shipments. Experts estimate the Indian LTL market to be lower than 1% of the total road freight. Lack of standardization of trucks and cargo make LTL an underdeveloped and low margin market in India.



Because trucking is fragmented and heavily intermediated, the industry suffers from opaque pricing, which gets exacerbated during demand spikes in harvest and holiday seasons. Trucking brokerage rates can vary between INR 500 to INR 2000 or in the range of 7 – 15% of freight value per transaction. Industry margins depend on macro factors like economic growth, taxes and legislation as well as on fuel prices (which make up close to 50% of total freight transport cost).

The key industry participants include the transport operators which are the trucking companies, and which solicit freight and convey it from one location to another. The transport operators or freight transportation services providers can be broadly classified as small fleet operators (SFOs), medium fleet operators (MFOs) and large fleet operators (LFOs) on the basis of number of trucks they own or control.

Factors Impacting the Model

Full Truck Load (FTL)

The FTL segment comprises of a business model wherein the LFOs have contracts with the end-user to provide door-to-door service and pay for the entire load carrying capacity of the truck (or FTL) from one location to another. The service is offered at a predetermined price and is generally used by customers/ manufacturers with large quantities of goods to be transported.

Less than Truck Load (LTL)

The LTL segment service is categorized into two categories: parcel and express cargo. LTL involves partial or less than the full capacity of the truck load. In LTL operations, the customers do not hire the entire truck, and the LTL service provider aggregates consignments from various clients and sends them across to the desired destination. Unlike FTL operations, wherein the consignment originates from a single source, this arrangement requires a wider reach and adequate infrastructure.

Fleet utilization

Fleet utilization levels are another determinant of a transporter's profitability as during a slowdown, the cost of maintaining a vehicle may exceed the freight it brings in. Several factors affect utilization levels such as the demand supply scenario, the goods the operator can transport and the routes which he plies. An LFO with a larger proportion of attached fleet can manage his utilization levels better by restricting hiring vehicles from the spot market. SFOs however, are affected by the competitive rates offered in the spot market due to a higher level of fragmentation

amongst themselves. The nature of goods that an operator can transport may also affect availability of freight as production of certain brackets of goods are more affected in a weak macroeconomic environment. Thirdly, metro routes generally draw more transportation than tier-I and tier-II routes, also affecting fleet utilization levels. LFOs generally have a pan-India or multi-regional network and ply mostly on the metro routes. They also service tier-I and tier-II routes through spot arrangements with local players in the market, but this does not affect their utilization levels. On the other hand, SFOs and medium freight operators (MFOs) generally have a regional presence and cater to the tier-I and tier-II routes. In 2015-2016, with industrial activity and infrastructure project execution gathering pace, the fleet utilization levels are around 75 per cent.

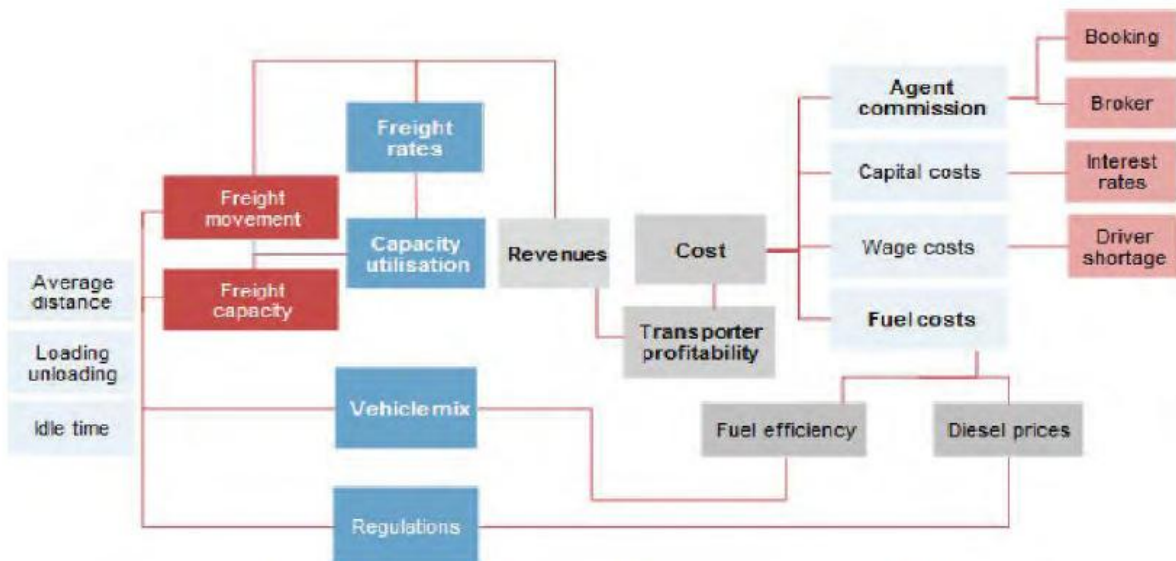
Load flexibility

An LFO has the flexibility to offer services like full truck load (FTL), less than truck load (LTL) and express cargo transportation. Express cargo and parcel services also offer them higher margins. In the express segment, LFOs realize positive cash flows even at 40 per cent utilisation levels. With this flexibility in the kinds of loads services being offered, an LFO can restrict the impact on his margins when freight availability is low. However, SFOs or MFOs are unable to provide these premium services and therefore cannot cushion the impact on their margins in such periods. Thus, LFOs are better able to manage in an unfavorable business environment than SFOs.

Other factors

Other costs that a transport operator bears are fixed costs and variable costs. Fixed costs would typically comprise of interest payments, crew charges, administrative overheads, maintenance repairs, wayside expenses and amounts pertaining to contract amount, insurance payment, road taxes and permit charges, and the variable costs would include the driver and cleaner's salaries, fuel, toll taxes, lubricants, tyres, spare parts and other running expenditures. Fuel costs comprise more than 40 per cent of the total input costs and any change in fuel prices directly hits profitability. Some costs like payments to intermediaries, payments made in the form of border and state taxes at check posts may be appropriated in either fixed or variable cost. Assessment of the cost structure of different commercial vehicles is based on our understanding of the industry's dynamics and industry interactions.

Factors affecting transporters' profitability



Framework to gauge impact of variables on transporter profitability

Many challenges plague Indian trucking, adding up to make road freight an expensive proposition. Some of these are as follows –

- Road infrastructure - Roads are the primary infrastructure required for the trucking sector. In 2013, the total road length in India was 4.7 million kilometers making it the second largest road network in the world. However, 61% of these are not even double lane roads, and only 3% are 4 lane or above. India's share of national highways in total road network is among the lowest in the world, at just 1.7%. This 1.7% carries over 40% of total freight traffic. An average Indian truck clocks only 60 – 100K miles per year, 1/6th the miles clocked by an average American truck. Poor efficiency is driven only in part by poor infrastructure.
- Variable tax structures - State specific taxes and legislation is another big factor affecting efficiency in the industry. Not only does this result in transport decisions being made on the basis of tax saving rather than operational efficiency but also causes delays at state borders and toll booths lead to Indian trucks losing several hours in a day. Most transporters give the truck driver a fixed sum to cover roadside expenses, salary and inducements. This provides perverse incentives for malpractices like overloading and fuel mixing, which in turn worsens fuel economies.
- Route variability - Familiarity with border officials, local language and routes leads drivers to prefer certain routes, further encouraging regional fragmentation. This results in 30-50% of empty back-hauls as truckers do not have networks to connect with shippers in the destination city. Empty returns pull down profitability further.
- Low skilled labour - Truck drivers themselves are low skilled and poorly paid. This coupled with poor working conditions has led to a shortage of drivers. IFTR estimates the driver shortage to hit 50% by 2020.
- Liquidity challenges - Working capital issues abound in the long haul segment. Large volume shippers or manufacturers have payment cycles of 30 – 90 days. However, truck drivers demand cash down payments to manage en-route expenses and speed money. Most large transporters end up providing for this capital, which further eats into their margins.

These inefficiencies have meant that road transportation is expensive in India, by almost 30% when compared to the US on a purchasing power adjusted basis.

Despite challenges, the demand for road freight is projected to grow at close to 13% over the next 5 years. In addition to macro drivers of economic growth which will aid this market, a sizeable part of this growth is expected to come from the demand spurt in e-commerce.

(Source: <http://www.assochem.org/>)

Warehousing

Warehousing forms a crucial link in the overall logistics value chain. It accounts for ~5% of the Indian logistics market (excluding inventory carrying costs, which amount to another ~30%). Warehousing in India has been evolving rapidly from being traditional “godowns” -a mere four-wall-and-shed with sub optimal size, inadequate ventilation and lighting, lack of racking systems, poor hygiene conditions and lack of inventory management or evolved solutions such as warehouse management systems into modern setups with storage and handling points where raw material, intermediate and manufactured goods are collected, assorted, stored and distributed to the point of consumption/sale. As key end users are increasingly outsourcing their warehousing services, warehousing players are recognizing the need to be a part of the customer’s logistics chain, as against being a landlord leasing out space.

The size of the Indian warehousing industry (across commodities and modes) is pegged at about INR560 billion (excluding inventory carrying costs, which amount to another ~INR4, 340 billion). The industry is growing at over 10% annually.

(Source: <http://www.cii.in/>)

Current Status of Warehousing Capacity in India

Almost 3/4of the organised warehousing sector is being controlled by Government PSUs such as the Food Corporation of India (FCI), Central Warehousing Corporation (CWC) and State Warehousing Corporations (SWCs). The current capacity of the organised warehouse, controlled by PSUs, cooperatives and private sector is 126.97 million metric tons, of which the private sector has only 18.97 million metric tons, the details are as follows:-

Name of the organization /Sector	Storage capacity in million tons
Food Corporation of India	35.92
Central Warehousing Corporation	11.72
State Warehousing Corporations and state agencies	45.28
Cooperative Sector	15.07
Private Sector	18.97
Total	126.96

Registered Warehouse

During the year 2015-16, the WDRA registered 588 warehouses in various states and the total no. of warehouses registered by the authority as on 31.03.2016 was 1222.

(Source: Annual Report-Warehousing Development and Regulatory Authority (“WDRA”)-2017)

Government Initiatives

The 'Make in India' campaign is being envisaged as a key strand of strategy for Indian economic revival and sustained growth. It promises that a boost in the country's manufacturing capabilities by inviting foreign capital and technology would not only adjust the balance in India's GDP skewed towards services but also provide employment. 'Make in India' embodies the manufacturing led, trade-export-growth model that has to be situated and understood in the context of global production systems. Therefore, the 'Make in India' strategy has to embed itself within the global supply chain network to participate and garner a greater share in the world trade.

The trade logistics network forms the backbone of modern supra-national supply chains. Even if global production were to shift to India due to favourable wage-labour arbitrage, skilled work force, availability of industry specific clusters, reduction in non-tariff barriers amongst other incentives and she becomes the factory of the world a la China, high logistics costs could negate any low cost production advantage. Indian logistics costs are estimated to be at a high of around 13 to 14 per cent of GDP, almost double, when compared with 7 to 8 per cent of GDP in developed countries having superior logistics performance.

'Make in India' would necessitate more than mere connectivity to international trade logistics network, rather complete integration with it so that exporters can move, store and deliver goods faster and cheaper, the only way to retain their competitive advantage.

Currently, the manufacturing sector in India contributes over 15 per cent of the GDP. The Government of India, under the Make in India initiative, is trying to give boost to the contribution made by the manufacturing sector and aims to take it up to 25 per cent of the GDP.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has recently approved 23 proposals of FDI amounting to Rs 10,378.92 crore (US\$ 1,567.75 million) approximately in August 2016.

The Government of India has launched an initiative to create 100 smart cities as well as Atal Mission for Rejuvenation and Urban Transformation (AMRUT) for 500 cities with an outlay of Rs 48,000 crore (US\$ 7.47 billion) and Rs 50,000 crore (US\$ 7.78 billion) crore respectively. Smart cities are satellite towns of larger cities which will consist of modern infrastructure and will be digitally connected. The program was formally launched on June 25, 2015. The Phase I for Smart City Kochi (SCK) will be built on a total area of 650,000 sq. ft., having a floor space greater than 100,000 sq. ft. Besides, it will also generate a total of 6,000 direct jobs in the IT sector.

The Indian Government is taking every possible initiative to boost the infrastructure sector. Some of the steps taken in the recent past are being discussed hereafter. Indian transportation and logistics industry is looking forward to the next level of growth, efficiency and sophistication, gradually leaving behind the traditional issues pivoted around inefficiencies and regulatory challenges. It is in this context, that regulatory reforms in the form of Goods and Services Tax (GST) are much needed now than perhaps ever before. Post GST, there will be improvement in the

logistic time after phasing out the border check posts resulting in improvement in operational efficiency through quicker and increased number of deliveries along with reduction in logistic cost during the transit. As per World Bank estimation, Indian corporates can save up to 30-40% of logistic costs incurred due to stoppages at various tolls and check posts. The implementation of the bill is expected to trim the logistic costs up to 20% from the current levels.

GOODS AND SERVICES TAX (GST)

The passage of the Goods and Services Tax bill can give a fillip to the trucking industry with ripple effects throughout the logistics sector for the following reasons - firstly, by simplifying the tax system, GST would reduce wait time at check posts which is currently spent in dealing with numerous state taxes. At inter-state check points, trucks have to wait for an average of 5-7 hours. In India, a truck can cover only an average of 250-400 km per day as against 700- 800 km per day covered by trucks in US and Europe. Although there are other factors for the poor efficiency such as lack of GPS route optimization, poor quality vehicles, road quality etc., simply eliminating the 5-7 hours wasted at check points would result in an extra 100-140 km covered per day.

Also, drivers, at present, often avoid unfamiliar inter-state routes since they are uncomfortable with language barriers etc. – another challenge the GST bill is expected to reduce. Secondly, companies are compelled to maintain warehouses in each state in the current scenario, which is an extremely inefficient and expensive proposition. GST incentivizes fragmentation throughout the value chain. The creation of logistics hubs and parks and increased focus on operational efficiency will result in potential benefits from economies of scale in trucking. The current model of owner-operator in trucking industry could slowly fade away with the passage of GST and get replaced by large nationwide freight transport contractors. It is estimated that the implementation of the bill will trim the logistic costs up to 20% from the current levels.

Industry growth

Demand for freight transport by road is achieving a significant boost from the overall growth of core industries such as crude oil, petroleum and petroleum products, natural gas, fertilizer, coal, electricity, cement, finished steel, textiles, FMCG etc. The Indian textiles industry is expected to triple from USD 78 billion currently to USD 220 billion by 2020. The overall FMCG market is expected to increase at (CAGR) of 14.7 per cent to touch USD 110.4 billion in 2020. Increasing demand in turn, drives up freight rates. For instance, road freight rates for a return trip from Delhi to Mumbai and Delhi to Chennai, in April 2016, rose 6.7% and 4.4% respectively, according to data available with the Indian Foundation of Transport Research and Training (IFTRT). This pace of increase is the fastest ever observed year on year. There has been a 10% increase in the movement by road of cement, fertilizer and steel in April which further helped improve the rate of fleet utilization and round trip prices on trunk routes by 10-15%.

Growth of E-commerce

The rapid growth of e-tail has introduced new logistics elements into the traditional supply chain. One of the biggest challenges for e-tail players has been fulfillment of orders, a large proportion of which come from tier 1-3 cities and towns. The average fulfillment costs for most players stand at 7 – 10% of GMV. Of this the largest component is linehaul, which involves shipping orders from the origin city (merchant-location) to the destination city (where the customer is), accounts for 57% of total costs. Today, 80-90% of inter-city e-tail orders in India are being transported by air, driven by the need for fast fulfillment coupled with the poor efficiencies of road transportation. However, as ecommerce evolves, it is expected that increasing margin pressure and high congestion at airports will force ecommerce players to turn to road freight, resulting in road freight to account for close to 75% of e-tail order fulfillment by the end of the decade. Further, an increasing share of e-tail in larger cities will be same city commerce i.e. fulfilled using inventory housed in warehouses in or around the city. These trends will mean that both short haul and long haul trucking are likely to see a lot of new demand from ecommerce.

(Source: <http://www.assocham.org/>)

OUR BUSINESS

Business Overview

We are an organised third-party logistics service operator offering logistics solutions to a wide range of customers. We offer Full Truck Load (FTL) and “hub-and-spoke” transportation model and warehousing services to select clients with pan-India distribution network and automated technology systems. Our customers operate in various sectors across India, including automotive and heavy engineering, telecom, food and agro, fast-moving consumer goods (“FMCG”), paint and dairy. We believe our business model enables us to act as a service provider that can comprehensively cover our customers’ logistics requirements. We provide solutions that enable our customers to leverage our distribution network which optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market resulting in lower inventory costs to the customer.

We offer our customers services in three key areas (1) Transportation whereby we provide point-to-point, less-than truck-load, time-definite transportation services; (2) Warehousing whereby we provide warehousing, distribution and cold-chain warehousing; and (3) Value-added Services including, temperature-controlled logistics, supply chain solutions and cargo handling services at integrated check posts.

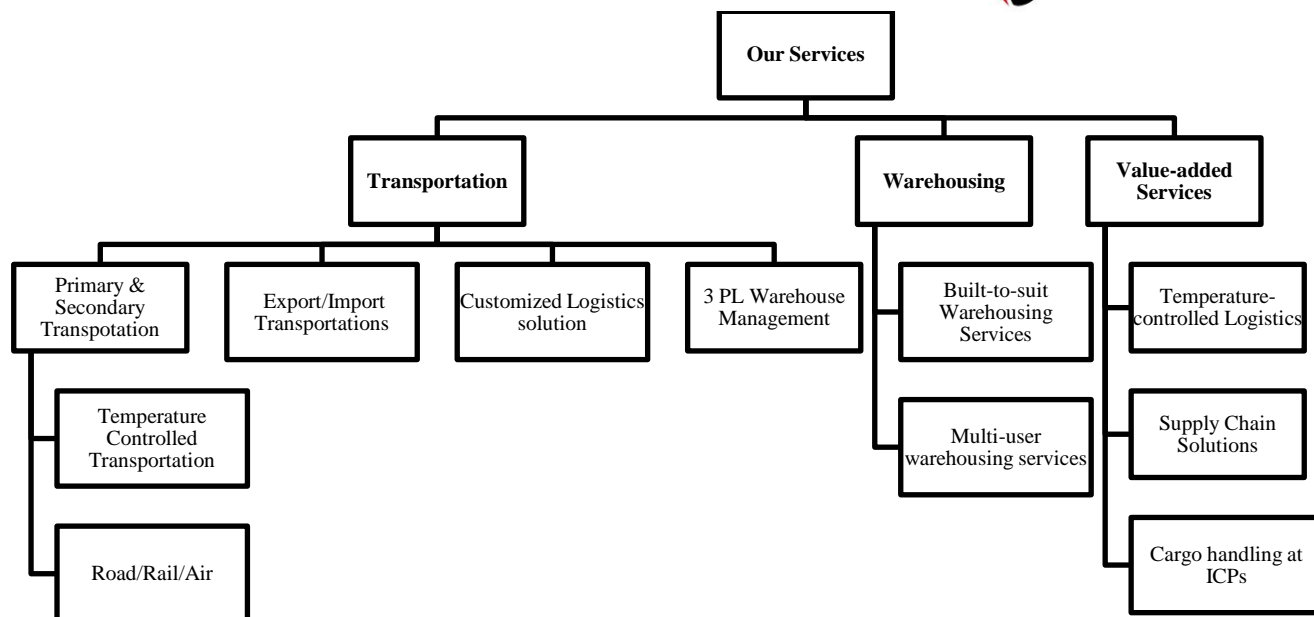
As of September 30, 2017, we have five (5) trans-shipment centres at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border) and forty nine (49) branches across India, covering twenty three (23) states as of September 30, 2017. We operate two hundred sixty four (264) owned containerised vehicles which are GPS-enabled vehicles, of which eighty five (85) are refrigerated (reefer) trucks. We provide warehousing facilities to select customers and our warehouses are well connected to several manufacturing and consumption clusters in India aggregating to 3.54 lakh square feet. We have warehouses in Modinagar, Ghaziabad, Delhi and Panipat. We are in the process of setting up additional large format, multi-user warehouses in certain strategic locations and have acquired land at Agartala in Tripura and Mysore in Karnataka adding 1.08 lakh square feet which will enable the expansion of our warehousing space to 4.62 lakh square feet by April, 2019.

We have adopted technology and processes, including (i) a system on loading and unloading of orders with accuracy; (ii) GPS-enabled trucks that provide real-time visibility of shipments; (iii) data logger for controlling temperature in reefers and (iv) driver and truck management systems. Our warehouses are equipped with information and technology services like warehouse management systems (WMS) for optimal management and storage in the warehouse.

We are certified for Quality Management Systems (ISO 9000-2008) and have certifications from IBA, SEDEX, and FSSAI license for compliance of their standards. We have received the ASSOCHAM Excellence Award – Best Logistics Company of the year 2016. For Fiscals 2017, 2016 and 2015, our revenue from operations was Rs. 19,474.50 Lakhs, Rs. 19,218.75 Lakhs and Rs. 18,311.88 Lakhs, respectively, representing a CAGR of 2.07 % during the last three Fiscals. For Fiscals 2017, 2016 and 2015, our net profit was Rs. 443.34 Lakhs, Rs. 380.16 Lakhs and Rs. 319.31 Lakhs, respectively, representing a CAGR of 11.56% during the last three Fiscals. For Fiscals 2017, 2016 and 2015, our EBITDA was Rs. 1,667.35 Lakhs, Rs. 1,599.68 Lakhs and Rs. 1,321.19 Lakhs, respectively, representing a CAGR of 8.07% during the last three Fiscals.

Our Operations

We offer third-party logistics services to a wide range of customers. We offer our customers services in two key areas (1) Transportation whereby we provide point-to-point, less-than truck-load, time-definite transportation services; (2) Warehousing whereby we provide warehousing, distribution and cold-chain warehousing; and (3) Value-added Services including, temperature-controlled logistics, supply chain solutions and cargo handling services at integrated check posts. The scope of logistics services that we provide to any given customer varies based on that customer’s needs and requirements, including its current supply chain processes, its outsourcing needs, its sector practices and the size and coverage of its distribution network across India.



Brief Restated Financials of Our Company

(Rs. in Lakhs)

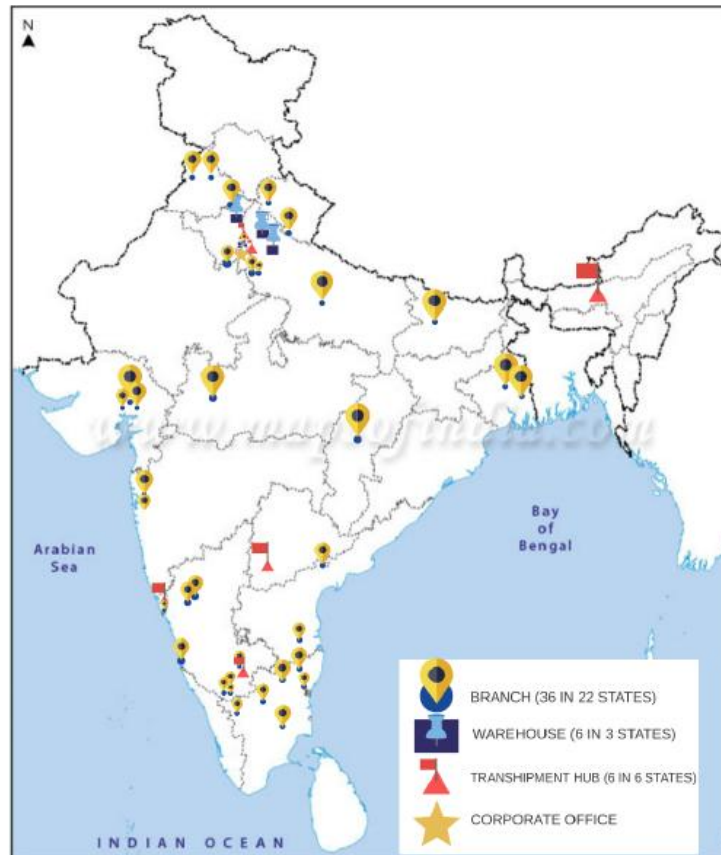
Particulars	As on September 30, 2017	As on March 31, 2017	As on March 31, 2016	As on March 31, 2015
Share Capital	424.00	424.00	424.00	302.50
Reserves	2,138.41	1,757.77	1,313.07	932.91
Net worth	2,562.41	2,181.77	1,737.07	1,235.41
Total Revenue	10,358.78	19,485.88	19,229.35	18,331.70
EBITDA	1,055.06	1,667.35	1,599.68	1,321.19
PAT	345.77	443.34	380.16	319.31

The following table sets forth the revenue from operations attributable to our key service areas for period ended September 30, 2017 and Fiscals 2017, 2016 and 2015:

(Rs in Lakhs)

Particulars	September 30, 2018	March 31, 2017	March 31, 2016	March 31, 2015
Revenue from Operations				
Warehousing Income	735.55	1,041.75	1,104.39	699.96
Transportation Income	9600.14	18,432.74	18,114.36	17,611.91
Total	10,335.69	19,474.50	19,218.75	18,311.88

The following map shows our network of trans-shipment centres, branches and warehousing facilities used throughout our logistics offerings:



- **Transportation Services**

Our transportation service offering provides customers distribution services using our “hub-and-spoke” distribution network and our containerised fleet of technology-enabled trucks. We have a low carbon emitting young fleet of two hundred and sixty four (264) Tata Motors, Ashok Leyland and Eicher trucks equipped with a wide range of cargo loads beginning from 1 Ton, used for pick-up and delivery and 9 Ton to 20 Ton used for long haul transportation. Our vehicles are fully containerised and all weather-proof. We use both owned and third party vehicles for our operations. The ratio of owned to third party vehicles used in operations us about 1:3 in the FY 2017.

Our revenue attributable to our transportation services for Fiscals 2017, 2016 and 2015 was 18,432.74 Lakhs, 18,114.36 Lakhs and 17,611.91 Lakhs, respectively, which accounted for 94.65%, 94.25% and 96.18%, respectively, of our revenue from operations for such periods.

Processes and Infrastructure

The distribution network for our transportation services is based on Full Truck Load (FTL) and “hub-and-spoke” model consisting of five (5) trans-shipment centres at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border) and forty nine (49) branches across India, covering twenty three (23) states as of September 30, 2017. Further, we operate two hundred sixty four (264) owned containerised vehicles which are GPS-enabled vehicles, of which eighty five (85) are refrigerated (reefer) trucks. We have adopted technology and processes, including (i) a system on loading and unloading of orders with accuracy; (ii) GPS-enabled trucks that provide real-time visibility of shipments; (iii) data logger for controlling temperature in reefers and (iv) driver and truck management systems.

Our trans-shipment centres serve as junctions where shipments from various centres and branches arrive and are sorted and grouped based on their ultimate destinations and shipping routes. Our branches are fully computerised

smaller operating units where we carry out booking and delivery of shipments. Our branches receive shipments from various customers around the area and these are delivered initially to the other branches near to the destination of the end customers. As of September 30, 2017, we operated forty nine (49) branches in various locations across India. We also have arrangements with third party operators where our Company does not have a branch and the operators make pick-ups and deliveries for our Company's customers from such locations. Furthermore, we use independent contractors known as pick-up and delivery associates as and when required, who make pick-ups and deliveries for particular branches or other locations. We offer customers customised packaging solutions as a part of our transportation services which deliver goods to end destination in unitised portions to allow for easy shelving on retail shelves for FMCG clients. Our transportation services operated two sixty four (264) containerized GPS-enabled vehicles of which eight five (85) are refrigerated (reefer) trucks that are owned by us. All of our vehicles ensure timely transport with minimal damage to goods, regardless of weather conditions.

Pricing and Contract Terms

We charge our customers for transportation services in a number of ways, including (i) on the basis of actual or volumetric weight of goods transported from the location of origin to the ultimate destination, (ii) on a per trip or per kilometre basis, or (iii) for the use of a dedicated vehicle for a specific number of kilometres each month, with additional charges for extra distance.

Temperature-Controlled Logistics

Our temperature-controlled logistics offering provides product-handling solutions for temperature-sensitive perishable products through temperature-controlled warehousing and transportation in our reefer trucks.

Processes and Infrastructure

Our temperature-controlled reefer trucks can maintain perishable goods in the frozen temperature range (-20 to 0 degrees Celsius), chilled temperature range (0 to +4 degrees Celsius), cold temperature range (+2 to +15 degrees Celsius) and cool temperature range (+8 to +25degrees Celsius), depending on the needs of the customer and products. We ensure adherence to internal storage and transportation policies to ensure perishable goods are kept at constant temperatures and in compliance with contractual requirements for such perishable goods. We are also FSSAI compliant. Our fleet of temperature-controlled reefer trucks maintain a temperature-controlled environment to ensure proper handling of perishable products throughout the transportation process. Our reefer trucks are equipped with insulated doors with inner and outer seals and a secure door locking system to maintain internal temperature. Further, the container body floors of our reefer trucks are fitted with gratings to improve the efficacy of return air evaporation and the uniform circulation of air, which are critical to the maintenance of a steady temperature-controlled environment integration.

As of September 30, 2017, we owned eighty five (85) reefer trucks for use in our temperature-controlled logistics operations.

Pricing and Contract Terms

We generally charge our customers for temperature-controlled warehousing storage and handling on per pallet, per ton or per cubic feet basis. We charge our customers for temperature controlled transportation (i) for primary transportation (typically longer distances, including between states and cities), on a per trip basis based on distance travelled from the point of origin to the destination and (ii) for secondary transportation (typically shorter distances, including intra-city transportation), on a monthly basis either with or without a minimum guaranteed distance travelled.

Our business is fairly working capital intensive. Post delivery and upon raising an invoice, payment is received by us in 60-80 days, whereas the costs incurred by our Company for diesel, toll, driver charges, tyre and repair and maintenance expenses are to be paid upfront for the vehicles owned by us. As regards vehicles hired by us from third party providers, hiring charges are required to be paid upfront mainly to small fleet operators.

- **Warehousing**

We provide warehousing facilities to select customers and our warehouses are well connected to several manufacturing and consumption clusters in India aggregating to 3.54 lakh square feet. We have 6 warehouses details of which are given below:

No.	Warehouses	Area (Square feet in lakhs)
1.	KRIBHCO warehouse, Modinagar, U.P.	0.58
2.	Continental Warehouse, Jattipur Panipat, Haryana	1.50
3.	NCCF Cooperative Federation, Okhla, Delhi	0.20
4.	Plot no 53/13,15,16, Nangli Poona, Delhi	0.20
5.	Plot no 53/33,34, Nangli Poona, Delhi	0.31
6.	Kharsa no. 146/147/148/150 /153, Jindalnagar, Ghaziabad, U.P	0.75
	Total	3.54

In some of our warehouses, we provide information and technology services like warehouse management systems (WMS) for optimal management and storage in the warehouse.

We are in the process of setting up additional large format, multi-user warehouses in certain strategic locations and have acquired land at Agartala in Tripura and Mysore in Karnataka adding 1.08 lakhs square feet which will enable the expansion of our warehousing space to 4.62 lakhs square feet by April, 2019.

- **Value-added Services**

We also provide certain value-added services as a part of our warehousing services. We design the layout of the value-added services area, the level of technology and automation required and the processes based on the variety and volume of goods being processed. From time to time, we also offer certain additional services to our customers based on their unique requirements. For instance, we provide freight forwarding services in respect of goods imported and exported into and outside India, as well as customs clearance to ensure compliance with Indian import-export regulations. We also provide our customers a mix of transportation services i.e. both road and rail, through the Container Corporation of India (CCI) and Indian Railways for express delivery of their shipments.

Branch and Warehouse Arrangements

We typically enter into lease agreements or leave and license agreements for our branches for terms ranging between one (1) to three (3) years. We generally bear the infrastructure and technology costs within our branches. Our branches include built-to-suit, multi-sector and multi-customer. Similarly, our warehouses are on lease or leave and license basis. We are in the process of constructing our own warehouses and have already acquired land at Agartala in Tripura and Mysore in Karnataka. Customers are generally charged for our warehousing services on a fixed monthly billing basis.

Technology and Automation

We have adopted technology and automation throughout our logistics operations and customised them to suit our operational requirements based on our experience and understanding of our customers' requirements. Our use of technology and automation helps ensure efficiency and sorting of our customers' goods, while maintaining accuracy as well as complete visibility of inventory in the warehouse and delivery chains. Some of our key technology and automation processes are summarised as follows:

- **Transport Management System:** Our TMS provides customers with 24x7 direct visibility into the distribution chain through an online portal providing updates from pick-up, to in-transit status, to delivery, to electronic proof of delivery, to electronic billing. The TMS further allows customers to customise shipment options such as arranging pick-ups, cash-on-delivery shipments, appointment-based shipments, return order management and other customised options as well as providing routing and scheduling optimisation. Further, the TMS provides alerts to customers in the event of any delays or unforeseen circumstances in the transportation chain.
- **Vehicle Tracking System:** Our GPS-enabled vehicles allow for real-time tracking of customer goods.
- **Mobility Platform:** Our Mobility Platform is a portal for our customers to access our TMS. The Mobility Platform connects the features of our Vehicle Tracking System (VTS) with our TMS to provide customers real-time tracking. We have capability to integrate our customers' technologies with our own systems that we have implemented in order to provide them visibility into their supply chain. Such integration includes integration of the following customer technologies.




- *Warehouse Management System:* Our warehouse management system provides customers with an inventory management tool that can be integrated directly with a customer’s enterprise resource planning system, providing visibility of inventory in the distribution centre.
- *Driver and Vehicle Management Systems:* We have our own mobile app for drivers featuring real time vehicle tracking, information regarding loading and unloading, managing delays like breakdowns, updating drivers from the central control room if there is any change in the plan/ trip, giving feedback at the time of delivery from or to the customer, SMS alerts and auto generated emails to the central control room in case of an emergency, updating the advance monies given to drivers in route and accounting for the same. We have installed diesel level sensors to detect the quantity of fuel in trucks, door sensors, RFID chips in tyres for tyre management, temperature sensors in our cold storage fleet. We also have an online portal which provides the MIS reports and statistics on our operations. We also install portable GPS devices on third party vehicles for better operational management of these vehicles. To manage driver and vehicle operations, we have established a fully digitized control room situated at Kundli, Sonapat in Haryana. We are in the process of installing a customized online dashboard/portal, which will be integrated with the GPS. All vehicle placements, customer information, vehicle finance details, vehicle status as regards repairing, accident, waiting for load, loaded, in route, waiting for documents and such other related matters will be uploaded on the portal which will expedite vehicle placement pan-India.

A unique centralised online indenting portal, Indent Tower, has been developed to consolidate and streamline our indenting system. By way of this portal, orders can be directly received from our customers over this portal and the master-data can be accessed by the team from every our generating branches. All indent related reports are auto generated based on data feeding and information received. This portal saves time and use of manpower in fetching indents through calls, emails and other modes of communication.

Workshop for Vehicle Management

We have a fully equipped workshop with latest machinery and tools for wheel alignment, fuel tester, and other instruments for vehicle testing and servicing resulting in costs saving and direct control over maintenance. We have entered into an arrangement with Michelin, India for tyre management and services of all our vehicles. We have an arrangement with the Indian Oil Corporation (IOC) for diesel fueling and payments are made directly to IOC by our office completely eliminating cash transactions. For drivers in transit expenses like food and miscellaneous expenses, we have an arrangement with HDFC Bank for prepaid cards which are used by drivers for small transactions. The implementation of these measures has strengthened our control on the ground and reduced inflated claims by drivers for the expenditure incurred by them during transit.

Our Fleet

		
<p>Type - Pick Up; Capacity – 1 Ton</p>	<p>Type - 19 FT container; Capacity – 4.5 Ton</p>	<p>Type – 20 FT; Capacity – 4.5 Ton</p>

		
<p>Type - 34 FT. container; Capacity – 19 Ton</p>	<p>Type - Dry Pneumatic Bulker; Capacity – 20 Ton</p>	<p>Type - 36 FT. Container; Capacity – 19 Ton</p>
		
<p>Type - 32 FT. Refer Container; Capacity – 12 Ton</p>	<p>Type - Flatbed; Capacity – 15 Ton</p>	<p>Type - Open Body Truck; Capacity – 20 Ton</p>
		
<p>Type - Tanker; Capacity – 19 Ton</p>		

Our Strengths

We are an integrated service provider with an extensive network of branches in a fast-growing third-party logistics market.

We are an integrated service provider with five (5) trans-shipment centres for LTL (less than truck load) at Guwahati, Bangalore, Hyderabad, Delhi-UP border, and Kundli (Delhi-Haryana border), forty nine (49) branches spread across India covering 23 states in India. The locations of branches and delivery network enables us to provide our customers with access to multiple destinations for booking and delivery of goods across India. For a map showing our facilities across India, please see “*Our Business – Our Operations*”. We provide certain value-added services as a part of our warehousing services and also design the layout of the value-added services area, the level of technology and automation required and the processes based on the variety and volume of goods being processed. We offer certain additional services to our customers based on their unique requirements like freight forwarding

services and cargo handling in respect of goods imported and exported into and outside India, as well as customs clearance to ensure compliance with Indian import-export regulations. We also provide our customers a mix of transportation services i.e. both road and rail, through the Container Corporation of India (CCI) and Indian Railways for express delivery of their shipments.

Extensive owned fleet of vehicles

We have a low carbon emitting young fleet of Tata Motors, Ashok Leyland and Eicher trucks equipped with a wide range of cargo loads beginning from 1 Ton, used for pick-up and delivery and 9 Ton to 20 Ton used for long haul transportation. The ratio of owned to third party vehicles used in operations is about 1:3 in the FY 2017. We own two sixty four (264) containerized GPS-enabled vehicles of which eight five (85) are refrigerated (reefer) trucks. All of our vehicles ensure timely transport with minimal damage to goods, regardless of weather conditions. Our temperature-controlled reefer trucks maintain a temperature-controlled environment to ensure proper handling of perishable products throughout the transportation process.

Comprehensive solution for transportation requirements.

We provide comprehensive third-party logistics services through transportation, warehousing and temperature-controlled logistics at competitive rates. We provide end-to-end customised logistics, warehousing and supply chain solutions for certain select customers. Our ability to manage most of the supply chain requirements of our customers enables our customers to reduce the number of service providers they engage. Our logistics offerings also present us with cross-selling opportunities for providing warehousing facilities to the customers and other value added services.

Diverse customer base across many sectors.

Our customer base spans many sectors, including retail, pharmaceutical, telecom, automotive and heavy engineering, food and agro, FMCG, paint and dairy. We have a diversified customer base in each of the sectors we serve, including Indian corporate groups and multinational companies. We believe we are well positioned in the logistics industry in India, given our experience and infrastructure suited to serve a wide range of sectors. Over the years, we have built strong customer relations, demonstrating the value proposition we provide and positioning us for expected further growth.

We have installed technology and automation.

We have adopted technology and automated processes for meeting client-specific needs. We have made investments to implement automated technology and processes in order to increase capacity, operating efficiency and costs saving thereby improving our profitability and allowing us to customise services to suit our requirements and those of our customers. We have adopted various technologies and automation in our business, including (i) our Transport Management System (“TMS”), which provides shipment-level visibility from pick-up, to delivery, to billing as well as routing solutions, and is also linked to our enterprise resource planning system, (ii) our Vehicle Tracking System (“VTS”), which enables our customers to track their goods online and in real-time while in transit; (iii) remote access to our delivery vehicles and (iv) a real-time data logging system that enables us to monitor temperature variations in our distribution centres and our reefer trucks used in our temperature-controlled logistics services.

Experienced management team.

We have a management team with vast experience in the logistics industry. The quality of our management team has been critical in achieving our business results. All members of our senior management team have substantial experience. Our Managing Director and CEO Mr. Sanjay Gupta, has over thirty (30) years of experience in the logistics sectors. Experience in this industry is the key in driving business growth and provides thought leadership on making operations more efficient and productive, including with the use of technology. Our management team is responsible for formulating our strategy, managing our service areas, diversifying our business and sector mix, ensuring strong operating and technology platforms and expanding our customer relationships. Further, our management team enables us to conceptualise and develop new services, effectively market our services, and develop and maintain relationships with our customers and vendors. Over the years we have had a low attrition rate

thereby reducing delays and disruptions in our operations. For further information relating to our management, please see the section entitled “*Our Management*” on page 114.

Business Strategies

Capitalise on the growth of the third-party logistics industry in India.

The third-party logistics market in India is expected to continue to grow in line with its historical trajectory, due to strong demand and supply-side drivers, such as the expected growth in the Indian economy, increasing urbanisation, increased consumerism due to higher per capita incomes, favourable changes, incentives from the government for infrastructure investment and higher levels of outsourcing of logistics activities. This indicates market growth potential for established third-party logistics service providers in India such as us. Organised third-party logistics providers are also expected to grow much faster compared to unorganised providers, due to various reasons including increasing sophistication of clients, the trend towards centralised supply-chain decision making and favourable regulatory changes, including the introduction of GST and E-way bill, which was implemented from July 1, 2017 and February 1, 2018, respectively. The introduction of GST in India is expected to favour growth in outsourced logistics, and in particular, large-scale logistics operations that will be capable of handling multi-industry. We will further benefit from the forward charge mechanism (FCM) model under GST, whereby we will be able to claim input tax credit (ITC) of GST against our expenditure. We intend to capitalise on these opportunities in the Indian third-party logistics market, given our experience in this business and operations. The size and scale of our operations and the reliability of our services will assist us in furthering our pan-India operations. Further, we believe that the projected growth and the changes in the Indian third-party logistics market resulting from the introduction and implementation of GST in India will result in an increase in the dependence of existing and new customers on third party logistics services.

Target growth by identifying new customers, increasing our share of existing customers’ third-party logistics spending and leveraging existing relationships.

We have implemented sales and marketing strategies to ensure a continuous flow of business. We are also able to target a large customer base due to our experience of dealing with customers across multiple sectors, which provides us with a significant competitive advantage. Our strategy also includes marketing customised solutions to target customers and analysing their business processes to propose a comprehensive supply chain infrastructure and plan. Our senior management focuses on customer account management for existing customers and new business development. With our multi-industry exposure and by leveraging the network of our senior management, we have access to many potential customers across varied sectors. Apart from expanding our reach to new customers, we aim to increase our revenues and margins by expanding the range of services we offer to existing customers. As our customers continue to grow and their supply chains increase in size and complexity, we intend to focus on expanding the range of services for which they rely on us, cater to new geographies in which they operate and expand our services into their new product lines. As our logistics services can typically be integrated with our customers’ supply chains, this enables us to cross-sell the other services and capabilities we have to offer.

Invest further in infrastructure and expand our network.

We plan to continue to invest in enhancing our infrastructure to enable us to respond quickly to our customers’ changing needs, thereby continually improving the competitiveness of our supply chain solutions. We intend to increase capacity in our existing distribution centres in order to increase our volume handling capability as well as identify certain new locations to establish additional distribution centres. In our express logistics services, we intend to expand the reach of our distribution network. This will entail increasing the number of our hubs, branches and feeder routes in order to enable our fleet of technology-enabled vehicles to reach more locations across India. We intend to expand our warehousing facilities presently at Modinagar, Ghaziabad, Delhi and Panipat to new locations such as Agartala, in the North East of India and Mysore, in South India.

Continue to focus on enhancements in technology

We believe that our technological capabilities play a key role in helping us effectively manage our pan-India operations, maintain operational and fiscal controls, and support our efforts to enhance client service levels. We have made consistent investments in technology over the past several years. We intend to continue to acquire technology systems to increase asset productivity, improve operating efficiencies, and strengthen our competitive position. We will continue to automate major processes in our business to improve process efficiency, reduce costs, and offer a differentiated value proposition to our clients. We source these technologies from third party vendors and new clients. This solution will carry out network redesign and optimization, identify strategic warehouse locations, provide transportation and distribution solutions to meet market imperatives and increase data visibility and exchange.

A unique centralised online indenting portal, Indent Tower, has been developed to consolidate and streamline our indenting system. By way of this portal, orders can be directly received from our customers over this portal and the master-data can be accessed by the team from every our generating branches. All indent related reports are auto generated based on data feeding and information received. This portal saves time and use of manpower in fetching indents through calls, emails and other modes of communication.

Continue to establish new multi-user warehouses

In order to take advantage of the business expansion opportunities offered by the GST regime, we intend to obtain leasehold or license rights over large, multi-user, integrated warehouses in certain specific well-connected and central locations in India. Our present warehouses are well connected to several manufacturing and consumption clusters in India and has an aggregate warehousing space of 3.54 lakh square feet. We have warehouses in Modinagar, Ghaziabad, Delhi and Panipat. We are in the process of setting up additional large format, multi-user warehouses in certain strategic locations and have acquired land at Agartala in Tripura and Mysore in Karnataka adding 1.08 lakh square feet which will enable the expansion of our warehousing space to 4.62 lakh square feet by April, 2019. The locations for these multi-user warehouses take into consideration the post-GST demand patterns likely to emerge and how we intend to position ourselves to ideally serve our clients' needs. The warehouses will be constructed to industry standards of quality, safety, design and scalability. We will have the capability to provide a wide variety of warehousing and value added services from these multi-user warehouses.

Customers

We have a diverse customer portfolio including multinationals, domestic and the MSME, servicing many of India's industries across various sectors. We procure orders from our customers by way of e-bidding and direct relationship with customers and their representatives.

Sectors

We serve customers across a range of sectors across India, including automotive and engineering, food and agro, FMCG, telecom, paint and dairy. Each of these sectors has unique considerations that we must take into account in optimising our service offerings to our customers. For instance, logistics in the FMCG, food, telecom, agro and dairy sector are complex given that the products typically have a short shelf life and require strict monitoring to ensure that customers receive products with adequate shelf-life. Our infrastructure and processes enable us to handle increased throughput for both perishable food products and non-perishable FMCG products.

Competition

The third-party logistics industry is unorganised and highly fragmented in India. The principal competitive factors include service quality, reliability, price and the ability to address varying requirements of different sectors and specific customer needs comprehensively. We believe that our ability to compete effectively is primarily dependent on ensuring consistent service quality and timely services at competitive prices, thereby strengthening our brand and reputation over the years. Very few organised service providers in India have a comprehensive pan-India presence. In addition, a number of logistics providers operate only in one line of business (i.e. transportation, warehousing or temperature controlled logistics) whereas our Company provides end to end (E2E) solutions i.e. from primary

logistics to last mile delivery. We compete against various logistics service providers in different service areas in different geographic locations across India in addition to regional and unorganised service providers.

Employees

We have developed a pool of skilled and experienced personnel. We also contract personnel as well as hire part-time employees and temporary staff to meet our seasonal or specific project needs. As of January 31, 2018, we had 521 full-time employees, respectively, across the following function areas: administration, office, commercial, IT & systems, secretarial and legal, marketing, operations, procurement, projects, property, sales, loss prevention and transportation solutions. We gear our training efforts toward developing our personnel to allow for advancement and success within our organisation. Many of our senior management have risen through our ranks and have over two decades of experience. Over the years we have had a low attrition rate thereby reducing delays and disruptions in our operations.

Drivers are a critical resource for our Company. We give significant time and effort in the recruitment, training and retention of drivers. We have incorporated security procedures and provide induction training to our new drivers and are further supported by other aspects of fleet safety management system including management and motivation of drivers through examples, coaching and leadership. We provide training and undertake classroom sessions on driver handbook, vehicle familiarization covering vehicle controls, feedback sessions, safety features and vehicle handling. We also educate our drivers on defensive driving skills, tiredness and fatigue management, self-awareness, first-aid and HIV/AIDS awareness. We provide training to our drivers on technologies such as anti-skid and anti-rollover techniques and economical driving by paying drivers on a per km basis to incentivize them to drive the vehicle efficiently thereby leading to higher earnings for themselves. We also conduct regular health checkups with special focus on eye testing and eye related ailments. We also conduct random drug and alcohol tests and training sessions for our drivers to ensure safe driving.

Information Technology


The continuous development of our technology systems is essential not only to improve our internal operations and financial performance, but also to provide our customers with effective, timely, and reliable services. We evaluate our technology systems and personnel to service our customers’ needs. Information technology is a key differentiator for certain customers in the supply chain and logistics industry. For further details of our key technology used in our logistics operations see *“Our Operations – Technology and Automation.”*

Health and Safety

We are committed to implementing measures to comply with applicable health and safety laws and regulations. We are also certified for Quality Management Systems (ISO 9000-2008) and have certifications from IBA, SEDEX, and FSSAI license for compliance of their standards.

Intellectual Property

We have applied for registration of our Logo with Trademarks Registry, Government of India. The detail of trademark application is as under:

Logo	Application Date	Application No.	Class	Status
	February 14, 2018	3753100	39	Send To Vienna Codification

Insurance

We maintain a comprehensive and third party set of insurance policies, which are renewable every year. Our property, plant and equipment are insured for standard risks, including fire, earthquakes, theft and our vehicles are

insured for accidental damages. We maintain medical insurance policies, personal accident insurance policies for our employees and a workmen's compensation policy. Our policies are subject to customary exclusions and deductibles.

Properties

Our Company has entered into six (6) lease agreements with the Delhi Metro Rail Corporation (DMRC) for our corporate office premises at Jhilmil Metro Station Complex and other office premises at other metro stations for a period of fifteen (15) years. One (1) lease agreement with the Tripura Industrial Development Corporation (TIDC) for the Agartala warehouse land for a period of thirty (30) years and one (1) lease agreement with the Mr. Sanjay Gupta for the registered office. Additionally, our Company has entered into forty two (42) lease agreements for branches and warehouses in different parts of India. Six (6) lease agreements have been entered into by our Company for transshipment centres. We have also sublet our warehouses by way of lease agreements for 2-3 years period to our select customers.

KEY REGULATIONS AND POLICIES

The following description is a summary of the relevant regulations and policies as prescribed by the Government of India. The regulations set below are not exhaustive and is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional legal advice.

We set out below certain significant legislations and regulations which generally govern the logistics industry in India:

Laws in relation to our Business

Warehousing (Development and Regulation) Act, 2007

The Warehousing (Development and Regulation) Act, 2007 (the “**Warehousing Act**”) was notified and came into effect on September 19, 2007. The Warehousing Act prescribes, among other things, the form and manner of registration, development and regulation of warehouses. The Warehousing Act also provides for setting up of a Warehousing Development and Regulatory Authority (the “**WDRA**”) which comprises a chairman and not more than two other members. The WRDA has the duty to regulate and ensure implementation of the provisions of the Warehousing Act and promote orderly growth of the warehousing business. The powers and functions of the WRDA include, amongst others, (i) to regulate the process of pledge, creation of charges and enforcement thereof in respect of goods deposited with the warehouses; (ii) to promote efficiency while conducting the warehouse business; (iii) to promote professional organizations connected with the warehousing business; (iv) to maintain a panel of arbitrators and to nominate arbitrators from such a panel in disputes between warehouses and warehouse receipt holders; and (v) to determine the rate of, and levy, the fee and other charges for carrying out the provisions of the Warehousing Act.

Warehousing Regulations

Public Warehouse Licensing Regulations, 2016, the Special Warehouse (Custody and Handling of Goods) Regulations, 2016 and the Private Warehouse Licensing Regulations, 2016 (collectively, the “**Warehousing Regulations**”) govern the issue of public, private and special warehouse licences to different categories of applicants. The Warehousing Regulations stipulate the conditions for grant of warehouse licences and also set out other requirements in relation to validity, surrender and transferability of the said licences.

The Food Safety and Standards Act, 2006 and the Food Safety and Standards Rules, 2011

The Food Safety and Standards Act, 2006 (the “**FSSA**”) came into force on August 23, 2006 with a view to consolidate laws relating to food and to establish the Food Safety and Standards Authority of India (the “**Food Authority**”). The Food Authority sets out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is also required to provide scientific advice and technical support to the Government and the State Governments in framing the policy and rules relating to food safety and nutrition. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, responsibilities of the food business operator, liability of manufacturers and sellers, and adjudication by the Food Safety Appellate Tribunal. The FSSA has not been fully notified and has only been partially enacted. In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the “**FSSR**”) which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure for the commissioner of food safety, food safety officer and food analyst, and procedures for taking extracts, seizure, sampling and analysis.

The Food Authority has also framed the following food safety and standards regulations in relation to various food products and additives:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;

- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminates, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The key provisions of the FSSA are:

- establishment of the Food Authority to regulate the food sector;
- the Food Authority shall be aided by several scientific panels and a central advisory committee to lay down standards for food safety. The standards will include specifications for ingredients, contaminants, pesticide residue, biological hazards and labels;
- enforcement through state commissioners of food safety and other local level officials;
- registration or licensing requirements for every entity in the food sector. Such licence or registration shall be issued by local authorities;
- every distributor is required to be able to identify any food article by its manufacturer, and every seller by its distributor; and
- any entity in the sector is bound to initiate recall procedures if it finds that the food sold has violated specified standards.

Legal Metrology Act, 2009

The Legal Metrology Act, 2009 (the “Legal Metrology Act”) came into effect on January 14, 2010 and replaced the Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

The key features of the Legal Metrology Act are:

- units of weights and measures are to be based on metric system only;
- all weights and measures shall follow the prescribed specification and shall be verified and also re-verified periodically before use; pre-packaged commodities shall bear statutory declarations;
- registration is required before import of any weight or measure;
- approval of model is required before manufacture or import of any weight or measure; and
- without licence no weight or measure may be manufactured, sold or repaired.

Legal Metrology (Packaged Commodities) Rules, 2011

The Legal Metrology (Packaged Commodities) Rules, 2011 (the “Packaged Commodities Rules”) was framed under Section 52(2) of the Legal Metrology Act and lays down specific provisions applicable to packages intended for retail sale, wholesale and for export and import. A ‘pre-packaged commodity’ means a commodity which, without the purchaser being present, is placed in a package of a pre-determined quantity. The key provisions of the Packaged Commodities Rules are:

- it is illegal to manufacture, pack, sell, import, distribute, deliver, offer, expose or possess for sale any prepackaged commodity unless the package is in such standard quantities or number and bears thereon such declarations and particulars as prescribed;
- all pre-packaged commodities must conform to the declarations provided thereon as per the requirement of Section 18(1) of the Legal Metrology Act; and
- no pre-packaged commodity shall be packed with error in net quantity beyond the limit prescribed in the first schedule of the Packaged Commodity Rules.

The Ministry of Consumer Affairs, Food and Public Distribution, by Gazette notification dated June 23, 2017, notified certain amendments to the Packaged Commodities Rules that will become effective from January 1, 2018. The amendments include (i) change in the definition of Institutional Consumer; (ii) addition of the definition of ecommerce to bring the buying and selling of goods and services including digital products over digital and

electronic network within the scope of the Legal Metrology (Packaged Commodities) Rules; and (iii) goods displayed by the sellers on e-commerce platforms to contain declarations required under the Packaged Commodity Rules like name and address of the manufacturer, packer and importer, name of the commodity, net content, retail sale price, consumer care details and other details.

Shops and Establishments Legislations

Establishments are required to be registered under the provisions of local shops and establishments legislations applicable in the states where such establishments are set up. Such legislations regulate the working and employment conditions of workers employed in such shops and establishments including commercial establishments and provide for fixation of working hours, rest intervals, overtime, holidays, leave, termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees. Our shops and establishments have to be registered under the shops and establishments legislations of the respective states where they are located.

Sale of Goods Act, 1930

The Sale of Goods Act, 1930 (the “Sale of Goods Act”) governs contracts relating to the sale of goods. The contracts for sale of goods are subject to the general principles of the law relating to contracts. A contract for sale may be an absolute one or based on certain conditions. The Sale of Goods Act contains provisions in relation to the essential aspects of such contracts, including the transfer of ownership of goods, delivery of goods, rights and duties of the buyer and seller, remedies for breach of contract and the conditions and warranties implied under a contract for the sale of goods. Carriage by Road Act, 2007 The Carriage by Road Act, 2007 (the “Carriage by Road Act”) came into force on September 29, 2007 and replaced the Carriers Act, 1865. The Carriage by Road Act regulates common carriers, limiting their liability and declares the value of goods delivered to them to determine their liability for loss of, or damage to, such goods occasioned by the negligence or criminal acts of themselves, their servants or agents and for matters connected therewith. No person can engage in the business of a common carrier, unless they have a certificate of registration. A ‘common carrier’ has been defined under the Carriage by Road Act as a person engaged in the business of collecting, storing, forwarding or distributing goods to be carried by goods carriages under a goods receipt or transporting for hire of goods from place to place by motorised transport on road, for all persons indiscriminately and includes a goods booking company, contractor, agent, broker, and courier agency engaged in the door-to-door transportation of documents, goods or articles utilising the services of a person, either directly or indirectly, to carry or accompany such documents, goods or articles, but does not include the Government.

Motor Transport Workers Act, 1961 (“MTWA”)

The MTWA provides for the welfare of motor transport workers and to regulate the conditions of their work. It applies to every motor transport undertaking employing five or more motor transport workers. A ‘motor transport worker’ means a person who is employed in a motor transport undertaking directly or through an agency, whether for wages or not, to work in a professional capacity on a transport vehicle or to attend to duties in connection with the arrival, departure, loading or unloading of such transport vehicle and includes a driver, conductor, cleaner, station staff, line checking staff, booking clerk, cash clerk, depot clerk, time-keeper, watchman or attendant.

Public Liability Insurance Act, 1991 (“PLIA”)

The purpose of PLIA is to provide through insurance, immediate relief to persons affected due to accident while handling hazardous substance by the owners on a no fault liability basis. Where death or injury to any person (other than a workman) or damage to any property has resulted from an accident, the PLIA mandates that the owner is liable to give relief to such person as specified by the PLIA. The PLIA requires the owner to take out insurance policies before he starts handling any hazardous substance whereby he is insured against liability to give such relief.

Environmental Laws

The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Environment Protection Act, 1986. The basic purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Boards (the “PCBs”), which are vested with diverse powers to deal with water and air pollution, have been set up in each state. The PCBs are responsible for setting the standards for maintenance of clean air and water, directing the installation of pollution control devices in industries and undertaking inspection to ensure that industries are functioning in compliance with the standards prescribed. These authorities also have the power of search, seizure and investigation if the authorities are aware of or suspect pollution that is not in accordance with such regulations. All industries and factories are required to obtain consent orders from the PCBs, which are indicative of the fact that the factory or industry in question is functioning in compliance with the pollution control norms. These consent orders are required to be renewed annually.

Laws relating to employment

The following is an indicative list of labour laws applicable to the business and operations of Indian companies engaged in manufacturing activities:

- Factories Act, 1948
- Contract Labour (Regulation and Abolition) Act, 1970;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Employees' State Insurance Act, 1948;
- Inter-State Migrant Workmen (Regulation of Employment and Conditions of Service) Act, 1979;
- Minimum Wages Act, 1948;
- Payment of Bonus Act, 1965;
- Payment of Gratuity Act, 1972;
- Payment of Wages Act, 1936;
- Maternity Benefit Act, 1961;
- Motor Transport Workers Act, 1961;
- Industrial Disputes Act, 1947;
- Employees' Compensation Act, 1923; and
- Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

HISTORY AND CERTAIN CORPORATE MATTERS

Brief history of our Company

Our Company was originally incorporated as a private limited company, at Delhi, India under the Companies Act, 1956 in the name of AVG Logistics Private Limited by way of Certificate of Incorporation dated January 25, 2010. Further, pursuant to conversion of our Company to a public limited company, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi on February 21, 2018.

Changes in registered office of our Company since incorporation

We set out below the changes in registered office of our Company since inception which has been changed for administrative convenience of our Company.

Date of change	From	To
On incorporation	House No. 479, Kanungo Apartment, Plot No. 71, I.P. Extension, Patpar Ganj, Delhi 110092, India.	--
February 19, 2010	House No. 479, Kanungo Apartment, Plot No. 71, I.P. Extension, Patpar Ganj, Delhi 110092, India.	Shop No, 25, DDA Market, Savita Vihar, 110 092, India.

Main Objects

The main objects of our Company as contained in its Memorandum of Association are:

- To provide all kinds of transportation services and its auxiliary logistics services.
- To provide all kinds of logistics consultancy services.

The main objects clause and objects incidental or ancillary to the main objects as contained in the Memorandum of Association enable our Company to undertake its existing activities.

Amendments to the Memorandum of Association of our Company

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

Date of Amendment / Shareholders Resolution	Amendment
May 15, 2010	<u>Change in authorised share capital:</u> Increase in Authorised Share Capital from Rs.5,00,000 comprising of 50,000 Equity Shares of Rs.10 each to Rs.10,00,000 comprising of 1,00,000 Equity Shares of Rs.10 each.
March 15, 2011	<u>Change in authorised share capital:</u> Increase in Authorised Share Capital from Rs.10,00,000 comprising of 1,00,000 Equity Shares of Rs.10 each to Rs.15,00,000 comprising of 1,50,000 Equity Shares of Rs.10 each.
January 25, 2012	<u>Change in authorised share capital:</u> Increase in Authorised Share Capital from Rs.15,00,000 comprising of 1,50,000 Equity Shares of Rs.10 to Rs.30,00,000 comprising of 3,00,000 Equity Shares of Rs.10 each.

Date of Amendment / Shareholders Resolution	Amendment
January 25, 2012	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.30,00,000 comprising of 3,00,000 Equity Shares of Rs.10 each to Rs.40,00,000 comprising of 4,00,000 Equity Shares of Rs.10 each.</p>
January 25, 2012	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.40,00,000 comprising of 4,00,000 Equity Shares of Rs.10 each to Rs.50,00,000 comprising of 5,00,000 Equity Shares of Rs.10 each.</p>
May 18, 2012	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.50,00,000 comprising of 5,00,000 Equity Shares of Rs.10 each to Rs.70,00,000 comprising of 7,00,000 Equity Shares of Rs.10 each.</p>
June 16, 2012	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.70,00,000 comprising of 7,00,000 Equity Shares of Rs.10 each to Rs.1,00,00,000 comprising of 10,00,000 Equity Shares of Rs.10 each.</p>
March 22, 2013	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.1,00,00,000 comprising of 10,00,000 Equity Shares of Rs.10 each to Rs.2,00,00,000 comprising of 20,00,000 Equity Shares of Rs.10 each.</p>
May 27, 2013	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.2,00,00,000 comprising of 20,00,000 Equity Shares of Rs.10 each to Rs.3,90,00,000 comprising of 39,00,000 Equity Shares of Rs.10 each.</p>
June 19, 2015	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from Rs.3,90,00,000 comprising of 39,00,000 Equity Shares of Rs.10 each to Rs.5,00,00,000 comprising of 50,00,000 Equity Shares of Rs.10 each.</p>
January 19, 2018	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from 5,00,00,000 comprising of 50,00,000 Equity Shares of Rs.10 each to Rs.7,50,00,000 comprising of 75,00,000 Equity Shares of Rs.10 each.</p>
January 19, 2018	<p><u>Conversion from private limited to public limited:</u></p> <p>Clause I of the Memorandum of Association was altered to reflect the conversion of our Company from private limited to public limited.</p>
January 31, 2018	<p><u>Change in authorised share capital:</u></p> <p>Increase in Authorised Share Capital from 7,50,00,000 comprising of 75,00,000 Equity Shares of Rs.10 each to Rs.12,00,00,000 comprising of 1,20,00,000 Equity Shares of Rs.10 each.</p>

Shareholders of our Company

As on the date of this Draft Red Herring Prospectus, our Company has seven (07) shareholders. For further details in relation to the current shareholding pattern, please refer to section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus.

Major events and milestones

The table below sets forth some of the major events in the history of our Company:

Year	Key Milestones
2010	Incorporation of our Company
2012	Launched Cold Chain Services
2013	More than 45 vehicles were added to our existing fleet
2014	Crossed turnover of Rs. 100 crore
2015	Launched Rail Freight services
2016	Awarded as Best Logistics Company of the Year by ASSOCHAM
2017	Launched Inter-city Cold Chain Services
2018	Launched transportation services to Bangladesh and Nepal
2018	Converted from private to public limited company

Other Details Regarding our Company

For information on our activities, services, growth, technology, geographical presence, market, managerial competence, our standing with reference to our prominent competitors and major customers and suppliers, please refer to sections titled "Our Business"; "Industry Overview"; "Risk Factors" and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" beginning on pages 93; 79; 17; and 137; respectively of this Draft Red Herring Prospectus. For details of our management, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

Time and Cost Overrun

There have been no time/cost overruns pertaining to our business operations since incorporation.

Strikes or Labour Unrest

Our Company has not lost any time on account of strikes or labour unrest as on the date of this Draft Red Herring Prospectus.

Defaults or Rescheduling of Borrowings with Financial Institutions/ Banks

There are no defaults or rescheduling of borrowings with financial institutions/ banks, conversion of loans into equity in relation to our Company.

Injunction or restraining order

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

Capital raising (Debt / Equity)

Except as set out in the sections titled "Capital Structure" beginning on pages 55 of this Draft Red Herring Prospectus, our Company has not raised any capital in the form of Equity Shares or debentures.

Changes in the activities of our Company during the last five (5) years

There have been no changes in the activity of our Company during the last five (5) years preceding the date of this Draft Red Herring Prospectus, which may have had a material effect on the profits or loss, including discontinuance of the lines of business, loss of agencies or markets and similar factors of our Company.

Revaluation of Assets

Our Company has not revalued its assets as on the date of this Draft Red Herring Prospectus.

Awards and Accreditations

We are certified for Quality Management Systems (ISO 9000-2008) and have certifications from IBA, SEDEX, and FSSAI license for compliance of their standards. We have received the ASSOCHAM Excellence Award – Best Logistics Company of the year 2016.

Details regarding acquisition of business/undertakings, mergers, amalgamation, revaluation of assets, etc.

Our Company has not acquired any business or undertaking or entered into any scheme of merger or amalgamation since incorporation.

Other Agreements

Our Company has not entered into any material contract other than in the ordinary course of business carried on or intended to be carried on by our Company in the two (2) years preceding this Draft Red Herring Prospectus.

Holding Company

Our Company does not have a holding company as on the date of this Draft Red Herring Prospectus.

Subsidiaries of our Company

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

Collaboration Agreements

As on the date of this Draft Red Herring Prospectus, our Company is not a party to any collaboration agreements.

Shareholders Agreements

Our Company has not entered into any shareholder's agreement as on the date of this Draft Red Herring Prospectus.

Material Agreements

Our Company has not entered into any material agreements, other than the agreements entered into by it in normal course of its business.

Joint Venture Agreement/Arrangements

Our Company entered into a consortium agreement dated 30 May, 2017 with NDR Warehousing Private Limited for the purpose of joint bidding for the tender invitation by the Delhi Metro Rail Corporation (DMRC) for the warehouse development of land admeasuring 35,440 sq. mtr. (approx) at Sarita Vihar, near Sarita Vihar Depot ("Project"). The consortium of M/s NDR Warehousing Private Limited and M/s AVG logistics Private Limited was successful in getting the bid for the Project and the same was intimated to them by a letter of acceptance dated 27 September, 2017 by DMRC. Pursuant to acceptance, a limited liability agreement dated 18 September, 2017 was entered into between NDR Warehousing Private Limited, AVG Logistics Private Limited, Mr. Naidu Amrutesh Reddy and Mr. Sanjay Gupta. The LLP was incorporated in the name of NDR AVG Logistics LLP on 6 October,



2017. Currently the NDR AVG Logistics LLP has deposited INR 1.50 Crore for land allotment with the DMRC as an initial payment for the Project.

Other Agreements

Our Company has not entered into any other material agreements, other than in the normal course of its business.

Strategic Partners

Our Company does not have any strategic partners as on the date of this Draft Red Herring Prospectus.

Financial Partners

Our Company does not have any financial partners as on the date of this Draft Red Herring Prospectus.

OUR MANAGEMENT

Board of Directors

As per the Articles of Association our Company shall not appoint less than three (3) and more than fifteen (15) Directors. Currently, our Company has three (3) Directors including a non-executive Chairman. Out of three (3) directors, two (2) are Executive Directors, one (1) Non-Executive Director and two (2) are Independent Directors.

The following table sets forth details regarding the Board of Directors as on the date of this Draft Red Herring Prospectus:

Name, Designation, Address, Date of Appointment/ Re-appointment, Term, Period of Directorship, Occupation, and DIN	Age (in years)	Other Directorships as on the date of this Draft Red Herring Prospectus
<p>Mr. Sanjay Gupta</p> <p><u>Designation:</u> Managing Director & Chief Executive Officer</p> <p><u>Address:</u> 423, Kanungo Apartment, Indraprastha. Extn, Patparganj, New Delhi-110092, India.</p> <p><u>Date of Appointment:</u> December 26, 2017</p> <p><u>Term:</u> 5 years</p> <p><u>Nationality:</u> Indian</p> <p><u>Occupation:</u> Business</p> <p><u>DIN:</u> 00527801</p>	50 years	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <ul style="list-style-type: none"> • PCG Logistics Private Limited <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p>Ms. Asha Gupta</p> <p><u>Designation:</u> Whole-Time Director</p> <p><u>Address:</u> 423, Kanungo Apartment, Indraprastha. Extn, Patparganj, New Delhi-110092, India.</p> <p><u>Date of appointment:</u> December 26, 2017</p> <p><u>Term:</u> 5 year</p> <p><u>Nationality:</u> Indian</p> <p><u>Occupation:</u> Business</p> <p><u>DIN:</u> 02864795</p>	49 years	<p><u>Public Limited Entities:</u></p> <p>Nil</p> <p><u>Private Limited Entities:</u></p> <ul style="list-style-type: none"> • PCG Logistics Private Limited <p><u>Foreign Entities:</u></p> <p>Nil</p>
<p>Mr. Shyam Sunder Soni</p> <p><u>Designation:</u> Chairman & Non- Executive</p>	56 years	<p><u>Public Limited Entities:</u></p> <p>Nil</p>

Director		
<u>Address:</u> D-17, Sector 41, Noida -201303, Uttar Pradesh, India.		<u>Private Limited Entities:</u>
<u>Date of appointment:</u> January 20, 2018		<ul style="list-style-type: none"> • Shubh Maruti Logistics Private Limited • D.S. Buildcon (India) Private Limited
<u>Term:</u> Liable to retire by rotation		<u>Foreign Entities:</u>
<u>Nationality:</u> Indian		Nil
<u>Occupation:</u> Business		
<u>DIN:</u> 00396429		
Mr. Bishwanath Shukla	64 years	<u>Public Limited Entities:</u>
<u>Designation:</u> Independent Director		<ul style="list-style-type: none"> • Green Infra Wind Energy Limited • Green Infra Wind Ventures Limited • Green Infra Wind Energy Assets Limited • Green Infra Wind Power Limited • Green Infra Wind Farm Assets Limited • Green Infra Wind Energy Project Limited • Green Infra Wind Energy Theni Limited • Green Infra Corporate Wind Limited
<u>Address:</u> D 121, Ground Floor, Saket, New Delhi -110017, India.		
<u>Date of appointment:</u> January 20, 2018		<u>Private Limited Entities:</u>
<u>Term:</u> Five (5) years		Nil
<u>Nationality:</u> Indian		<u>Foreign Entities:</u>
<u>Occupation:</u> Business		Nil
<u>DIN:</u> 02257584		
Mr. Suresh Kumar Jain	64 years	<u>Public Limited Entities:</u>
<u>Designation:</u> Independent Director		<ul style="list-style-type: none"> • PC Jewellers Limited • Gandhar Oil Refinery (India) Limited • Avanse Financial Services Limited • SREI Equipment Finance Limited
<u>Address:</u> Flat no. 40, Nepeansea Road, Malabar Hills, S.O. Mumbai- 400006, India.		
<u>Date of appointment:</u> January 20, 2018		<u>Private Limited Entities:</u>
<u>Term:</u> Five (5) years		Nil
<u>Nationality:</u> Indian		<u>Foreign Entities:</u>
<u>Occupation:</u> Retired Banker		Nil
<u>DIN:</u> 05103064		

Family Relationships between the Directors

None of the directors are related to each other in terms of the definition of 'relative' under Section 2(77) of the Companies Act, except as set out below:

Name	Name	Relationship
Mr. Sanjay Gupta	Ms. Asha Gupta	Wife

Brief biographies of the Directors

1. **Mr. Sanjay Gupta**, aged 50 years, is the Managing Director & Chief Executive Officer of our Company. He has been the Director of our Company since incorporation. He is a Commerce Graduate from Maharshi Dayanand University, Rothak, Haryana. He has more than 30 years of experience in multi- model logistics, warehousing and retail logistics. His knowledge, good management skill, excellent decision making, controlling and strategic planning have courage to start his own entrepreneur. Even in a short span of time he has achieved an unexpected growth in the business.
2. **Ms. Asha Gupta**, aged 49 years, is the Executive Director of our Company. She has been the Promoter & Director of our Company since incorporation. She is an Art's Graduate from Maharshi Dayanand University, Rothak, Haryana. She has more than 10 years of experience in logistics and warehousing. Because of her ability, experience, inter personnel skill and expert in marketing strategies, she has always achieved a steep growth in transportation business and has always participated in the competitive bidding of orders.
3. **Mr. Shyam Sunder Soni**, aged 56 years, is the Non Executive Director & Chairman of our Company. He has been the Non Executive Director of our Company since January 20, 2018. He is an Arts Graduate from Rajasthan University. He has more than 32 years of experience in logistics industry. He is responsible for logistics function, accuracy and productivity in the business.
4. **Mr. Bishwanath Shukla** aged 64 years, is the Independent Director of our Company. He has been the Independent Director of our Company since January 20, 2018. He is Master of Business Administration from Strathclyde Business School, Glasgow, UK. He has more than 35 years of rich experience in logistics industry, general management, strategy formulation, business development, marketing, trading of metals & minerals and HR functions. Currently he is also working as a free lance consultant for Railway & Logistics projects.
5. **Mr. Suresh Kumar Jain** aged 64 years, is the Independent Director of our Company. He has been the Independent Director of our Company since January 20, 2018. He holds a bachelor's degree in science from Punjab University and Master's degree in Economics from Kurukshetra University. He is also a certified associate of the Indian Institute of Bankers. He is a banker by profession and has experience in domestic and international markets. He is formerly associated with Bank of India and Union Bank of India as an Executive Director.

Common directorships of the Directors in companies whose shares are/were suspended from trading on the BSE and/ or the NSE for a period beginning from five (5) years prior to the date of this Draft Red Herring Prospectus

None of the Directors are/ were directors of any company whose shares were suspended from trading by Stock Exchange(s) or under any order or directions issued by the stock exchange(s)/ SEBI/ other regulatory authority in the last five (5) years.

Director's association with the Securities Market

None of the Directors of our Company are associated with securities market.

Common directorships of the Directors in listed companies that have been/were delisted from stock exchanges in India

None of our Directors are/ were directors of any entity whose shares were delisted from any Stock Exchange(s).

Further, none of the directors are/ were directors of any entity which has been debarred from accessing the capital markets under any order or directions issued by the Stock Exchange(s), SEBI or any other regulatory authority.

Remuneration to Non-Executive Directors

The meeting of Shareholders held on January 31, 2018 had approved sitting fees of Rs.20,000 per meeting to be paid to each Non-Executive Director(s) for attending every meeting of the Board or a Committee thereof excluding the Stakeholders Grievances Committee and Finance Sub-Committee.

Remuneration to Directors

1. **Mr. Sanjay Gupta**, is the Promoter and Managing Director of our Company by way of a board resolution dated December 26, 2017 and a shareholder's resolution dated January 19, 2018 for a period of five (5) years commencing from January 20, 2018 till January 19, 2023. Mr. Sanjay Gupta terms of appointment have been laid down under the Employment Agreement dated January 20, 2018. The significant terms of his employment are set out below:

Particulars	Remuneration
Basic Salary	Rs. 6.00 lakhs per month
Commission	Nil.
Appointment as a Director	January 20, 2018 <i>(Five (5) years with effect from January 20, 2018 till January 19, 2023)</i>
Other Allowances	Transport & Medical Allowances as per the policies of the Company
Remuneration paid for F.Y. 2016-2017	Rs. 60.00 lakhs

2. **Ms. Asha Gupta**, is the Executive Director of our Company by way of a board resolution dated December 26, 2017 and a shareholder's resolution dated January 19, 2018 for a period of five (5) years commencing from January 20, 2018 till January 19, 2023. Ms. Asha Sanjay Gupta terms of appointment have been laid down under the Employment Agreement dated January 20, 2018. The significant terms of his employment are set out below:

Particulars	Remuneration
Basic Salary	Rs. 5.00 lakhs per month
Commission	Nil.
Appointment as a Whole Time Director	January 20, 2018 <i>(Five (5) years with effect from January 20, 2018 till January 19, 2023)</i>
Other Allowances	Transport & Medical Allowances as per the policies of the Company
Remuneration paid for F.Y. 2016-2017	Nil

Payment or benefit to Directors of our Company

The sitting fees/other remuneration of our Directors in fiscal 2017 are as follows:

- **Payment of non-salary related benefits**

Except as stated under Remuneration to Executive Directors and "Remuneration to Non-executive directors", our Company has not paid, in the last two (2) years preceding the date of this Draft Red Herring Prospectus, and nor does it intend to pay any non-salary related amount or benefits to our Directors.

- **Remuneration to Non-Executive Directors:** Pursuant to Shareholders resolution dated January 31, 2018, our Company has fixed an amount of Rs.20,000 per meeting as the sitting fees payable to our Non- Executive and Independent Directors, towards attending meetings of the Board of Directors or a committee thereof. It may be noted that only Non-Executive Directors are paid sitting fees. Other than as disclosed above, our Company has not paid sitting fees to any of our other non-executive Directors. The travel expenses for attending meetings of

the Board of Directors or a committee thereof, site visits and other Company related expenses are borne by our Company, from time to time.

Arrangements with major Shareholders, Customers, Suppliers or Others

There are no arrangements or understanding between major shareholders, customers, suppliers or others pursuant to which any of the Directors were selected as a Director or member of a senior management as on the date of this Draft Red Herring Prospectus.

Service Contracts

Our Company has not executed any service contracts with its directors providing for benefits upon termination of their employment.

Shareholding of directors in our Company

Except as mentioned below, none of the Directors hold Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Particulars	Pre-Issue		Post-Issue	
	Number of Shares	Percentage (%) holding	Number of Shares	Percentage (%) holding
Mr. Sanjay Gupta	12,32,500	17.10%	12,32,500	11.97%
Ms. Asha Gupta	54,82,500	76.06%	54,82,500	53.24%
Total	67,15,000	93.16%	67,15,000	65.21%

Shareholding of Directors in our Associate companies

Our Company does not have any associate companies as on the date of this Draft Red Herring Prospectus.

Appointment of relatives of our Directors to any office or place of profit

None of the relatives of our Directors currently holds any office or place of profit in our Company.

Interests of our Directors

Our executive directors may also be deemed as interested in our Company to the extent of the Equity Shares held by them or any Equity Shares that may be subscribed by or allotted to them from time to time. For further details, please refer to section titled "Our Management – Shareholding of directors in our Company" and "Capital Structure" beginning on pages 114 and 55 respectively of this Draft Red Herring Prospectus. Our director may also be deemed to be interested to the extent of any dividend, if any, payable and other distributions in respect of the Equity Shares held by them.

Our independent directors may be deemed to be interested in our Company to the extent of fees payable to them for attending meetings of our Board or committees thereof and reimbursement of expenses payable pursuant to our Articles of Association.

Our directors have no interest in any property acquired or proposed to be acquired by our Company two (2) years prior to the date of this Draft Red Herring Prospectus.

Except Mr. Sanjay Gupta and Ms. Asha Gupta, two of the Promoters of our Company, none of our other Directors have any interest in the promotion of our Company other than in ordinary course of business. Except as disclosed above, no amount or benefit has been paid or given within the two (2) preceding years or is intended to be paid or given to any of our Directors except the normal remuneration for services rendered as Directors.

None of our Directors have availed any loan from our Company. None of the beneficiaries of loans, advances and sundry debtors are related to the Directors of our Company. Except as disclosed under section titled "Our Management – Remuneration to Executive Directors" beginning on page 114 of this Draft Red Herring Prospectus, none of our Directors is party to any bonus or profit sharing plan of our Company. Further, except statutory benefits upon termination of their employment in our Company on retirement, no officer of our Company, including our Directors and the Key Management Personnel has entered into a service contract with our Company pursuant to which they are entitled to any benefits upon termination of employment.

Changes in our Company's Board of Directors during the last three (3) years

The changes in the Board of Directors of our Company in the last three (3) years are as follows:

No.	Name of the Director	Date of Change	Reason for change
1.	Mr. Sanjay Gupta	December 26, 2017	Change in designation as Managing Director & Appointment as Chief Executive Officer
2.	Ms. Asha Gupta	December 26, 2017	Change in designation as Executive Director
3.	Ms. Niti Gupta	January 31, 2017	Cessation
4.	Mr. Shyam Sunder Soni	September 30, 2017	Cessation
5.	Mr. Shyam Sunder Soni	January 20, 2018	Appointment as a Non Executive Director & Chairman
6.	Mr. Bishwanath Shukla	January 20, 2018	Appointment as an Independent Director
7.	Mr. Suresh Kumar Jain	January 20, 2018	Appointment as an Independent Director

Borrowing Powers of the Board

The Articles, subject to the provisions of the Companies Act, 2013 authorize the Board to raise, borrow or secure the payment of any sum or sums of money for the purposes of our Company. The shareholders have, pursuant to a resolution passed at the Extra Ordinary General Meeting held on January 31, 2018, in accordance with the Companies Act, 2013 authorized the Board to borrow monies from time to time, the borrowings of our Company shall not exceed Rs. 20,000 lakhs for the time being, including the money already borrowed by our Company.

Corporate Governance

The provisions of the SEBI (LODR) Regulations with respect to corporate governance will be applicable to our Company immediately upon the listing of Equity Shares on the Stock Exchanges. Our Company is in compliance with the requirements of applicable regulations, specifically the SEBI (LODR) Regulations, the Companies Act, 2013 and the SEBI (ICDR) Regulations, in respect of corporate governance particularly in relation to constitution of the Board and committees of our Board.

The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board committees, each as required under law. Our Board of Directors is constituted in compliance with the Companies Act, 2013 and the SEBI (LODR) Regulations.

The Board of Directors functions either as a full board or through various committees constituted to oversee specific operational areas. Currently, our Company has five (5) Directors. Out of five (5) Directors, two (2) are Executive Director, one (1) is Non- Executive Director and two (2) are Independent Directors. In compliance with the requirements of Regulation 17 of the SEBI (LODR) Regulations, we have two (2) Independent Directors on the Board. In compliance with the provisions of the Companies Act, 2013 at least two-third of our Directors, other than our Independent Directors, are liable to retire by rotation.

The details of i) Audit Committee; ii) Nomination and Remuneration Committee; and iii) Stakeholders Relationship Committee committees are set out below. In addition to the committees of the Board detailed below, our Board of Directors may, from time to time constitute committees for various functions.

i) **Audit Committee:**

Our Company has constituted the Audit Committee in accordance with the Section 177 of the Companies Act and Regulation 18 of the SEBI (LODR) Regulations. Further, the Audit Committee was re-constituted by way of a Board resolution dated February 06, 2018. The audit committee presently consists of the following Directors of the Board:

- i) Mr. Suresh Kumar Jain, Chairman;
- ii) Mr. Bishwa Nath Shukla, Member; and
- iii) Mr. Sanjay Gupta, Member

The scope of the Audit Committee shall include the following:

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, re-appointment and replacement, 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 the board for approval, with particular reference to:
 - a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - b. Changes, if any, in accounting policies and practices and reasons for the same;
 - c. Major accounting entries involving estimates based on the exercise of judgment by management;
 - d. Significant adjustments made in the financial statements arising out of audit findings;
 - e. Compliance with listing and other legal requirements relating to financial statements;
 - f. Disclosure of any related party transactions; and
 - g. Modified opinion(s) in the draft audit report.
5. Reviewing, the quarterly financial statements with the management before submission to the Board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the 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. Monitoring the end use of funds raised through public offers and related matters;
13. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
14. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
15. Discussion with internal auditors of any significant findings and follow up there on;
16. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
17. Discussion with statutory auditors before the commencement of the audit, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
18. 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;
19. To establish and review the functioning of the whistle blower mechanism;

20. Approval of appointment of the chief financial officer (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
21. Carrying out any other terms of reference as may be decided by the Board or specified/ provided under the Companies Act, 2013 or the SEBI Listing Regulations or by any other regulatory authority; and
22. Review of
 - a. management discussion and analysis of financial condition and results of operations;
 - b. statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - c. management letters / letters of internal control weaknesses issued by the statutory auditors;
 - d. internal audit reports relating to internal control weaknesses;
 - e. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee;
 - f. statement of deviations including (a) quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI Listing Regulations; (b) annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (LODR) Regulations.

ii) **Nomination and Remuneration Committee:**

Our Company has constituted in terms of Section 178 of the Companies Act, Remuneration Committee as Nomination and Remuneration Committee in the meeting of the Board of Directors held on February 06, 2018. The Nomination and Remuneration Committee presently consists of the following Directors of the Board:

- i) Mr. Suresh Kumar Jain, Chairman;
- ii) Mr. Bishwa Nath Shukla, Member; and
- iii) Mr. Shyam Sunder Soni, Member

The terms of reference of Nomination and Remuneration Committee are set out below:

1. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees and while formulating this policy ensure that–
 - a. Level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
 - b. Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - c. 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 and ensure that the policy is disclosed in the Board's report.
3. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every director's performance;
4. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors; and
5. Devising a policy on diversity of the board of directors.

iii) **Stakeholders Relationship Committee:**

Our Company has constituted the Stakeholders Relationship Committee by way of a Board Resolution dated February 06, 2018. The Stakeholders Relationship Committee presently consists of the following Directors of the Board:

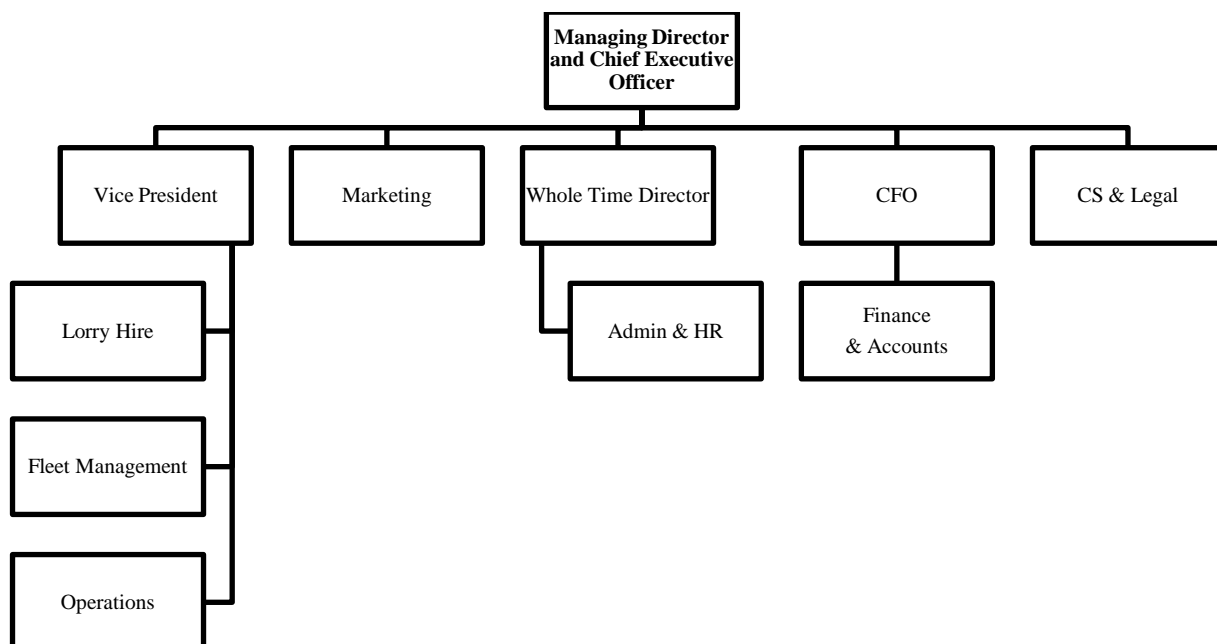
- i) Mr. Suresh Kumar Jain, Chairman;
- ii) Mr. Sanjay Gupta, Member; and

iii) Mr. Bishwa Nath Shukla, Member

The scope of the Stakeholders Relationship Committee is set out below:

- I. Resolving the grievances of the shareholders of our Company including complaints related to transfer of shares, non- receipt of annual report and non-receipt of declared dividends;
- II. Investor relations and redressal of grievances of security holders of our Company in general and relating to non-receipt of dividends, interest, non- receipt of balance sheet, etc.;
- III. Approve requests for security transfers and transmission and those pertaining to rematerialisation of securities / subdivision/ consolidation/ of shares, issue of renewed and duplicate share/debenture certificates, etc.; and
- IV. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Management Organizational Structure



Profiles of our Key Managerial Personnel

In addition to our Managing Director, Mr. Sanjay Gupta and Whole Time Director, Ms. Asha Gupta whose details are provided under "Brief biographies of the Directors" beginning on page 116 of this Draft Red Herring Prospectus, the details of our other Key Managerial Personnel as on the date of this Draft Red Herring Prospectus are set forth below. Except for certain statutory benefits, there are no other benefits accruing to the Key Managerial Personnel.

1. **Mr. Vinayak Gupta**, aged 24 years, has been appointed as Vice President of our Company. He has been associated with our Company since September 2016. He has done his BSc (Honors) Mathematics from Delhi University and MSc in Management from City University, London. He is actively involved in overall business operations of our Company including procurement of fleet and its maintenance, fleet utilization, route optimization, and looking after other segments like human resources, administration, finance, budgeting and marketing, etc. He was paid a remuneration of Rs.6.00 lakhs for fiscal 2017.
2. **Mr. Arun Kumar Goel**, aged 55 years, has been appointed as Chief Financial Officer (CFO) of our Company. He has been associated with our Company since 2012 in various capacities. He is a member of Institute of Chartered Accountants of India (ICAI) and is a law graduate from Meerut University He has more than thirty

(30) years of experience in finance, accounts, audit, taxation and project planning. He joined our company in January 2018 and hence no remuneration paid to him for fiscal 2017.

3. **Mr. Niraj Kumar**, aged 39 years, has been appointed as General Manager (*Marketing & Business Development*) of our Company. He has been associated with our Company since July, 2015. He is a qualified management professional from Indian Institute of Commerce and Trade in Lucknow. He has more than twelve (12) years of experience in handling customer relationship, business development and account management. Prior to joining our Company, he was associated with Fedex, Safexpress, and Gati in marketing & business development roles. He was paid a remuneration of Rs.7.39 lakhs for fiscal 2017.
4. **Mr. Ashwani Kumar**, aged 64 years, has been appointed as General Manager (*Finance*) of our Company. He has been associated with our Company since December 01, 2017. He is a member of Institute of Chartered Accountants of India (ICAI). He has more than thirty-seven (37) years of experience in accounts, finance, banking, taxation and MIS. Prior to joining our Company, he was associated with CHL Limited as Assistant Financial Controller. He joined our company in December 2017 and hence no remuneration paid to him for fiscal 2017.
5. **Mr. Praveen Mahla**, aged 28 years, has been appointed as Deputy General Manager (*Finance*) of our Company. He has been associated with our Company since February 2012. He is a member of Institute of Chartered Accountants of India (ICAI). He has more than six (6) years of experience in accounts, finance, banking, taxation and MIS. He was paid a remuneration of Rs.8.51 lakhs for fiscal 2017.
6. **Mr. Kuldeep Singh**, aged 56 years, has been appointed as Head of fleet management of our Company. He has been associated with our Company since September 2012. He has done his B.Com from Punjab University. He has more than thirty-five (35) years of experience in managing fleet operations in various capacities. Prior to joining our Company, he was associated with Calcutta Delhi Roadways, Economic Transport Org, Indo Arya in various capacities. He was paid a remuneration of Rs.7.25 lakhs for fiscal 2017.
7. **Mr. Ajay Kumar**, aged 39 years, has been appointed as Head of operations of our Company. He has been associated with our Company since July 2015. He has done his B.Sc from Charan Singh University, Meerut. He has more than eighteen (18) years of experience in logistics sector, turnkey project management, account management and customer relationship. Prior to joining our Company, he was associated with Indo Arya as Area Manager. He was paid a remuneration of Rs.6.14 lakhs for fiscal 2017.
8. **Ms. Parul Jain**, 31 years, is the Company Secretary and Compliance Officer of our Company. She has been associated with our Company since January 20, 2018. She is a member of Institute of Company Secretaries of India (ICSI). She has nearly 2 years of experience and is responsible for compliance with statutory and regulatory requirements and for ensuring that decisions of our Board are implemented. She joined our company in January 2018 and hence no remuneration paid to her for fiscal 2017.

Status of Key Management Personnel in our Company

All our key managerial personnel are permanent employees of our Company.

Relationship amongst the Key Managerial Personnel of our Company

There is no family relationship amongst the any Key Managerial Personnel of our Company except as set out below:

Name	Name	Relationship
Mr. Sanjay Gupta	Ms. Asha Gupta	Wife
Mr. Sanjay Gupta	Ms. Vinayak Gupta	Son
Ms. Asha Gupta	Ms. Vinayak Gupta	Son

Shareholding of Key Management Personnel in our Company

Except as mentioned below, none of the Key Management Personnel holds Equity Shares in our Company as on the date of this Draft Red Herring Prospectus:

Name	Designation	Shares held
Mr. Sanjay Gupta	Managing Director & Chief Executive Officer	12,32,500
Ms. Asha Gupta	Whole Time Director	54,82,500
Mr. Vinayak Gupta	Vice President	1,000
Mr. Praveen Kumar	Deputy General Manager	1,000

For details in relation to their shareholding, please refer to section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus.

Bonus or profit sharing plan of the Key Managerial Personnel

Our Company does not have a performance linked bonus or a profit sharing plans for the Key Management Personnel. However, our Company pays incentive to all its employees based on their performance including the Key Managerial Personnel's of our Company.

Interests of Key Management Personnel

Other than as disclosed under this section under "Our Management - Interest of our Directors" and "Our Management – Shareholding of Key Management Personnel" beginning on pages 118 and 123 respectively of this Draft Red Herring Prospectus, our Key Management Personnel do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment and reimbursement of expenses incurred by them during the ordinary course of business.

The Key Management Personnel may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of such Equity Shares held by them.

The Key Management Personnel are not entitled to any contingent or deferred compensation.

Payment of benefits to officers of our Company (non-salary related)

Except as disclosed in this Draft Red Herring Prospectus and any statutory payments made by our Company to its officers, our Company has not paid any sum, any non-salary related amount or benefit to any of its officers or to its employees including amounts towards super-annuation, ex-gratia/rewards.

Except statutory benefits upon termination of employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of such officer's employment in our Company or superannuation. Contributions are made by our Company towards provident fund, gratuity fund and employee state insurance.

Arrangement and Understanding with Major Shareholders/Customers/ Suppliers

None of the Key Managerial Personnel have been selected pursuant to any arrangement/understanding with major shareholders/customers/suppliers.

Details of Service Contracts of the Key Managerial Personnel

Except for the terms set forth in the appointment letters, the Key Managerial Personnel have not entered into any other contractual arrangements with our Company for provision of benefits or payments of any amount upon termination of employment.

Employee Stock Option or Employee Stock Purchase

Our Company has not granted any options or allotted any Equity Shares under the ESOP Scheme as on the date of this Draft Red Herring Prospectus.

Loans availed by Directors / Key Managerial Personnel of our Company

None of the Key Managerial Personnel's have availed loan from our Company which is outstanding as on the date of this Draft Red Herring Prospectus.

Changes in our Company's Key Managerial Personnel during the last three (3) years

There has been no change in the Key Managerial Personnel of our Company in the last three (3) years.

No.	Name of the Key Managerial Personnel	Designation	Date of change	Reason for change
1.	Mr. Sanjay Gupta	Managing Director & Chief Executive Officer	December 26, 2017	Change in Designation
2.	Ms. Asha Gupta	Whole Time Director	December 26, 2017	Change in Designation
3.	Mr. Arun Kumar Goel	Chief Financial Officer	January 20, 2018	Appointment
4.	Ms. Parul Jain	Company Secretary & Compliance Officer	January 20, 2018	Appointment

OUR PROMOTER AND PROMOTER GROUP

Our Promoter

Our Promoter is Mr. Sanjay Gupta, Ms. Asha Gupta and Ms. Niti Gupta. As on the date of this Draft Red Herring Prospectus, our promoters holds 72,04,000 Equity Shares, which constitutes 99.94% of the issued and paid-up Equity Share capital of our Company.

Details of Individual Promoter of our Company



Mr. Sanjay Gupta, aged 50 years, is the Promoter and Managing Director of our Company. For a complete profile of Mr. Sanjay Gupta, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

Driving Licence Number: P07062008447772
Voter Identification Number: DCV0793612

For further details in relation to other ventures of Mr. Sanjay Gupta, please refer to section titled "Group Companies of our Company" beginning on page 129 of this Draft Red Herring Prospectus.



Ms. Asha Gupta, aged 49 years, is the Promoter and Whole Time Director of our Company. For a complete profile of Ms. Asha Gupta, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

Driving Licence Number: Not available
Voter Identification Number: DCV0783316

For further details in relation to other ventures of Ms. Asha Gupta, please refer to section titled "Group Companies of our Company" beginning on page 129 of this Draft Red Herring Prospectus.



Ms. Niti Gupta, aged 26 years, is the Promoter of our Company.

Driving Licence Number: DL-1320120132496
Voter Identification Number: TLE1835726

For further details in relation to other ventures of Ms. Niti Gupta, please refer to section titled "Group Companies of our Company" beginning on page 129 of this Draft Red Herring Prospectus.

Our Company confirms that it has submitted the details of the PAN, Bank Account Number and Passport Numbers of our Promoter to the Stock Exchanges at the time of filing the Draft Red Herring Prospectus.

Interests of our Promoter

Our Promoters are interested in our Company to the extent that they have promoted our Company and to the extent of his respective Equity shareholding in our Company and any dividend distribution that may be made by our Company for any other distribution with respect to his Equity Shares in the future. For details pertaining to our Promoter's shareholding, please refer to section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus.

Our Promoters are also interested to the extent that he is Director and Key Managerial Personnel of our Company. They are interested to the extent of any remuneration and reimbursement of expenses payable to them by virtue of being Director and Key Managerial Personnel of our Company. For further information on remuneration to the Executive Director, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

Except as stated under section titled "Related Party Transactions" beginning on page 131 of this Draft Red Herring Prospectus, our Company has not entered into any contract, agreements or arrangements during the preceding two (2) years from the date of this Draft Red Herring Prospectus or proposes to enter into any such contract in which our Promoters are directly or indirectly interested and no payments has been made to him in respect of the contracts, agreements or arrangements which are proposed to be made with him.

Except as stated otherwise in this Draft Red Herring Prospectus, our Promoters or Group Companies do not have any interest in any property acquired by our Company within two (2) years of the date of this Draft Red Herring Prospectus or proposed to be acquired by it or in any transaction in acquisition of land or any construction of building or supply of machinery.

Our Promoters are not related to any sundry debtors of our Company.

Except as disclosed in this Draft Red Herring Prospectus, our Promoters are not interested as a member of a firm or company, and no sum has been paid or agreed to be paid to our Promoters or to such firm or company in cash or shares or otherwise by any person for services rendered by him or by such firm or company in connection with the promotion or formation of our Company.

Common Pursuits

Our Promoter does not have any interest in any ventures that is involved in the same line of activity or business as that of our Company.

Confirmations

The Company hereby confirms that:

- Our Promoters and members of the Promoter Group have not been declared as Willful Defaulters.
- Our Promoters and members of the Promoter Group have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.
- Our Promoters and members of the Promoter Group are not and have never been promoter, directors or person in control of any other company which is prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or governmental authority.

Related Party Transactions

For details of related party transactions entered into by our Promoters, Promoter Group and our Company during the last financial year, the nature of transactions and the cumulative value of transactions, please refer to section titled "Related Party Transactions" beginning on page 131 of this Draft Red Herring Prospectus.

Interest of Promoter in sales and purchases

There are no sales/purchases between our Company and any Group Company and associate company when such sales or purchases exceed in value the aggregate of 10% of the total sales or purchases of our Company or any business interest between our Company, and our Group Company as on the date of the last financial statements.

Payment or benefits to the Promoter

Except as stated otherwise in under section titled "Related Party Transactions" beginning on page 131 of this Draft Red Herring Prospectus about the related party transactions entered into during the last five (5) Financial Years as per Accounting Standard 18 and in "Interest of Promoter" beginning on page 126 of this Draft Red Herring Prospectus, there has been no payment or benefit to our Promoter or Promoter Group during the two (2) years prior to the filing of this Draft Red Herring Prospectus nor is there any intention to pay or give any benefit to our Promoter or Promoter Group as on the date of this Draft Red Herring Prospectus.

Disassociation by the Promoter from entities in last three (3) years

Our Promoters have not disassociated from any of the companies or firms in the last three (3) years.

Change in the management and control of our Company

Our Promoters are the original promoter of our Company and there has not been any change in the management or control of our Company.

Promoter Group of our Company

(a) Individual Promoter Group of our Promoter

Name of our Promoters	Mr. Sanjay Gupta	Ms. Asha Gupta	Ms. Niti Gupta
Father	Mr. Vishwanath Gupta	Mr. Bahadur Mal Agarwal	Mr. Sanjay Gupta
Mother	Ms. Kailasho Devi	Ms. Pushpa Agarwal	Ms. Asha Gupta
Brother	--	Mr. Rajiv Agarwal Mr. Manish Agarwal Mr. Rajesh Agarwal	Mr. Vinayak Gupta
Sister	--	Ms. Usha Agarwal Ms. Babita Agarwal Ms. Neha Sharma	--
Spouse	Ms. Asha Gupta	Mr. Sanjay Gupta	Mr. Nitin Gupta
Daughter	Ms. Niti Gupta	Mr. Niti Gupta	--
Son	Mr. Vinayak Gupta	Mr. Vinayak Gupta	Master Dhrish Gupta
Spouse's mother	Ms. Pushpa Agarwal	Ms. Kailasho Devi	Ms. Seema Devi Gupta
Spouse's father	Mr. Bahadur Mal Agarwal	Mr. Vishwanath Gupta	Mr. Jagdish Gupta
Spouse's Brother	Mr. Rajiv Agarwal Mr. Manish Agarwal Mr. Rajesh Agarwal	--	Mr. Vipin Gupta Mr. Ankit Gupta
Spouse's sister	Ms. Usha Agarwal Ms. Babita Agarwal Ms. Neha Sharma	--	--

(b) Entities forming a part of Promoter Group

The companies and entities that form part of our Promoter Group are as follows:

- PCG Logistics Private Limited;
- M/s. M.A. Enterprises;
- M/s. Maple Packaging and Logistics; and
- Sanjay Gupta (HUF)
- NDR AVG Logistics LLP.

GROUP COMPANY OF OUR COMPANY

As per the SEBI (ICDR) Regulations, for the purpose of identification of Group Companies, our Company has considered companies/ entities covered under the applicable accounting standard, i.e., AS-18 as per the Restated Financial Statements and other companies/ entities considered material by our Board. Pursuant to a resolution of our Board dated February 1, 2018, for the purpose of disclosure in connection with the Issue, a company/ entity shall be considered material and disclosed as a Group Company/ entity as per the Materiality Policy if our Company has entered into one or more transactions with such company/ entity in the preceding Financial Year, cumulatively exceeding ten percent (10%) of the total revenue of our Company for such Financial Year.

As on the date of this Draft Red Herring Prospectus and based on the aforementioned materiality policy, there is one (1) Group Companies of our Company.

No.	Name of Group Company
1.	PCG Logistics Private Limited

I. Details in relation to Group Companies:

The details in relation to the Group Companies of our Company are set out below:

1. PCG Logistics Private Limited (“PCG”)

Corporate Information

PCG, was incorporated under the Companies Act, 2013 on March 29, 2017 now bearing registration CIN U63030DL2017PTC315316.

PCG is presently engaged in the business of logistics. The registered office of 25, DDA Market, Savita Vihar, Delhi, East Delhi, Delhi, India.

Capital Structure

Particulars	Equity shares of Rs.10 each
Authorised share capital	100,000
Issued, subscribed and paid-up equity share capital	100,000

Shareholding Pattern as on the date of this Draft Red Herring Prospectus

Particulars	No. of equity shares	(Face value of Rs. 10 each)	
		Percentage (%)	
Mr. Sanjay Gupta	50,000		50.00
Ms. Asha Gupta	50,000		50.00
Total	1000		100.00

Audited Financial information:

PCG has been recently incorporated on March 29, 2017 and has not completed its first year of since incorporation.

Interest of the Promoters

As on the date of this Draft Red Herring Prospectus, our Promoters holds 10,000 equity shares of Rs.10 each constituting nearly one hundred percent (100%) of the total paid-up equity share capital of Rs.1,00,000. Our Promoters are directors on the Board of PCG and to that extent will be deemed to be interested.

Other Confirmations

- Our Group Companies are not sick companies and are not under the process of winding-up.
- Our Group Companies do not hold any Equity Shares, warrants/convertible securities in our Company as of the date of this Draft Red Herring Prospectus.
- Our Group Companies do not have any interest, including any business or other interest, in our Company.
- Our Group Companies are not interested in any property acquired by our Company within the last two (2) years or proposed to be acquired by our Company.
- Our Group Companies are not listed entities and has not made any public or rights issue in preceding three (3) years.
- Our Group Companies does not have negative networth for the last three (3) Financial Year ended March 31, 2017, 2016 and 2015.

Defunct group companies

None of our Group Companies are defunct entities as on the date of this Draft Red Herring Prospectus.

Common Pursuits

None of our Group Companies, Promoters or directors are involved with any ventures in the same line of activity or business as that of our Company.

Other Confirmations

Our Company hereby confirms that:

- None of our Group Companies have any interest including business or any other interest in our Company except as disclosed in related party transactions under section titled "Financial Statements" beginning on page 133 of this Draft Red Herring Prospectus.
- Our Group Companies have not been debarred from accessing the capital market for any reasons by the SEBI or any other authorities.
- Our Group Companies have not been identified as willful defaulters by the RBI or other authorities.

Related Party Transactions

- There have been no sales or purchases between entities in our Group Companies and Promoter Group of our Company exceeding in value in the aggregate 10% of the total sales or purchases of our Company. For further details, please refer to Annexure XXVI titled "Restated Summary Statement of Related Party Transactions" in the section titled "Financial Information" beginning on page 133 of this Draft Red Herring Prospectus.
- Some of our Group Companies have commercial interest in our Company. For further details, please refer to Annexure XXVI titled "Restated Summary Statement of Related Party Transactions" in the section titled "Financial Information" beginning on page 133 of this Draft Red Herring Prospectus.

Changes in Accounting Policies in last three (3) years

Our Company has not changed its accounting policies in the last three (3) years.



RELATED PARTY TRANSACTIONS

For details on related party transactions of the Company, please refer to Annexure XXVI titled "*Restated Standalone Summary Statement of Related Party Transactions*" in the section titled "Financial Information" beginning on page 133 of this Draft Red Herring Prospectus.

DIVIDEND POLICY

The declaration and payment of dividends, if any, will be recommended by our Board of Directors and approved by our shareholders at their discretion, subject to the provisions of the Articles of Association and applicable law including the Companies Act. The dividends, if any, will depend on number of factors, including but not limited to the earnings, capital requirements and overall financial position of our Company. In addition, our ability to pay dividends may be impacted by number of other factors, including, restrictive covenants under the loan or financing documents that we may enter into in the future. Our Company has no formal dividend policy. Our Board may also, from time to time, pay interim dividends.

Our Company has not declared dividend in any financial year as on the date of this Draft Red Herring Prospectus.

SECTION V: FINANCIAL INFORMATION

AUDITORS REPORT

Independent Auditor's Report on the Restated Financial Statements of AVG LOGISTICS LIMITED

To,

The Board of Directors,
AVG LOGISTICS LIMITED
Office No. 25, DDA Market,
Savita Vihar
New Delhi - 110092

We have examined the attached Restated Statement of Assets and Liabilities of M/s **AVG LOGISTICS LIMITED** (the **Company**) as at September 30th, 2017, March 31st, 2017, 2016, 2015, 2014 & 2013 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the financial period/years ended on September 30, 2017, March 31, 2017, 2016, 2015, 2014 & 2013 (collectively the "**Restated Summary Statements or Restated Financial Statements**"). These Restated Summary Statements have been prepared by the Company and approved by the Board of Directors of the Company in connection with the Initial Public Offering (IPO) in SME Platform of National Stock Exchange Limited (NSE).

1. Report on Restated Financial Statements

The Standalone Restated Summary Statements have been prepared in accordance with the requirements of:

- Part I of Chapter III to the Companies Act, 2013 ("**Act**") read with Companies (Prospectus and Allotment of Securities) Rules, 2014
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the Regulation") ("SEBI ICDR Regulations") issued by the Securities and Exchange Board of India (SEBI) and related amendments/clarifications made thereto from time to time;
 - The terms of reference to our engagements with the Company requesting us to examine financial statements referred to above and proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform ("IPO" or "SME IPO"); and
 - The (Revised) Guidance Note on Reports in Company Prospectuses issued by the Institute of Chartered Accountants of India ("ICAI") ("**Guidance**")
2. The Standalone Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the financial year ended on March 31st, 2017, 2016, 2015, 2014 & 2013 and special purpose audited financial statements for the period ended on September 30th, 2017, which have been approved by the Board of Directors.
 3. Financial Statements for the financial year ended on March 31, 2013; March 31, 2014; March 31; 2015; March 31, 2016 has been audited by M/s Arun Goel & Associates, Chartered Accountants & March 31, 2017 has been

audited by M/s Anil Ajay & Co, Chartered Accountants & Financial Statements for the period ended on September 30, 2017 has been audited by us, and accordingly reliance has been placed on the financial information examined by them for the said years. The Financial Report included for these years is based solely on the report submitted by them. *We have also carried out re-audit of the financial statements for the period/year ended on September 30th, 2017 & March 31st, 2017 as per the relevant guidelines.*

4. In accordance with the requirements of Part I of Chapter III of Act including rules made therein ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - The “**Restated Statement of Assets and Liabilities**” as set out in **Annexure I** to this report, of the Company as at September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Assets and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual Financial Statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the period / Years ended on September 30, 2017 , March 31, 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the period / Years ended on September 30, 2017, March 31, 2017, 2016, 2015, 2014 and 2013 are prepared by the Company and approved by the Board of Directors. This Statement of Cash Flow, as restated, have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.
5. Based on the above and also as per the reliance placed by us on the audited financial statements of the company and Auditors Report thereon which have been prepared by Statutory Auditor of the Company for the period/years ended on 30 September 2017, March 31, 2017, 2016, 2015, 2014 and 2013 we are of the opinion that “**Restated Financial Statements**” or “**Restated Summary Statements**” have been made after incorporating:
 - Adjustments for any prior period and material amounts in the respective financial years have been made to which they relate; and
 - There are no Extra-ordinary items that need to be disclosed separately in the Restated Summary Statements.
 - Adjustments on account of the statutory audit qualifications, if any, have been adjusted and regrouped to the financial statements of the respective year of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.
 - Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
 - There are no revaluation reserves, which need to be disclosed separately in the “**Restated Financial Statements**”.

- The Company has not paid any dividend on its equity shares till September 30th, 2017.
- These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Policies and Notes to Standalone Restated Summary Statements as set out in **Annexure IV** to this report.

6. We have also examined the following other financial information relating to the Company as set out in annexure prepared by the Management and as approved by the Board of Directors of the Company for the period / years ended on September 30th, 2017, March 31st, 2017, 2016, 2015, 2014 and 2013 proposed to be included in the Draft Red Herring Prospectus/ Red Herring Prospectus /Prospectus (“**Offer Document**”).

7.

Restated Statement of Share Capital, Reserves And Surplus	Annexure V
Restated Statement of Long Term And Short Term Borrowings	Annexure VI
Restated Statement of Deferred Tax (Assets) / Liabilities	Annexure VII
Restated Statement of Other Long Term Liabilities	Annexure VIII
Restated Statement of Trade Payables	Annexure IX
Restated Statement of Short Term Provisions	Annexure X
Restated Statement of Other Current Liabilities	Annexure XI
Restated Statement of Fixed Assets	Annexure XII
Restated Statement of Long-Term Loans And Advances	Annexure XIII
Restated Statement of Other Current Investments	Annexure XIV
Restated Statement of Trade Receivable	Annexure XV
Restated Statement of Cash & Bank Balances	Annexure XVI
Restated Statement of Short Term Loans & Advances	Annexure XVII
Restated Statement of Turnover	Annexure XVIII
Restated Statement of Other Income	Annexure XIX
Restated Statement of Operating Expenses	Annexure XX
Restated Statement of Employee Benefit Expenses	Annexure XXI
Restated Statement of Finance Cost	Annexure XXII
Restated Statement of Depreciation & Amortization	Annexure XXIII
Restated Statement of Other Expenses	Annexure XXIV
Restated Statement of Mandatory Accounting Ratios	Annexure XXV
Restated Statement of Related Party Transaction	Annexure XXVI
Restated Statement of Tax Shelter	Annexure XXVII
Restated Statement of Contingent Liabilities	Annexure XXVIII
Restated Statement Of Capitalization	Annexure XXIX

8. We, M/s **PRAKASH K PRAKASH**, Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the “**Peer Review Board**” of the ICAI.

9. We have carried out Re-audit of the financial statements for the period / Year ended on September 30, 2017 & March 31, 2017 as required by SEBI regulations. We have not audited any financial statements of the Company as of any date or for any period subsequent to September 30, 2017. Accordingly, we do not express any opinion on the financial position, results or cash flows of the Company as of any date or for any period

subsequent to September 30, 2017. Further, we have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company in accordance with the provisions of the Act & ICDR Regulation. The Financial Information referred to above is the responsibility of the management and approved by the board of directors of the Company.
11. In our opinion, the above financial information contained in **Annexure I to IV** of this report read with the respective annexure as set out in **Annexure V to XXIX** are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance.
12. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit report issued by any other chartered accountant nor should this be construed as a new opinion on any of the financial statements referred to herein.
13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME-IPO for Proposed Issue of Equity Shares of the Company and our report should not be used, referred to or adjusted for any other purpose without our written consent.

For PRAKASH K PRAKASH

Chartered Accountants

Firm Registration No.000415N

Sd/-

DHIRAJ GUPTA

Partner

M No. 505205

07.02.2018

NEW DELHI

M/S AVG LOGISTICS LIMITED
25, DDA MARKET, SAVITA VIHAR, DELHI - 110092
BALANCE SHEET - ANNEXURE I

(Amount in lakhs)

SR NO.	PARTICULARS	AS AT	AS AT MARCH, 31				
		30-Sep-17	2017	2016	2015	2014	2013
	Equity & Liabilities						
1	Shareholders funds						
	a. Share capital	424.00	424.00	424.00	302.50	200.00	100.00
	b. Reserves & surplus	2,138.41	1,757.77	1,313.07	932.91	616.86	354.80
	Sub-total	2,562.41	2,181.77	1,737.07	1,235.41	816.86	454.80
2	Share Application Money Pending Allotment	-	-	-	-	30.50	71.00
3	Non-current liabilities						
	a. Long-term borrowings	1,247.94	1,537.70	1,166.49	1,562.29	1,022.41	852.91
	b. Deferred tax liabilities (net)	105.42	135.09	153.23	159.83	110.71	67.73
	c. Other Long Term Liabilities	156.25	158.64	49.83	173.81	-	-
	Sub-total	1,509.61	1,831.43	1,369.55	1,895.92	1,133.12	920.64
4	Current liabilities						
	a. Short-term borrowings	3,026.97	2,763.39	2,426.74	1,513.42	1,479.50	1,024.10
	b. Trade payables						
	Due to micro & Small enterprises	-	-	-	-	-	-
	Due to other	580.24	688.90	461.03	658.95	205.13	121.64
	c. Other current liabilities	827.39	497.08	729.46	605.29	85.00	30.09
	d. Short term provisions	533.91	390.66	272.90	187.40	308.01	328.92
	Sub-total	4,968.51	4,340.03	3,890.14	2,965.06	2,077.64	1,504.74
	TOTAL (1 + 2 + 3 + 4)	9,040.53	8,353.23	6,996.76	6,096.39	4,058.12	2,951.18
	Assets						
5	Non-current assets						
	a. Fixed assets						
	i. Property, Plant and Equipment	2,084.27	2,114.28	1,666.85	2,110.39	1,341.11	974.32
	ii. CWIP	5.40	5.40	-	-	-	-
	b. Long term loans & advances	304.66	305.37	158.37	-	-	-
	Sub-total	2,394.33	2,425.06	1,825.23	2,110.39	1,341.11	974.32
6	Current assets						
	a. Current Investments	-	-	84.33	70.18	100.49	225.40
	b. Trade receivables	4,505.10	4,193.21	3,729.90	2,958.39	2,382.19	1,585.66
	c. Cash and bank balances	210.75	204.27	41.53	24.03	22.82	27.30
	d. Short term loans & advances	1,930.35	1,530.70	1,315.77	933.40	211.50	138.50
	e. Other current assets						
	Sub-total	6,646.21	5,928.17	5,171.53	3,986.00	2,717.01	1,976.86
	TOTAL (4 + 5)	9,040.53	8,353.23	6,996.76	6,096.39	4,058.12	2,951.18

Signed in Terms of our Separate Report of even Date
For **PRAKASH K PRAKASH**
CHARTERED ACCOUNTANTS
FRN : 0000415N

For & on behalf of Board of Director's

DHIRAJ GUPTA
Partner
M NO. 505205

SANJAY GUPTA
Director
DIN: 00527801

ASHA GUPTA
Director
DIN: 02864795

07.02.2018
New Delhi

AVG LOGISTICS LIMITED

25,DDA MARKET, SAVITA VIHAR, DELHI - 110092
STATEMENT OF PROFIT & LOSS ACCOUNT ANNEXURE-II

(Amount in lakhs)

SR NO.	PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
		30-Sep-17	2017	2016	2015	2014	2013
1	INCOME						
	Revenue from Operations	10,335.69	19,474.50	19,218.75	18,311.88	13,031.82	9,625.06
	Other income	23.09	11.38	10.60	19.82	9.43	6.86
	Total revenue (A)	10,358.78	19,485.88	19,229.35	18,331.70	13,041.25	9,631.92
2	EXPENDITURE						
	Operating Cost	8,375.71	16,335.74	16,329.28	15,864.63	11,318.12	8,501.75
	Employee benefit expenses	514.19	692.15	578.31	511.47	351.13	270.57
	Finance costs	302.04	549.38	562.15	428.70	299.45	180.72
	Depreciation and amortization expenses	288.16	477.50	463.96	408.68	231.90	61.20
	Other expenses	413.82	790.63	722.08	634.41	442.32	339.68
	Total expenses (B)	9,893.92	18,845.41	18,655.78	17,847.89	12,642.92	9,353.92
3	Net profit/ (loss) before exceptional, extraordinary items and tax, as restated (A-B)	464.86	640.47	573.57	483.81	398.33	278.00
	Exceptional items	-	-	-	-	-	-
4	Net profit/ (loss) before extraordinary items and tax, as restated	464.86	640.47	573.57	483.81	398.33	278.00
	Extraordinary items	-	-	-	-	-	-
5	Net profit/ (loss) before tax, as restated	464.86	640.47	573.57	483.81	398.33	278.00
	Tax expense:						
	(i) Current tax	148.75	215.27	200.00	115.38	93.29	24.66
	(ii) Deferred tax (asset)/liability	(29.67)	(18.14)	(6.59)	49.12	42.97	62.86
6	Total tax expense	119.09	197.13	193.41	164.50	136.26	87.52
7	Profit/ (loss) for the year/ period, as restated	345.77	443.34	380.16	319.31	262.06	190.48

Signed in Terms of our Separate Report of even Date

For PRAKASH K PRAKASH
CHARTERED ACCOUNTANTS
FRN : 0000415N

For & on behalf of Board of Director's

DHIRAJ GUPTA
Partner
M NO. 505205

SANJAY GUPTA
Director
DIN: 00527801

ASHA GUPTA
Director
DIN: 02864795

07.02.2018
New Delhi

AVG LOGISTICS PRIVATE LIMITED

25, DDA MARKET, SAVITA VIHAR, DELHI - 110092

Cash Flow Statement ANNEXURE-III

(Amount in lakhs)

SR NO.	PARTICULARS	FOR THE PERIOD	FOR THE YEAR ENDED MARCH, 31				
		ENDED	2017	2016	2015	2014	2013
		30-Sep-17					
A.	Cash flow from Operating Activities						
	Net Profit / (Loss) before Extraordinary items & Tax	464.86	640.47	573.57	483.81	398.33	278.00
	<u>Adjustments for :</u>						
	Depreciation & Amortisation	288.16	477.50	463.96	408.68	231.90	61.20
	Profit (Loss) on sale of assets	(15.49)	0.27	1.95	-	0.10	-
	Provision for Gratuity for previous years	34.87	-	-	-	-	-
	Finance Costs	302.04	549.38	562.15	428.70	299.45	180.72
	Interest Income	(4.47)	(7.49)	(7.66)	(4.39)	(1.52)	(0.70)
	Operating Profit (Loss) before working capital changes	1,069.97	1,660.12	1,593.97	1,316.80	928.25	519.22
	<u>Changes in working capital :</u>						
	<u>Adjustments for (increase) decrease in operating assets :</u>						
	Trade receivables	(311.89)	(463.31)	(771.52)	(576.20)	(796.53)	(539.08)
	Short Term Loans & Advances	(399.66)	(214.93)	(382.36)	(721.90)	(73.00)	(22.27)
	Long Term Loans & Advances	0.71	(147.00)	(158.37)	-	-	(0.00)
	Other Current Assets	-	84.33	(14.14)	30.31	124.90	(221.38)
		-	-	-	-	-	-
	<u>Adjustments for increase/ (decrease) in operating liabilities :</u>	-	-	-	-	-	-
	Trade payables	(108.66)	227.87	(197.91)	453.82	83.49	40.72
	Other current Liabilities	330.31	(232.38)	124.17	520.29	54.91	12.46
	Short term Provisions	143.25	117.76	85.50	(120.61)	(20.91)	32.41
		(345.93)	(627.66)	(1,314.64)	(414.28)	(627.13)	(697.13)
	Cash flow from extraordinary items						
	Cash generated from Operations	724.04	1,032.46	279.32	902.51	301.12	(177.91)
	Net income tax (Paid) / refunds	(148.75)	(215.27)	(200.00)	(115.38)	(93.29)	(24.66)
	Net cash Flow from/ (used in) Operating Activities (A)	575.28	817.19	79.32	787.13	207.83	(202.56)

B.	Cash flow from Investing Activities						
	Capital expenditure on Fixed assets, including capital advances	(266.60)	(931.81)	(24.56)	(1,181.22)	(598.84)	(398.74)
	Proceeds from Sale of Fixed assets	23.95	2.57	2.19		0.05	
	Interest Received	4.47	7.49	7.66	4.39	1.52	0.70
	Net cash Flow from/ (used in) Investing Activities (B)	(238.19)	(921.74)	(14.72)	(1,176.83)	(597.27)	(398.04)
C.	Cash flow from Financing Activities						
	Proceeds from Issue of Equity Shares	-	-	121.50	72.00	59.50	95.00
	Proceeds from long term borrowings	(289.76)	371.21	(395.79)	713.68	169.51	150.92
	Repayment of long term borrowings	(2.39)	108.81	(123.98)	-	-	-
	Net Increase / (decrease) in working capital borrowings	263.59	336.64	913.32	33.92	455.40	547.86
	Finance Cost	(302.04)	(549.38)	(562.15)	(428.70)	(299.45)	(180.72)
	Net cash Flow from/ (used in) Financing Activities (C)	(330.61)	267.29	(47.10)	390.90	384.96	613.06
	Net Increase / (decrease) in Cash & cash Equivalents (A+B+C)	6.49	162.73	17.50	1.21	(4.48)	12.45
	Cash & Cash Equivalents at the beginning of the year	204.27	41.53	24.03	22.82	27.30	14.85
	Cash & Cash Equivalents at the end of the year	210.75	204.27	41.53	24.03	22.82	27.30

Signed in Terms of our Separate Report of even Date

For PRAKASH K PRAKASH
 CHARTERED ACCOUNTANTS
 FRN : 0000415N

For & on behalf of Board of Director's

DHIRAJ GUPTA
 Partner
 M NO. 505205

SANJAY GUPTA
 Director
 DIN: 00527801

ASHA GUPTA
 Director
 DIN: 02864795

07.02.2018
 New Delhi

Annexure -V: Restated Statement of Share Capital

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Share Capital						
Authorised :						
Equity Shares of Rs. 10 each	500.00	500.00	500.00	390.00	390.00	100.00
	500.00	500.00	500.00	390.00	390.00	100.00
Issued, Subscribed and Fully Paid up	424.00	424.00	424.00	302.50	200.00	100.00
Equity Shares of Rs. 10 each	424.00	424.00	424.00	302.50	200.00	100.00
Number of Shares	42.40	42.40	42.40	30.25	20.00	10.00

1. Terms/rights attached to equity shares:

- i. The company has only one class of shares referred to as equity shares having a par value of Rs.10/-.
- ii. Each holder of equity shares is entitled to one vote per share.
- iii. In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

2. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
3. Company does not have any Revaluation Reserve.
4. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities,

2. Reconciliation of number of shares outstanding at the beginning and at the end of the period

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Equity Shares outstanding at the beginning of the year	42.40	42.40	30.25	20.00	10.00	2.10
Add: Shares during the year	-	-	12.15	10.25	10.00	7.90
Equity Shares outstanding at the end of the year	42.40	42.40	42.40	30.25	20.00	10.00

3. Details of Shareholders holding more than 5% of the aggregate shares in the Company (In terms of No. of Shares Holding)

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Mr. Sanjay Gupta	17.10%	17.10%	17.10%	19.01%	15.00%	30%
Mrs. Asha Gupta	76.06%	76.06%	76.06%	76.36%	82.50%	65%
Mrs. Niti Gupta	6.84%	6.84%	6.84%	4.63%	2.50%	5%
	100.00%	100.00%	100.00%	100.00%	100.00%	100%

Restated Statement of Reserves And Surplus

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Surplus in statement of Profit & Loss						
Opening balance	1,744	1,299	919	603	341	149
Add: Profit for the year/ period	346	443	380	319	262	190.48
Add /(Less) : Excess/Short Provision of Income tax of earlier years	-	-	-	-	-	1.16
Less : Assets written Off	-	-	-	-3	-	-
Add: Gratuity Provision	35	-	-	0	-	-
Add: Excess Depreciation written back	-	1.36	-	-	-	-
Add/Less: Preliminary Expenses					-	(0.04)
Closing Balance Total (A)	2,124	1,744	1,299	919	603	341
Securities Premium						
Securities Premium Reserve	14	14	14	14	14	14
Total (A+B)	2,138	1,758	1,313	933	617	355

Annexure -VI : Restated Statement of Long Term Borrowings

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Secured						
From Banks	38,000,822	45,003,944	31,409,605	49,408,501	32,900,568	38,557,249
From Other / NBFC	86,793,071	105,041,393	73,608,552	75,370,095	43,890,827	23,133,442
TOTAL A	124,793,893	150,045,337	105,018,157	124,778,596	76,791,395	61,690,691
Unsecured						
Loan from Directors	-	-	6,181,000	20,000,000	14,000,000	14,000,000
Loan from Others / Corporates	-	3,725,000	5,450,000	11,450,000	11,450,000	9,600,000
TOTAL B	-	3,725,000	11,631,000	31,450,000	25,450,000	23,600,000
TOTAL A+B	124,793,893	153,770,337	116,649,157	156,228,596	102,241,395	85,290,691

Restated Statement of Short Term Borrowings

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Secured						
From Banks	302,291,513	272,520,358	242,674,186	151,342,256	147,950,119	102,409,837
Unsecured						
From Banks	405,850	3,818,231.00				
TOTAL	302,697,363	276,338,589	242,674,186	151,342,256	147,950,119	102,409,837

Annexure -VI : Restated Statement of Long Term Borrowings

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Secured						
From Banks	380.01	450.04	314.10	494.09	329.01	385.57
From Other / NBFC	867.93	1,050.41	736.09	753.70	438.91	231.33
TOTAL A	1,247.94	1,500.45	1,050.18	1,247.79	767.91	616.91
Unsecured						
Loan from Directors	-	-	61.81	200.00	140.00	140.00
Loan from Others / Corporates	-	37.25	54.50	114.50	114.50	96.00
TOTAL B	-	37.25	116.31	314.50	254.50	236.00
TOTAL A+B	1,247.94	1,537.70	1,166.49	1,562.29	1,022.41	852.91

Restated Statement of Short Term Borrowings

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Secured						
From Banks	3,022.92	2,725.20	2,426.74	1,513.42	1,479.50	1,024.10
Unsecured						
From Banks	4.06	38.18	-	-	-	-
TOTAL	3,026.97	2,763.39	2,426.74	1,513.42	1,479.50	1,024.10

1. The figures disclosed above are based on the restated summary statement of assets and
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities,
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' and Related Parties has been determined by the Management
4. The terms and conditions and other information in respect of Secured Loans as on 30.09.2017 are given in Annexure -A
5. The terms and conditions and other information in respect of Unsecured Loans as on 30.09.2017 are given in Annexure - B

Annexure A :STATEMENT OF PRINCIPAL TERMS OF LONG TERM SECURED LOANS AND ASSETS

Sr.No.	Name of the Lender	Type of Loan	Outstanding balance as on 30.09.2017	Securities created	Remaining EMI's as on 30.09.2017
1	HDB Financial Services Ltd	Truck Loan	37.89	Hypothecation of Trucks	33
		Truck Loan	69.69	Hypothecation of Trucks	34
2	HDFC Bank Ltd	Car Loan	2.32	Hypothecation of Car	3
3	Hinduja Leyland Finance Ltd	Truck Loan	94.59	Hypothecation of Trucks	10
		Truck Loan	263.18	Hypothecation of Trucks	41
		Truck Loan	83.49	Hypothecation of Trucks	23
4	ICICI Bank Ltd.	Truck Loan	48.10	Hypothecation of Trucks	15
		Truck Loan	120.01	Hypothecation of Trucks	46
		Truck Loan	80.17	Hypothecation of Trucks	33
		Truck Loan	60.41	Hypothecation of Trucks	21
5	India Infoline Finance Ltd	Truck Loan	18.28	Hypothecation of Trucks	18
		Truck Loan	41.85	Hypothecation of Trucks	27
		Truck Loan	89.10	Hypothecation of Trucks	27
		Truck Loan	95.43	Hypothecation of Trucks	29
7	Indusind Bank	Truck Loan	134.74	Hypothecation of Trucks	38
		Truck Loan	78.47	Hypothecation of Trucks	7
8	Kotak Mahindra Bank Ltd	Car Loan	2.01	Hypothecation of Car	19
9	Kotak Mahindra Bank Ltd	Truck Loan	8.31	Hypothecation of Trucks	2
10	Punjab National Bank	Car Loan	20.16	Hypothecation of Cars	12
11	Reliance Commercial Finance Ltd	Truck Loan	32.11	Hypothecation of Trucks	14
			17.76	Hypothecation of Trucks	2
			21.28	Hypothecation of Trucks	5
12	TATA Capital Financial Services Ltd	Truck Loan	3.51	Hypothecation of Trucks	2
		Truck Loan	40.20	Hypothecation of Trucks	33
13	Tata Motors Finance Ltd.	Truck Loan	35.41	Hypothecation of Trucks	8
			38.49	Hypothecation of Trucks	4
14	Union Bank of India	Car Loan	23.42	Hypothecation of Cars	12
15	Volkswagon Finance Pvt Ltd	Car Loan	16.79	Hypothecation of Car	30
16	Punjab National Bank Ltd	Cash Credit Limit	2,924.92	Hypothecation of Book Debts	-----
17	Union Bank of India	Cash Credit Limit	97.99	Hypothecation of Book Debts	-----
18	ICICI Bank Ltd	OD Account	4.06	Unsecured	-----

Annexure -VII : Restated Statement of Deferred Tax (Assets) / Liabilities

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Difference between book and tax depreciation	(85.53)	(44.25)	(12.24)	160.15	136.79	222.65
Timing Difference Due to Depreciation	(85.53)	(44.25)	(12.24)	160.15	136.79	222.65
Deferred Tax Liability(A)	(28.28)	(14.63)	(4.05)	51.96	44.38	68.80
Prior Period	-					
Provision of Gratuity	4.19	10.62	7.70	8.75	4.34	3.45
Timing Difference	4.19	10.62	7.70	8.75	4.34	3.45
Deferred Tax Assets (B)	1.39	3.51	2.55	2.84	1.41	1.07
Cumulative Balance of Deferred Tax (Assets)/ Liability (Net) (A-B)	105.42	135.09	153.23	159.83	110.71	67.73

Note: The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -VIII : Restated Statement of Other Long Term Liabilities

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
SECURITY (Mobilization advance) recd- NESTLE (SIRASPUR)	50.31	50.31	-	-	-	-
SECURITY RECD.- NESTLE (MODI NAGAR)	27.46	27.46	27.46	18.99	-	-
SECURITY - OKHLA - GATI-KINTETSU EXPRESS PVT LTD	22.37	22.37	22.37	22.37	-	-
SECURITY - OKHLA - GATI-KINTETSU EXPRESS PVT LTD (RENT ADVANCE)	-	-	-	7.46	-	-
CENTRAL RAILSIDE WAREHOUSE COMPANY LTD	-	-	-	100.00	-	-
DEEPAK AUTOMOBILES	-	-	-	25.00	-	-
SECURITY RECD.- NESTLE (PANIPAT)	56.11	58.50	-	-	-	-
TOTAL	156.25	158.64	49.83	173.81	-	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
3. The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently, the amount paid/ payable to these parties during the year is not ascertainable.

Annexure -IX : Restated Statement of Trade Payables

PARTICULARS	AS AT MARCH, 31	AS AT	AS AT MARCH, 31				
	2013	30-Sep-17	2017	2016	2015	2014	2013
Trade Payable-MSME		-	-	-	-	-	-
Trade Payable Others							
For Logistics	9,067,293	404.48	575.58	380.21	577.15	167.29	90.67
For Warehousing	3,096,510	175.76	113.32	80.82	81.79	37.84	30.97
TOTAL	12,163,803	580.24	688.90	461.03	658.95	205.13	121.64

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently, the amount paid/ payable to these parties during the year is not ascertainable.

Annexure -X : Restated Statement Of Short Term Provision

PARTICULARS	AS AT	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
Provision for Taxes	364.02	215.27	200.00	115.38	93.29	24.66
Provisions for Employees Benefit	169.89	175.39	72.90	72.02	8.96	4.02
Other Provisions	-	-	-	-	205.76	300.24
TOTAL	533.91	390.66	272.90	187.40	308.01	328.92

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XI : RESTATED STATEMENT OF OTHER CURRENT LIABILITIES

PARTICULARS	AS AT	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
Current maturities of long term debt	329.25	210.84	239.63	290.46	-	-
Service tax/GST Payable	57.88	28.42	207.09	83.23	47.82	21.74
TDS Payable	82.03	59.59	100.12	65.66	33.79	8.35
Advance from Customers	71.30	69.50	-	-	-	-
Land Cost Payable		-				
Lorry Hire Charges Payable		16.15				
Slum Purchase Consideration Payable						
Others Payables	27.51	22.25	5.93	7.90	3.39	-
TOTAL	567.98	406.75	552.77	447.25	85.00	30.09

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XII : RESTATED STATEMENT OF FIXED ASSTES

PARTICULARS	AS AT	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
Property, Plant and Equipment						
Lease hold Land	183.78	54.73	-	-	-	-
Office Equipments	38.06	43.89	39.20	52.40	39.57	27.05
Computers	12.72	10.60	8.83	10.33	18.13	20.89
Furniture& Fixtures	25.97	23.59	23.43	25.06	13.48	13.35
Vehicles	1,823.73	1,981.48	1,595.39	2,022.60	1,269.93	913.02
TOTAL	2,084.27	2,114.28	1,666.85	2,110.39	1,341.11	974.32

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XIII : RESTATED STATEMENT OF LONG TERM LOANS & ADVANCES

PARTICULARS	AS AT	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
Security Deposit	304.66	305.37	158.37	-	-	-
TOTAL	304.66	305.37	158.37	-	-	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
3. Security Deposit is given by the company as per terms and conditions of the contracts with various government companies, vendors and landlords of leased properties.

Annexure -XIV : RESTATED STATEMENT OF OTHER CURRENT INVESTMENTS

PARTICULARS	AS AT	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
SHORT TERM FIXED DEPOSITS	-	-	84.33	70.18	100.49	225.40
TOTAL	-	-	84.33	70.18	100.49	225.40

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XV : RESTATED STATEMENT OF TRADE RECEIVABLES

PARTICULARS	As at March 31	As at September	As at March 31				
	2013	30-Sep-17	2017	2016	2015	2014	2013
Outstanding for a period exceeding six months							
Secured, considered good	-	-	-	-	31.31	-	-
Unsecured, considered good	1,293,712	348.97	74.43	55.94	-	-	12.94
Outstanding for a period not exceeding six months							
Unsecured, considered good	157,271,874	4,156.13	4,118.78	3,673.96	2,927.08	2,382.19	1,572.72
TOTAL	158,565,586	4,505.10	4,193.21	3,729.90	2,958.39	2,382.19	1,585.66

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' and Related Parties has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Annexure -XVI : RESTATED STATEMENT OF CASH AND BANK BALANCES

PARTICULARS	As at September	As at March 31,				
	30-Sep-17	2017	2016	2015	2014	2013
Cash in hand	46.61	30.19	19.33	7.12	14.50	9.31
Balances with banks	23.00	39.61	22.21	16.91	8.32	17.99
Fixed deposits against Bank Guarantees	141.14	134.47	-	-	-	-
Total	210.75	204.27	41.53	24.03	22.82	27.30

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XVII : RESTATED STATEMENT OF SHORT TERM LOANS AND ADVANCES

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Advance to suppliers	788.97	772.15	745.93	657.23	-	-
Advance Tax & Tds Receivable(Net of provision for Tax)	732.20	599.79	375.61	60.48	52.63	42.76
MAT Credit Available	-	-	15.50	26.44	33.84	-
Prepaid Expenses	38.50	40.96	22.26	15.65	8.92	11.47
Security Deposit	0.05	0.05	-	105.06	61.98	34.01
Service Tax/GST Input Credit	44.88	4.94	2.55	1.27	2.27	1.30
Trip Advance	247.67	60.15	129.47	50.72	34.30	43.83
Other Recoverables	37.23	45.45	15.76	15.46	17.20	4.78
Consumables Items	40.86	7.21	8.68	1.09	0.35	0.36
TOTAL	1,930	1,531	1,316	933	212	139

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
3. List of persons/entities classified as 'Promoters' and 'Promoter Group Companies' and Related Parties has been determined by the Management and relied upon by the Auditors. The Auditors have not performed any procedure to determine whether the list is accurate and complete.

Annexure -XVIII : RESTATED STATEMENT OF TURNOVER

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
		30-Sep-17	2017	2016	2015	2014
Revenue from Operations						
Warehousing Income	735.55	1,041.75	1,104.39	699.96	658.45	528.75
Transportation Income	9,600.14	18,432.74	18,114.36	17,611.91	12,373.36	9,096.31
Total	10,335.69	19,474.50	19,218.75	18,311.88	13,031.82	9,625.06

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Compa
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

Annexure -XIX : RESTATED STATEMENT OF OTHER INCOME

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
A. Related & Recurring Income						
Interest income	4.47	7.49	7.66	4.39	1.52	0.70
Subtotal	4.47	7.49	7.66	4.39	1.52	0.70
B. Related & Non Recurring Income						
Other income	3.12	3.89	2.94	15.43	7.91	6.16
Sale of Fixed Assets	15.49	-	-	-	-	-
Subtotal	18.62	3.89	2.94	15.43	7.91	6.16
Total	23.09	11.38	10.60	19.82	9.43	6.86

Note:

1. The classification of other income as recurring/not-recurring, related/not-related to business activity is based on the current operations and business activity of the Company as determined by the management.
2. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III
4. Other Income of Rs 26.08 Lakhs for the period ended 30.09.2017 includes Rs 15.49 Lakhs earned as Profit on Sale of Old assets.

Annexure -XX : RESTATED STATEMENT OF OPERATING EXPENSES

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Warehousing Expenses	654.19	837.56	670.71	499.37	404.17	292.87
Transportation Expenses	7,638.70	15,203.29	15,388.51	15,117.46	10,707.43	8,034.67
Direct Cost related to Projects	82.82	294.90	270.05	247.80	206.51	174.21
Total	8,375.71	16,335.74	16,329.28	15,864.63	11,318.12	8,501.75

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXI : RESTATED STATEMENT OF EMPLOYEE BENEFIT EXPENSES

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Salary, Wages & Bonus	414	555	447	379	274	203
Contribution to Provident Fund	16	20	15	12	5	3
Staff Welfare Expenses	8	14	18	16	11	17
Directors Remuneration	66	74	78	84	47	36
Contribution to ESIC	6	6	3	3	2	1
Bonus Paid	0	12	9	8	8	7
Provision for Gratuity	4	11	8	9	4	3
Total	514	692	578	511	351	271

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXII : RESTATED STATEMENT OF FINANCE COST

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Interest on car & truck loan	81.83	145.13	153.72	151.56	91.22	66.64
Interest on Cash Credit limit	144.34	279.41	274.25	181.24	142.27	74.57
Bank Charges	27.83	101.22	121.56	82.91	57.25	38.62
Loan Processing Charges	15.60	11.88	1.19	5.05	4.70	-
Buyers Credit And Bank Guarantee Charges	32.43	11.74	11.42	7.94	4.01	0.89
TOTAL	302.04	549.38	562.15	428.70	299.45	180.72

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXIII : RESTATED STATEMENT OF DEPRECIATION & AMORTIZATION

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Depreciation	288.16	477.50	463.96	408.68	231.90	61.20
	288.16	477.50	463.96	408.68	231.90	61.20

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXIV : RESTATED STATEMENT OF OTHER EXPENSES

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Business Promotion	17.14	55.13	48.67	38.13	11.98	10.41
Repairs Maintenance Vehicle	21.42	41.56	40.07	43.39	33.05	25.49
Repairs Maintenance Computer	3.41	7.85	5.62	4.72	3.40	2.72
Travelling Expenses	38.20	71.87	44.22	64.21	66.94	54.91
Conveyance	11.57	25.77	26.46	26.78	20.13	15.85
Electricity & Water Expenses	13.76	41.80	30.04	39.23	16.48	11.40
Office Exp	62.41	70.09	51.39	46.17	30.79	26.71
Repairs Maintenance Office	6.00	17.16	14.36	16.78	2.67	-
Postage & Courier Exp	6.68	12.02	11.50	11.41	8.45	6.80
Printing Stationery	6.97	17.41	15.27	15.93	12.14	10.39
Rent Exp	62.23	149.81	190.94	98.31	70.10	64.41
Telephone Exp	10.27	26.83	28.45	30.06	25.36	23.27
Audit Fee	1.50	5.90	1.50	2.50	1.50	1.50
Misc Exp	6.98	18.18	28.58	26.37	16.49	9.54
Fees & Subscription	6.54	12.87	6.97	5.88	4.26	2.69
Legal & Professional Charges	24.67	42.53	19.70	14.63	14.06	7.49
Interest on Taxes	79.05	16.37	2.90	18.49	6.14	3.17
Internet Expenses	2.68	6.13	4.92	5.00	4.33	2.38
Newspaper & Periodicals	0.05	0.08	0.07	0.61	0.06	0.05
Commission Exp	12.09	43.40	77.81	53.20	42.54	52.16
Insurance Exp	1.60	4.19	4.26	4.51	3.67	1.36
Donation	4.71	8.39	10.39	8.75	6.18	0.18
Festival Exp	4.28	28.80	29.78	29.75	13.61	3.25
Advertisement Exp	4.28	9.62	1.39	3.32	0.70	0.70
Software AMC Charges	1.06	1.97	1.24	0.74	0.73	0.40
Discount Exp	-	12.85	-	-	-	-
Vehicle Tracking exp	0.59	7.12	5.18	3.95	4.07	2.45
Security service exp	3.70	34.64	18.43	21.59	22.40	-
Loss on Sale of Fixed Assets	-	0.27	1.95	-	0.10	-
TOTAL	413.82	790.63	722.08	634.41	442.32	339.68

1. The figures disclosed above are based on the restated summary statement of Profit & Loss Account of the Company.
2. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXV : Restated Statement of Mandatory Accounting Ratios

Ratio	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Net worth (A)	2,562	2,182	1,737	1,235	817	455
Restated Net Profit After Tax (B)	346	443	380	319	262	190
Number of Equity Share outstanding as on the End of period /Year(C)	42	42	42	30	20	10
Bonus Share Issued	29.68	29.68	29.68	29.68	29.68	29.68
Number of Equity Share outstanding as on the End of period /Year Including Bonus Share (C)	72.08	72.08	72.08	59.93	49.68	39.68
Weighted average no of Equity shares at the time of end of the year before Bonus Issue (D)	42.40	42.40	36.53	22.92	13.39	5.94
Weighted average no of Equity shares at the time of end of the year After Bonus Issue (E)	72.08	72.08	66.21	52.60	43.07	35.62
Current Assets (F)	6,646	5,928	5,172	3,986	2,717	1,977
Current Liabilities (G)	4,969	4,340	3,890	2,965	2,078	1,505
Face value per share	10	10	10	10	10	10
Restated Basic and Diluted Earning Per Share before Bonus issue (Rs.) (B/D)	8.15	10.46	10.41	13.93	19.56	32.04
Restated Basic and Diluted Earning Per Share after Bonus issue (Rs.) (B/E)	4.80	6.15	5.74	6.07	6.08	5.35
Return on net worth %(B/A)	13.49%	20.32%	21.88%	25.85%	32.08%	41.88%
Net asset value per share (Rs)(A/C)	60.43	51.46	40.97	40.84	40.84	45.48
Net assets value per share (After effect of bonus issue of equity shares) (A/E)	35.55	30.27	24.10	20.61	16.44	11.46
Current Ratio (Rs.) (E/F)	1.34	1.37	1.33	1.34	1.31	1.31

1) The ratios have been computed as below:

(a) Basic earnings per share (Rs.) - : Net profit after tax as restated for calculating basic EPS /Weighted average number of equity shares outstanding at the end of the period or year

(b) Diluted earnings per share (Rs.) - : Net profit after tax as restated for calculating diluted EPS / Weighted average number of equity shares outstanding at the end of the period or year for diluted EPS

(c) Return on net worth (%) -: Net profit after tax (as restated) / Net worth at the end of the period or year

(d) Net assets value per share -: Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year

(e) Net assets value per share (after effect of bonus issue of equity shares) - : Net Worth at the end of the period or year / Total number of equity shares outstanding at the end of the period or year (after

2) Weighted average number of equity shares is the number of equity shares outstanding at the beginning of the period/year adjusted by the number of equity shares issued during period/year multiplied by the time weighting factor. The time weighting factor is the number of days for which the specific shares are outstanding as a proportion of total number of days during the period/year.

3) Net worth for ratios mentioned in note 1(c) and 1(d) is = Equity share capital + Reserves and surplus (including, Securities Premium, General Reserve and surplus in statement of profit and loss).

4) The figures disclosed above are based on the standalone restated summary statements.

5) The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III.

ANNEXURE -XXVI : RESTATED STATEMENT OF RELATED PARTY TRANSACTION

Names of the related parties with whom transactions were carried out during the years and description of relationship:

Directors	Sanjay Gupta
	Asha Gupta
	Niti Gupta
Relatives of Directors	Vinayak Gupta
	-
	-
Companies /firms in which Director is significantly influenced	Prem Crane & Transport Services
	MA Enterprises
	PCG Logistics Private Limited
	NDR AVG Logistics LLP
	Maple Packaging and Logistics
Subsidiary Company	-

Sr. No.	Nature of Transaction	As at September 30, 2017	AS AT MARCH, 31				
			2017	2016	2015	2014	2013
1	Key Managerial Personnel						
A.	Sanjay Gupta						
	Rent for office	0.60	1.20	1.20	1.20	1.20	1.20
	Directors Remuneration Paid during the year	36.00	60.00	60.00	60.00	36.00	30.00
B.	Niti Gupta						
	Directors Remuneration Paid during the year	-	14.40	18.00	24.00	10.80	5.85
C.	Asha Gupta						
	Directors Remuneration Paid during the year	30.00	-	-	-	-	-
	Opening Balance	-	61.81	200.00	140.00	140.00	140.00
	Loan taken during the Year	-	-	-	60.00	-	-
	Less:- Loan repaid during the year	-	61.81	138.19	-	-	-
	Closing Balance	-	-	61.81	200.00	140.00	140.00
D.	Vinayak Gupta - Salary						
		6.00	6.00	-	-	-	-
2	Transaction with Companies/Firms in Which Directors are significantly Influenced						
	Prem Crane & Transport Services						
	Opening Balance	90.33	-	-	-	-	-
	Slump Purchase by Company	-	90.33	-	-	-	-
	Truck Hiring Charges	-	540.00	540.00	540.00	648.00	541.00
	Payment made	36.55	540.00	540.00	540.00	648.00	541.00
	Closing Balance Cr./(Dr)	53.78	90.33	-	-	-	-

ANNEXURE -XXVII : Restated Statement of Tax Shelter

PARTICULARS	FOR THE PERIOD ENDED	FOR THE YEAR ENDED MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Profit before tax, as restated (A)	464.86	640.47	573.57	483.81	398.33	278.00
Tax Rate %(B)	0.33	0.33	0.33	0.32	0.32	0.31
Tax at notional rate on profits : C =(A*B)	153.70	211.76	189.64	156.97	129.24	85.90
Adjustments :						
Permanent differences						
Capital Expenditure for Increase in authorized share capital	0.00	0.00	1.82	0.00	0.51	0.30
Exempt Income	0.00	0.00	0.00	0.00	0.00	0.00
Interest on TDS	19.93	16.37	0.00	0.00	0.00	0.00
Expenses Disallowable U/s 43B	39.06	13.44	0.00	0.00	0.00	0.00
Sales Tax Demand	0.00	0.00	0.00	0.00	0.00	0.00
CSR Expense	0.00	0.00	0.00	0.00	0.00	0.00
Donation	4.71	8.39	10.39	8.75	6.18	0.18
Total permanent differences (D)	63.70	38.20	12.21	8.75	6.69	0.48
Timing differences						
Difference between tax depreciation and book depreciation	85.53	44.25	12.24	(160.15)	(136.79)	(207.66)
Addition made by Assessing Officer	0.00	0.00	0.00	0.00	0.00	0.00
Donation Deductions	(1.06)	(3.67)	(3.73)	(3.69)	(2.09)	(0.09)
Profit on sale of Fixed assets	(15.49)	0.00	0.00	0.00	0.00	0.00
Total timing differences (E)	68.98	40.58	8.51	(163.84)	(138.88)	(207.75)
Net adjustments F = (D+E)	132.68	78.78	20.72	(155.09)	(132.18)	(207.27)
Tax expense / (saving) thereon G=(F*B)	43.87	26.05	6.85	(50.32)	(42.89)	(64.05)
Tax Liability, After Considering the effect of Adjustment H=(C +G)	197.56	237.81	196.49	106.65	86.35	21.86
MAT Credit Utilized	0.00	0.00	15.50	10.94	7.02	0.00
Tax Liability, After Considering the effect of MAT Credit	197.56	237.81	180.99	95.71	79.33	21.86
Book Profit as per PL	464.86	640.47	573.57	483.81	398.33	278.00
Add:Fine & Penalties(Income Tax)	0.00	0.00	2.90	0.00	0.00	1.80
Less:Deductions	0.00	0.00	0.00	0.00	0.00	0.00
Book Profit as per MAT *(I)	464.86	640.47	576.46	483.81	398.33	279.80
MAT Rate (J)	0.20	0.20	0.20	0.20	0.20	0.20
Tax liability as per MAT K=(I*J)	94.77	130.58	117.53	96.80	79.70	55.98
Current Tax being Higher of H or K (L)	197.56	237.81	180.99	96.80	79.70	55.98
MAT Credit Entitlement (M)	0.00	0.00	0.00	0.00	0.00	34.13
Total Tax expenses N=(L+M)	197.56	237.81	180.99	96.80	79.70	90.11
Total Tax as per Return of Income (Before Interest under Section 234A,B and C of Income Tax Act, 1961)	Not Required to file	233.36	184.50	98.55	80.25	56.67
Tax paid as per —normal or —MAT	Not Required to file	Normal	Normal	Normal	Normal	MAT

Notes:

1. The aforesaid statement of tax shelters has been prepared as per the restated Summary statement of profits and losses of the Company. The permanent/timing differences have been computed considering the acknowledged copies of the income-tax returns of respective years stated above. The changes in the tax liability and the interest thereon arising on account of assessment proceedings, notices, appeals etc has been adjusted in the tax liability of the year to which the liability pertains.
2. The figures for the year ended September 30, 2017 are based on the provisional computation of Total Income prepared by the
3. The above statement should be read with the significant accounting policies and notes to restated summary statements of assets and liabilities, profits and losses and cash flows appearing in Annexures IV, I, II and III

ANNEXURE -XXVIII : Restated Statement of Contingent liabilities

PARTICULARS	AS AT	AS AT MARCH, 31				
	30-Sep-17	2017	2016	2015	2014	2013
Contingent liability in respect of :						
Outstanding TDS default	-	-	-	-	-	-
Bank Guarantee outstanding	438.23	422.23	284.91	248.87	76.16	33.40
Income Tax Outstanding	-	-	-	-	-	-

1. The figures disclosed above are based on the restated summary statement of assets and liabilities of the Company
2. The above contingent liabilities has been prepared by the company and examined by us through information to the extent made available by the Company

ANNEXURE -XXIX : RESTATED STATEMENT OF CAPITALISATION AS AT SEPTEMBER 30, 2017

Particulars	Pre Issue	Post Issue
Borrowings:		
Short-term	3,026.97	[.]
Long-term (A)	1,577.19	[.]
Total debts (B)	4,604.17	[.]
Shareholders' funds		[.]
Share capital	424.00	[.]
Reserve and surplus	2,138.41	[.]
Total shareholder's funds (C)	2,562.41	[.]
Long term debt / shareholders' funds (A/C)	0.62	[.]
Total debt / shareholders' funds (B/C)	1.80	[.]

[.] The Post Issue Capitalization will be determined only after the completion of the allotment of equity shares & finalisation of issue price per share.

Notes:

1. Short term Debts represent which are expected to be paid/ payable within 12 months and excludes instalment of term loans repayable within 12 months.

- 2 Long term Debts represent debts other than Short term Debts as defined above but includes instalments of term loans repayable within 12 months grouped under other current liabilities

3. The figures disclosed above are based on the restated summary statement of assets and

ANNEXURE IV - SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED SUMMARY STATEMENTS

1. Company Overview

AVG LOGISTICS LIMITED (the company, CIN: U60200DL2010PTC198327) was incorporated on 25th January, 2010 under the Companies Act, 1956 having main object of dealing in the business of transportation of goods & Logistics. The registered office the company is situated in the state of New Delhi.

2. Basis of Preparation of Financial Statement

- A. The Restated Standalone Financial Statements of Assets and Liabilities of the Company as at September 30, 2017, 31st March 2017, 2016, 2015, 2014 and 2013 and the related Restated Standalone Statement of Profit and Loss and Cash Flows for the year ended on September 30, 2017, 31st March 2017, 2016, 2015, 2014 and 2013 (collectively referred to as “**Restated Financial Information**”) have been prepared specifically for the purpose of inclusion in the Draft Prospectus/ Prospectus to be filed by the Company with the Stock Exchange / Securities and Exchange Board of India (SEBI) / Registrar of Companies (ROC) in connection with the proposed Initial Public Offering (hereinafter referred to as ‘**IPO**’).
- B. The Restated Financial Information has been prepared by applying necessary adjustments to the Audited Financial Statements (‘financial Statement’) of the Company for the years ended 30th September, 2017, 31st March 2017, 2016, 2015, 2014 and 2013, prepared and presented under the historical cost convention using the accrual system of accounting in accordance with the generally accepted accounting principles in India (‘Indian GAAP’), the provisions of the Companies Act, 1956 (up to 31st March 2014), and notified sections, schedules and rules of the Companies Act, 2013 (with the effect from 1st April 2014), including the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006 as per the Section 211(3C) of the Companies Act, 1956 (which are deemed to be applicable as Section 133 of the Companies Act, 2013, (“the Act”) read with Rule 7 of Companies (Accounts) Rules, 2014), to the extent applicable and in the manner so required.

3. Significant Accounting Policies

A. Operating Cycle

Operating cycle is the time between the acquisition of assets for processing and their realization in cash or cash equivalent.

B. Revenue Recognition

- Revenues / Incomes and Cost / Expenditures are generally accounted on accrual basis, as and when they are earned or incurred.
- Revenues from sale of services are recognized on completion of related services, and are exclusive of service tax as applicable.
- Overheads, which could be directly attributed to the units, are booked in the respective units.

C. USE OF ESTIMATES

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) 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, if any, as at the date of the financial statements and reported amounts of income and expenses during the year. Examples of such estimates include provision for income tax and the useful lives of fixed assets. The difference between the actual results and estimates are recognized in the period in which results are known or materialized.

D. Property, Plant and Equipments

All items of Property, Plant and Equipments are stated at cost net of duty credit availed less accumulated depreciation and impairments, if any. The cost includes cost of acquisition, installation and preoperative expenditure including trial run expenses (net of revenue) and borrowing costs incurred during pre-operation period

Expenses incurred on capital assets are carried forward as capital work in progress at cost till the same are ready for use.

E. Depreciation

Depreciable amount for Property, Plant and Equipments is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on tangible fixed assets have been provided on the written down method as per the useful life prescribed in Schedule II to the Companies Act, 2013 effective from 1st April 2014 and depreciation on tangible fixed assets upto 31st March 2014 was provided at the rates and manner prescribed in Schedule XIV of the Companies Act, 1956.

F. Lease

A lease is classified at the inception date as a finance lease or an operating lease. Finance lease are capitalized at the commencement of the lease. A leased asset is depreciated over the useful life of the asset. Land Cost of Rs 183.78 lakhs includes one land of Rs 18.67 Lakhs situated in Agartala (Tripura) and acquired on lease of 30 years and other Land of Rs 165.10 Lakhs situated in Mysore (Karnataka) and acquired on lease of 90 years. Lease deed is pending for execution for land at Mysore.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term unless such payments are structured to increase in line with the expected general inflation to compensate for the lessor's expected inflationary cost increase.

G. Taxation

Current income tax expense comprises taxes on income from operations. Income tax payable is determined in accordance with the provisions of the Income Tax Act, 1961 & Income Computation & Discloser Standard's (ICDS).

Deferred tax expenses or benefit is recognized on timing differences being the difference between taxable income and accounting income tax originate in one period and is likely to reverse in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

In the event of unabsorbed depreciation and carry forward of losses, deferred tax assets are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available to release such assets. In other situations, deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available to realize these assets.

H. Borrowing Cost

As per Accounting Standard -16, borrowing cost attributable to the acquisition of fixed assets is capitalized as part of the cost of fixed assets till the date it is put to use. Other borrowing cost is recognized as expenditure in the period in which they are accrued.

I. Cash Flow

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. Cash flows from operating, investing and financing activities of the Company are segregated, accordingly.

J. Impairment of Assets

At each balance sheet date, the management reviews the carrying amounts of its assets included in each case generating unit to determine whether there is any indication that those assets were impaired. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-tax discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

Reversal of impairment loss is recognized immediately as income in the statement of profit and loss.

K. Earnings per share

The company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20(AS-20) issued by the Institute of Chartered Accountants of India. The basic EPS is computed by dividing the net profit or loss for the year by weighted average number of equity shares outstanding, during the accounting period. Diluted earnings per equity share are computed by using the weighted average number of equity shares and dilutive potential equity shares outstanding during the period.

L. Provisions, Contingent liabilities and Contingent assets

A provision is recognized when the Company has 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 reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. A contingent asset is neither recognized nor disclosed in the financial statements.

M. Employees Benefits

(i) Liabilities towards Gratuity is considered as the defined benefit scheme and is recognized on the basis of actuarial valuation on projected unit credit method at balance sheet date.

(ii) The benefits in the form of contribution to Provident Fund and Employees State Insurance are considered as the defined contribution schemes and are recognized on the basis of amount paid or payable for the period during which services are rendered by the employees.

N. Related Party Transactions

Disclosure is being made separately for all the transactions with related parties as specified under Accounting Standard 18, issued by the Institute Chartered Accountants of India.

O. Micro, Small & Medium Enterprises Development Act, 2006

The Company has not received any memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status as Micro, Small and Medium Enterprises. Consequently, the amount paid/payable to these parties during the year is not ascertainable. Consequently, as of now, it is neither possible for the Company to ascertain whether payment to such enterprises has been made within 45 days from the date of acceptance of supply of goods or services rendered by a supplier nor to give the relevant disclosures as required under the Act.

P. SEGMENT ACCOUNTING**(i) Business Segment**

- The business segment has been considered as the primary segment.
- The Company's primary business segments are reflected based on principal business activities, the nature of service, the differing risks and returns, the organization structure and the internal financial reporting system.
- The Company's primary business comprises of Freight & Logistics Services and since it is the only reportable segment as envisaged in Accounting Standard 17 -Segment Reporting'. Accordingly, no separate disclosure for Segment reporting is required to be made in the financial statements of the Company.

(ii) Geographical Segment

The Company operates in one Geographical Segment namely —within India|| and hence no separate information for geographic segment wise disclosure is required.

Q. Payment / Provision made to Auditors

(Amount in Rs)

Particulars	September 30, 2017	2016-17	2015-16	2014-15	2013-14	2012-13
Audit Fees	1,50,000	5,00,000	1,50,000	2,50,000	1,50,000	1,50,000
Tax Matter	-	-	6,96,000	5,98,000	-	5,50,000

R. Slump purchase during the year.

During the FY 2016-17, company has purchased a running proprietorship business undertaking M/s Prem Crane & Transport Services from it's proprietor Mrs. Asha Gupta on Slump Sale Basis. This Firm was engaged in the same business of transportation and warehousing as that of the company. Mrs. Asha Gupta is also one of the directors of the company. This transaction has been executed on the basis of Business Purchase Agreement executed between the company and Mrs. Asha Gupta.

The purchase consideration has been taken as the Book Value of Rs. 90,33,286/-of the said undertaking as on 31.3.2017. In this slump purchase, the company has acquired all of it's business assets and liabilities as appearing in their balance Sheet as on 31.3.2017.

All the assets and liabilities so acquired have been taken and merged in the financial statements of the company as on 31.3.2017.

S. Disclosure for the details of Specified Bank Notes (SBN) held and transacted during the period from 08th November, 2016 to 30th December, 2016:

(Amount in Rs)

Particulars	SBN's	Other	Total
Closing cash in hand as on 08.11.2016	63,25,000	2,08,812	65,33,812
(-)Deposited in bank from 10.11.2016 to 30.12.2016	62,50,000	-	62,50,000
(+)Permitted Receipts	-	4,31,52,937	4,31,52,937
(-)Permitted Payments	75,000	6,49,94,294	6,50,69,294
(+)Withdrawals from bank from 10.11.2016 to 30.12.2016	-	2,64,89,523	2,64,89,523
Closing Cash Balance as on 30.12.2016	-	48,56,978	48,56,978

4. CHANGES IN ACCOUNTING POLICIES IN THE PERIOD/YEARS COVERED IN THE RESTATED FINANCIALS

There is no change in significant accounting policies.

5. NOTES ON RESTATEMENTS MADE IN THE RESTATED FINANCIALS

A. The financial statements including financial information have been prepared after making such regroupings and adjustments, considered appropriate to comply with the same. As result of these regroupings and adjustments, the amount reported in the financial statements/information may not necessarily be same as those appearing in the respective audited financial statements for the relevant years.

B. Employee benefits:

The Company has adopted the Accounting Standard 15 (revised 2005) on Employee Benefits as per an actuarial valuation carried out by an independent actuary.

C. MATERIAL ADJUSTMENTS [AS PER SEBI (ICDR) REGULATIONS, 2009]

Appropriate adjustments have been made in the restated financial statements, whenever required, by reclassification of the corresponding items of assets, liabilities and cash flow statement, in order to ensure consistency and compliance with requirement of Company Act 1956, and as replaced by Company Act 2013 after 01st April 2014 and Accounting Standards.

The Summary of results of restatements made in the audited financial statements of the Company for the respective period / years and their impact on the profit / (losses) of the Company is as under.

Statement of adjustments in the Financial Statements

The reconciliation of Profit after tax as per audited results and the Profit after tax as per Restated Accounts is presented below in Table-1. This summarizes the results of restatements made in the audited accounts for the respective years/ period and its impact on the profit & losses of the company.

(Amount in Lakhs)

Particulars	September 30, 2017	2016-17	2015-16	2014-15	2013-14	2012-13
Net Profit After Tax as per audited accounts but before adjustments for restated accounts	359.75	450.45	385.31	331.11	270.66	194.69
Provision of Gratuity	4.19	10.62	7.70	8.75	4.34	3.45
Tax Adjustment Relating to Earlier Years	--	--	--	5.89	5.71	1.83
Decrease/(Increase) in DTL	(9.79)	3.51	2.55	2.84	1.41	1.07
Net Profit After Tax as per restated accounts	345.77	443.34	380.16	319.31	262.02	190.48

- **Adjustment on account of provision for Gratuity:**
The Company in above mentioned years has provided gratuity on cash basis, however the same has been reconciled on the basis of Actuarial Reports received.
- **Adjustment on account of Provision of Deferred Tax:**
Due to change in provision for Gratuity, the Company has recalculated the deferred tax liability and deferred tax assets at the rate of normal Tax rate applicable at the end of relevant year.
- **Adjustment on account of provision for Income Tax:**
The Company has provided short or excess provision in the year in which income tax return has been filed but in Restated accounts; the company has provided Short or Excess provision in the year to which it relates.

6. Realizations

In the opinion of the Board and to the best of its knowledge and belief, the value on realization of current assets, loans and advances will, in the ordinary course of business, not be less than the amounts at which they are stated in the Balance sheet.

7. Contractual liabilities

All other contractual liabilities connected with business operations of the Company have been appropriately provided for.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITIONS AND RESULTS OF OPERATIONS

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the period ended 30.09.2017 and the financial years ended March 31, 2017, 2016, 2015, 2014, 2013 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled "Financial Statements" on page 133 of this Draft Red Herring Prospectus.

Indian GAAP differs in certain material aspects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Draft Red Herring Prospectus, nor do we provide reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Draft Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "Risk Factors" and "Forward-Looking Statements" beginning on page 17 and 15 of this Draft Red Herring Prospectus.

Business Overview

Our Company was originally incorporated as a private limited company, at Delhi, India under the Companies Act, 1956 in the name of AVG Logistics Private Limited by way of Certificate of Incorporation dated January 25, 2010. Further, pursuant to conversion of our Company to a public limited company, a fresh certificate of incorporation was issued by Registrar of Companies, Delhi on February 21, 2018.

We are an organised third-party logistics service operator offering logistics solutions to a wide range of customers. We offer Full Truck Load (FTL) and "hub-and-spoke" transportation model and warehousing services to select clients with pan-India distribution network and automated technology systems. Our customers operate in various sectors across India, including automotive and heavy engineering, telecom, food and agro, fast-moving consumer goods ("FMCG"), paint and dairy. We believe our business model enables us to act as a service provider that can comprehensively cover our customers' logistics requirements. We provide solutions that enable our customers to leverage our distribution network which optimises the performance, cost and efficiency of their supply chains, shortening their lead-time to market resulting in lower inventory costs to the customer.

We offer our customers services in three key areas (1) Transportation whereby we provide point-to-point, less-than truck-load, time-definite transportation services; (2) Warehousing whereby we provide warehousing, distribution and cold-chain warehousing; and (3) Value-added Services including, temperature-controlled logistics, supply chain solutions and cargo handling services at integrated check posts.

Significant Developments Subsequent To The Last Financial Year

In the opinion of the Board of Directors of our Company, there have not arisen, since the date of the last financial statements disclosed in this Draft Red Herring Prospectus, any significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The shareholders approved the proposal to increase in authorized capital from Rs. 5,00,00,000 to Rs. 7,50,00,000 in the Extra Ordinary General Meeting held on 19.01.2018 and further the shareholders approved

the proposal to increase in authorized capital from Rs. 7,50,00,000 to Rs.12,50,00,000 in the Extra Ordinary General Meeting held on 31.01.2018.

2. The shareholders approved and passed resolution on 06.02.2018 to authorize the Board of Directors to raise funds by making Initial Public Offering.
3. The shareholders appointed Mr. Suresh Kumar Jain and Mr. Bishwa Nath Shukla as Independent Directors and Mr. Shyam Sunder Soni as Non-executive director of our Company in the Extra Ordinary General Meeting held on 31.01.2018.
4. The Board of Directors appointed Mrs. Parul Jain who is Company Secretary as Compliance Officer of our Company in the Board Meeting held on 20.01.2018 and the appointment will be effective from 20.01.2018
5. The Board of Directors appointed Mr. Arun Kumar Goel as the CFO of our Company in the Board Meeting held on 20.01.2018 and accepted his designation with effect from 20.01.2018.
6. The company allotted bonus shares in the ratio 10:7 on 06.02.2018.

Significant Factors Affecting Our Results Of Operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled “Risk Factors” beginning on page 17 of this Draft Red Herring Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Competition and price cutting from existing and new entrants
- Brand image
- Rate of interest policies
- Economic and Demographic conditions
- Changes in laws and regulations that apply to Luggage Industry in domestic and overseas market.

Discussion On Result Of Operation

The following discussion on results of operations should be read in conjunction with the audited and restated financial results of our Company for the financial years ended March 31, 2017, 2016, 2015, 2014 and 2013 and for period ended 30.09.2017.

Overview of Revenue & Expenditure

Revenues

Our Company’s revenue is primarily generated from Sales of Traded goods and services.

(Rs. In Lacs)

Particulars	For the period ended September 30, 2017	As at March 31		
		2017	2016	2015
Income				
Revenue from Operations	10,335.69	19474.50	19218.75	18311.88
Increase/Decrease in %		1.33%	4.95%	40.53%
Other Income	23.09	11.38346	10.59914	19.82304
Increase/Decrease in %		7%	-46.53%	110.19%
Total Revenue	10358.78	19485.88	19229.35	18331.70

Income from operations:

Our principal component of revenue from operations is from Transportation of goods and Warehousing Services

Other Income:

Our other income mainly includes interest from banks on FDRs

Expenditure

Our total expenditure primarily consists of cost of Transportation of Goods and Cost of warehousing services.

Employee benefit expenses

Our employee benefit expenses mainly includes Salaries to Employees

Finance Costs

Our Finance cost for the period ended 30.09.2017 was Rs. 302.04 lakhs which primarily consisted of Bank interest on Cash Credit Limit and interest on loans against vehicles. Our finance cost was 2.92 % of our total income.

Depreciation and Amortization Expenses

Our depreciation and amortization expense for the period ended 30.09.2017 was Rs. 288.16 lakhs

Other Expenses

Our other expenses for the year period ended 30.09.2017 were Rs. 413.82 lakhs which primarily comprised of Travelling & Conveyance Expenses, Premises Rent Expenses, Repair & Maintenance Expenses, Office Expenses, Professional Expenses etc. Our other expenses were 3.99 % of our total income.

Profit before Tax

Our Profit before tax for the year period ended 30.09.2017 was Rs. 464.86 lakhs which was 4.49% of our total income.

Tax Expenses

Our tax expenses for the year period ended 30.09.2017 was Rs. 119.09 lakhs.

Profit after Tax

Our profit after tax for the year period ended 30.09.2017 was Rs. 345.77 lakhs which was 3.34% of our total income

Statement of profits and loss

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue:

(INR in Lakhs)

Particulars	For the period ended September 30, 2017	For the Year Ended March 31		
		2017	2016	2015
REVENUE				
Revenue from operations	10,335.69	19,474.50	19,218.75	18,311.88
As a % of Total Revenue	99.78%	99.94%	99.94%	99.89%
Other income	41.01645	11.38346	10.59914	19.82304
As a % of Total Revenue	0.22%	0.06%	0.06%	0.11%

Total Revenue (A)	10,358.78	19,485.88	19,229.35	18,331.70
Growth %	1.58%	1.33%	4.90%	40.57%
EXPENSES				
Operating Cost	8,375.71	16,335.74	16,329.28	15,864.63
As a % of Total Revenue	80.86%	83.83%	84.92%	86.54%
Employee benefit expenses	514.19	692.15	578.31	511.47
As a % of Total Revenue	4.96%	3.55%	3.01%	2.79%
Finance costs	302.04	549.38	562.15	428.70
As a % of Total Revenue	2.92%	2.82%	2.92%	2.34%
Depreciation and amortization expense	288.16	477.50	463.96	408.68
As a % of Total Revenue	2.78%	2.45%	2.41%	2.23%
Other expenses	413.82	790.63	722.08	634.41
As a % of Total Revenue	3.99%	4.06%	3.76%	3.46%
Total Expenses (B)	9,893.92	18,845.41	18,655.78	17,847.89
As a % of Total Revenue	95.51%	96.71%	97.02%	97.36%
Profit before exceptional, extraordinary items and tax	464.86	640.47	573.57	483.81
As a % of Total Revenue	4.49%	3.29%	2.98%	2.64%
Exceptional items	-	-	-	-
Profit before extraordinary items and tax	464.86	640.47	573.57	483.81
As a % of Total Revenue	4.49%	3.29%	2.98%	2.64%
Extraordinary items	-	-	-	-
Profit before tax	464.86	640.47	573.57	483.81
PBT Margin	464.86	640.47	573.57	483.81
Current tax	148.75	215.27	200.00	115.38
MAT Credit	-	-	-	-
Prior Period Taxes	-	-	-	-
Deferred Tax	(29.67)	(18.14)	(6.59)	49.12
Total Tax Expense	119.09	197.13	193.41	164.50
As a % of Total Revenue	1.15%	1.01%	1.01%	0.90%

Profit/(Loss) for the period/ year	345.77	443.34	380.16	319.31
PAT Margin	3.34%	2.28%	1.98%	1.74%

REVIEW OF OPERATION FOR THE PERIOD ENDED SEPTEMBER 30, 2017

Revenue from operations

Revenue from operations for the period ended 30.09.2017 amounted to Rs. 10335.69 lakhs which was primarily on account of revenue from Transportation of Goods and Warehousing Services.

Other Income:

Other income of Rs. 23.09 lakhs for the period ended 30.09.2017 comprised of income from Interest on Bank FDRs and Profit on sale of Fixed Assets.

Total Expenses

Total expenses, excluding tax and exceptional item amounted to Rs. 9893.92 lakhs for the period ended 30.09.2017 this includes Operating Expenses, Employees Benefit Expenses, Financial costs, Depreciation and other expenses.

Finance Costs

Our Finance cost for the period ended 30.09.2017 was Rs. 302.04 lakhs primarily consisted of Bank interest on Cash Credit Limit and interest on loans against vehicles. Our finance cost was 2.92% of our total income.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 288.16 lakhs for the period ended 30.09.2017 comprising of depreciation.

Other expenses

Our other expenses for the period ended 30.09.2017 were Rs. 413.82 lakhs comprising of Travelling & Conveyance Expenses, Premises Rent Expenses, Repair & Maintenance Expenses, Office Expenses, Professional Expenses etc.

REVIEW OF FINANCIAL YEAR ENDED MARCH 31, 2017

INCOME

Income from operations

Our income from operations was Rs. 19474.50 lakhs which is about 99.94% of our total revenue for the year ended on March 31, 2017.

Other income

Other income of Rs. 11.38 lakhs comprised of income from interest on Bank FDRs.

EXPENDITURE

Direct expenditure

Our direct expenditure was Rs. 16335.74 lakhs which is 83.83% of our total revenue for the year ended on March 31, 2017. The direct material expenditure includes Transportation Expenses and Warehousing Expenses

Employee benefit expenses

Our employee benefit expenses were Rs. 692.15 lakhs which was 3.55 % of our total revenue for the year ended on March 31,2017 and comprised of Employees Salaries, directors' remuneration , staff welfare expenses and bonus etc.

Finance cost

Our Finance costs were Rs. 549.38 lakhs primarily consisting of Bank interest on cash credit limit, interest on vehicle loans for the year ended on March 31, 2017.

Depreciation and Amortization Expenses

Depreciation and amortization expenses were Rs. 477.50 lakhs comprising of depreciation on fixed assets for the year ended on March 31, 2017.

Other expenses

Our other expenses were Rs. 790.63 lakhs which is 2.45% of our total revenue for the year ended on March 31, 2017. Other expenses comprises of Premises Rent expenses, travelling & Conveyance expenses, Business Promotion expenses, Repair & Maintenance expenses, Professional expenses etc.

Profit before tax

Our Profit before tax was Rs. 640.47 lakhs which is 3.29% of our revenue from operations for the year ended on March 31, 2017.

Net profit

Our Net profit after tax was Rs. 443.34 lakhs which is 2.28% of our revenue from operations for the year ended on March 31, 2017.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2017 WITH FINANCIAL YEAR ENDED MARCH 31, 2016.

INCOME

Income from Operations

Particulars	2016-17	2015-16	Variance
	(Rs. Lakhs)	(Rs. Lakhs)	(%)
Revenue from the Operations	19,474.50	19,218.75	1.33%

The operating income of our company for the year ending March 31, 2017 is Rs. 19474.50 lakhs as compared to Rs. 19218.75 lakhs for the year ending March 31, 2016, showing Increase of 1.33%. The Increase was due to the moderate increase in volume of business activities of the of our company.

Other income

Our other income is Rs. 11.38 lakhs for the FY 2016-17 as compared to Rs. 10.60 lakhs in FY 2015-16. The increase is on account of increase in Bank FDRs during the year.

Direct expenditure

Particulars	2016-17	2015-16	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Operational Costs	16,335.74	16,329.28	0.04%

Changes in inventories of finished goods, WIP and Stock in Trade - - -

Total **16,335.74** **16,329.28** **0.04%**

The direct expenditure has Increased from Rs. 16329.28 lakhs in Financial Year 2015-16 to Rs. 16335.74 lakhs in Financial Year 2016-17, the net Increase of 0.04% is in line with the corresponding revenue increase during the financial year 2016-17

Administrative and employee costs

Particulars	2016-17	2015-16	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Employee benefit Expenses	692.15	578.31	19.69%
Other expenses	790.63	722.08	9.49%
Total	1,482.79	1,300.39	14.03%

There is an Increase in employee benefit expenses from Rs. 578.31 lakhs to Rs. 692.15 lakhs due to Increase in number of employees during the year increased from 126 Nos. in Financial year 2015-16 to 226 Nos. in Financial year 2016-17.

Our other expenses Increase by 9.49% from Rs 722.08 lakhs in FY 2015-16 to Rs. 790.63 lakhs in FY 2016-17. The Increase was mainly due to increase in travelling expenses from Rs.44.22 lakhs in F.Y.15-16 To Rs.71.87 in F.Y. 2016-17, increase in Professional Expenses from Rs.19.70 Lakhs in F.Y. 2015-16 to Rs.35.28 Lakhs in F.Y.2016-17, increase in Security Service Expenses from Rs.18.43 Lakhs in F.Y.2015-16 to Rs.34.64 Lakhs in F.Y.2016-17. However, all these increase in expenses is in line with the business activities and plans of our company.

Finance costs

The finance costs for the Financial Year 2016-17 have decreased to Rs. 549.38 lakhs from Rs. 562.15 lakhs in the Financial Year 2015-16. Lower interest cost is a result of decrease in bank charges and decrease in interest on Vehicle Loans included in Finance Cost.

Depreciation

Depreciation expenses for the Financial Year 2016-17 have increased to Rs. 477.50 lakhs as compared to Rs. 463.96 lakhs for the Financial Year 2015-16.

Profit before tax

Particulars	2016-17	2015-16	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Profit Before Tax	640.47	573.57	11.66%

Profit before tax Increased to Rs. 640.37 lakhs from Rs. 573.57 lakhs showing an Increase of 11.66%. The Increase was due to increase in gross margin in operations of the company. The operational costs have decreased considerably as the Turnover has increased by 1.33% while the operational (direct) expenses has increased only by 0.04% in FY.2016-17.

Provision for tax and net profit

Particulars	2016-17	2015-16	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Taxation Expenses	197.13	193.41	1.92%
Profit after Tax	443.34	380.16	16.62%

Taxation expense Increased from Rs 193.41 lakhs in Financial Year 2015-16 to Rs. 197.13 lakhs in Financial Year 2016-17 due to Increase in profits of the company. The profit after tax Increased from Rs. 380.16 lakhs in Financial Year 2015-16 to Rs. 443.34 lakhs in Financial Year 2016-17. This is also a result of inclination in the operations for the year.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2016 WITH FINANCIAL YEAR ENDED MARCH 31, 2015.

INCOME

Income from Operations

Particulars	2015-16	2014-15	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Revenue from the Operations	19218.75	18311.88	4.95%

The operating income of our company for the year ending March 31, 2016 is Rs. 19218.75 lakhs as compared to Rs. 18311.88 lakhs for the year ending March 31, 2015, there was significant growth in the turnover. Growth is on account of increase in volume of business received from existing customers and also increase in customer base of the company.

Other income

Our other income is Rs. 10.60 lakhs for the FY 2015-16 as compared to Rs. 19.82 lakhs in FY 2014-15. The Decrease was due to decrease in interest on bank FDRs and lessor disposal of miscellaneous scrap. The bank FDRs are made against cash margin for obtaining bank guarantees mainly for submission with customers. During the year 2015-16 some of the bank guarantees validity expired and so corresponding FDRs also matured and it resulted in decrease in interest on FDRs.

Direct expenditure

Particulars	2015-16	2014-15	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Operational Costs	16329.28	15864.63	2.93%
Changes in inventories of finished goods, WIP and Stock in Trade	-	-	-
Total	16,329.28	15,864.63	2.93%

The direct expenditure has Increased/Decreased from Rs. 15864.63 lakhs in Financial Year 2014-15 to Rs. 16329.28 lakhs in Financial Year 2015-16. Increase in expenses is on account of increase in Revenue from operations. There is revenue growth of 4.95% in F.Y. 2015-16 as compared to F.Y. 2014-15 while the increase in direct expenses is only 2.93%. It shows that the company has better and improved margins by cost savings as well as increase in value added services.

Administrative and employee costs

Particulars	2015-16	2014-15	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Employee benefit Expenses	578.31	511.47	13.07%
Other expenses	722.08	634.41	13.82%
Total	1300.39	1145.88	13.48%

There is an Increase in employee benefit expenses from Rs. 511.47 lakhs to Rs. 578.31 lakhs due to increase in staff salaries and incentives .

Our other expenses Increased by 13.82% from Rs. 634.41 lakhs in FY 2014-15 to Rs. 722.08 lakhs in FY 2015-16. The Increase was mainly due to [increase in offices rent expenses as the number of branches and tranship hubs increased during the FY.2015-16.The rent expenses has increased from Rs. 98.31 Lakhs in FY. 2014-15 to Rs.190.94 Lakhs in FY.2015-16.

Finance costs

The finance costs for the Financial Year 2015-16 have Increase to Rs. 562.15 lakhs from Rs. 428.70 lakhs in the Financial Year 2014-15. The difference owes to increase in interest on Cash Credit Limit from Rs.181.23 Lakhs in FY.2014-15 to Rs.274.25 Lakhs in FY.2015-16 and increase in bank charges from Rs.82.91 Lakhs in FY. 2014-15 to Rs.121.56 Lakhs in FY. 2015-16. The increase in interest on CC Limit was due to increase in Cash Credit Limit during the FY.2015-16.

Depreciation

Depreciation expenses for the Financial Year 2015-16 have Increased to Rs. 463.96 lakhs as compared to Rs. 408.68 lakhs for the Financial Year2014-15.

Profit before tax

Particulars	2015-16	2014-15	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Profit Before Tax	573.57	483.81	18.55%

Profit before tax Increased from Rs. 483.81 lakhs to Rs. 573.57 lakhs showing an Increase/Decrease of 18.55%. The Increase was a result of [increase in gross margin in operations of the company. The operational costs have decreased considerably as the Turnover has increased by 4.95% while the operational (direct) expenses have increased only by 2.93% in FY. 2015-16.

Provision for tax and net profit

Particulars	2015-16	2014-15	Variance
	(Rs. Lacs)	(Rs. Lacs)	(%)
Taxation Expenses	193.41	164.50	17.57%
Profit after Tax	380.16	319.31	19.05%

Taxation expense Increased from Rs 164.50 lakhs in Financial Year 2014-15 to Rs. 193.41 lakhs in Financial Year 2015-16 due to corresponding increase in net profit before tax for FY.2015-16 as compared to net profit before tax for FY.2014-15.

The profit after tax Increased from Rs. 319.31 lakhs in Financial Year 2014-15 to Rs. 380.16 lakhs in Financial Year 2015-16 marking an Increase of 19.05%.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this Draft Red Herring Prospectus, during the periods under review there have been no transactions or events, which in our best judgment, would be considered unusual or infrequent.

2. Significant economic changes that materially affected or are likely to affect income from continuing operations

Other than as described in the section titled “Risk Factors” beginning on page 17 of this Draft Red Herring Prospectus to our knowledge there are no significant economic changes that materially affected or are likely to affect income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled “Risk Factors” beginning on page 17 of this Draft Red Herring Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company’s future costs and revenues will be determined by demand/supply situation, government policies, foreign exchange rates and interest rates quoted by banks & others

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity carried out by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in Transportation and Warehousing Industry. Relevant industry data, as available, has been included in the chapter titled “Our Industry” beginning on page 79 of this Draft Red Herring Prospectus.

7. Status of any publicly announced new products/projects or business segments

Our Company has not announced any new projects or business segments, other than disclosed in the Draft Red Herring Prospectus. For details of the products our Company deals in, please refer to the chapter titled “Our Business” beginning on page 93 of this Draft Red Herring Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company’s customer and supplier Vis a Vis the total revenue from operations and purchase of stock in trade respectively as on March 31, 2017.

Particulars	Customers	Suppliers
Top 5 (%)	61.38%	-
Top 10 (%)	74.70%	-



10. Competitive Conditions

We face competition from existing and potential organized competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in chapter titled “Our Business” on page 93 of this Draft Red Herring Prospectus.

SECTION VI: LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section, there are no (i) outstanding criminal proceedings; (ii) actions taken by statutory or regulatory authorities; (iii) tax proceedings; (iv) material litigation, in each case, involving our Company, or our Directors; (v) any litigation involving our Company, our Directors or any other person whose outcome could have a material adverse effect on the position of our Company; (vi) inquiries, inspections or investigations initiated or conducted under the Companies Act against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (vii) pending proceedings initiated against our Company for economic offences; (viii) material frauds committed against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (ix) defaults for non-payment of statutory dues; (x) fines imposed or compounding of offences against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus; (xi) matters involving our Company and our Subsidiary pertaining to violations of securities law; and (xii) outstanding dues to material creditors and small scale undertakings.

The details of the outstanding litigation or proceedings involving our Company, and our Directors are described in this section in the manner as set forth below. Pursuant to SEBI (ICDR) Regulations, for the purposes of disclosure, our Board on February 01, 2018 has considered all other pending litigations involving our Company, and our Directors, other than criminal proceedings, statutory or regulatory actions, as 'material' if the monetary amount of claim by or against the entity or person in any such pending matter exceeds ten percent (10%) of the net Profit After Tax or ten percent (10%) of the net worth of our Company, whichever is higher based on the Restated Financial Information. Further, pre-litigation notices received by our Company, Directors (excluding those notices issued by statutory, regulatory or tax authorities), unless otherwise decided by the Board, are not evaluated for materiality until such time that such parties are impleaded as defendants in litigation proceedings before any judicial forum. Accordingly, we have only disclosed all outstanding litigations involving our Company. In case of pending civil litigation proceedings wherein the monetary amount involved is not quantifiable, such litigation has been considered 'material' only in the event that the outcome of such litigation has a bearing on the operations or performance of our Company.

I. Cases filed against the Promoter & Director of our Company

1. There are no cases filed against the Promoter and Director of our Company.

II. Criminal cases filed by our Company

1. Our Company has filed a complaint (2092 of 2016) before the Karkardoma Court under Section 138 of the Negotiable Instruments Act, 1938 against Sameer Chemicals (the "**Accused**") for dishonor of Cheques issued towards outstanding dues to the tune of Rs.5.90 lakhs (Rs.5, 89,450) for transportation charges provided by our Company. The matter shall come up for hearing on 21, 2018.
2. Our Company has filed a FIR complaint (Crl case 1450 of 2015) before the Hayath Court (Hyderabad) against Mr. Ganesh Chokkala (the "**Accused**") for misappropriation of funds to the tune of Rs.38 lakhs (Rs.38,00,000) of our Company. The matter shall come up for hearing on 12 March 2018.
3. Our Company has filed a complaint (Misc.crl 2447 of 2016) before the Karkardoma Court under Section 138 of the Negotiable Instruments Act, 1938 against Mr. Thomas Varghese (the "**Accused**") for dishonor of Cheque issued towards outstanding dues to the tune of Rs.38 lakhs (Rs.37,89,800) of our Company. The matter shall come up for hearing on 14 May 2018.

III. Criminal cases against our Company

1. Mr. Venkata Chary has filed a complaint (1421 of 2016) before the Nalgonda Court under Section 138 of the Negotiable Instruments Act, 1938 against our Company (the "**Accused**") for dishonor of cheque issued towards outstanding dues to the tune of Rs.4.50 lakhs (Rs.4, 50,000) provided by our Company. The matter shall come up for hearing on 16 March 2018.

2. Mr. Srinivasulu has filed a complaint (*153 of 2017*) before the Nampally Court, Hyderabad under Section 138 of the Negotiable Instruments Act, 1938 against our Company (the "**Accused**") for dishonor of cheque issued towards outstanding dues to the tune of Rs.3 lakhs (*Rs.3,00,000*) provided by our Company. The matter shall come up for hearing on 16 February 2018.

IV. Civil cases filed by our Company

1. Our Company has filed a summary suit (*211 of 2017*) before the Court of Civil Judge, Thane against Uni Collides (the "**Defendant**") towards recovery of Rs.2.34 lakhs (*Rs.2,34,396*) due by the Defendant towards transportation charges. The matter shall come up for hearing on 17 February 2018.
2. Our Company has filed a suit (*1227 of 2017*) before the Guwahati Court against Annapurna Beverages (the "**Defendant**") towards recovery of Rs.20.66 lakhs (*Rs.20,65,900*) due by the Defendant towards transportation charges. The matter shall come up for hearing on 21 February 2018.
3. Our Company has filed a suit (*Civil 302 of 2017*) before the Hayath Court, Hyderabad against Ganesh Chokkala (the "**Defendant**") towards recovery of funds Rs.38.00 lakhs (*Rs.38,00,000*) misappropriated by Defendant. The matter shall come up for hearing on 07 March 2018.
4. Our Company has filed a suit (*2349 of 2016*) before the Karkardoma Court against Janta Engineers (the "**Defendant**") towards recovery of Rs.3.99 lakhs (*Rs.3,98,706*) due by the Defendant towards transportation charges. The matter shall come up for hearing on 28 March 2018.
5. Our Company has filed a suit (*2349 of 2016*) before the Karkardoma Court against Sameer Chemicals (the "**Defendant**") towards recovery of *Rs.5.89 lakhs (Rs.5,89,450)* due by the Defendant towards transportation charges. The matter shall come up for hearing on 28 March 2018.
6. Our Company has filed a civil complaint (*CC70 of 2017*) before the Ernakulum Court against Mr. Thomas Varghese (the "**Accused**") for misappropriation of funds to the tune of Rs.38 lakhs (*Rs.37,89,800*) of our Company. The matter shall come up for hearing on 19 February 2018.
7. Prem Crane ("**Appellant**") had filed an appeal (*586 of 2017*) against the order dated 28 February 2017 passed by the MACT Upper District Judge, Rampur against Ms. Paramjeet Kour, wife of deceased Mr. Balkar Singh, ("**Defendant**") for a motor cycle claim before the High Court of Allahabad, for a compensation of Rs.3.13 lakhs (*Rs.3,13,000*) along with the interest and penalty. The matter shall come up for hearing on 20 March 2018.

V. Civil Cases filed against the Company

1. Mr. Vivek Kumar has filed a claim before the Mini secretariat, Gurugram against our Company (the "**Defendant**") for workmen compensation to be paid by our Company. The matter shall come up for hearing on 28 February 2018.
2. Mr. Mathew Varghese (the "**Claimant**") has filed a claim (*LIR/7540 of 2016*) before the *Dwarka Court* against our Company (the "**Defendant**") for workmen compensation to be paid by our Company for his retrenchment. The matter shall come up for hearing on 28 February 2018.
3. Ms. Meenakshi w/o Mr. L. Baner had filed a claim (*M.V.C. 1267 of 2017*) for accident compensation against Prem Crane before Motor Accident Claims Tribunal, Belagavi. The matter shall come up for hearing on 09 April 2018.
4. Ms. Meenakshi w/o Mr. L. Baner had filed a claim (*M.V.C. 1269 of 2017*) for accident compensation against Prem Crane before Motor Accident Claims Tribunal, Belagavi. The matter shall come up for hearing on 12

February 2018.

VI. Arbitration Matters:

Prem Crane had filed a claim against Central Warehousing Corporation before the Hon'ble Arbitrator Mr. Ramsingh (the "**Respondent**") for an amount of Rs.30.43 Lakhs (Rs.30,43,365) with interest. The next date of arbitration is 09 March 2018.

VII. Civil case filed by our Promoter & Director

Nil

VIII. Notices issued by and against our Company

There have been no instances where the notices were issued by or against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus.

IX. Material frauds committed against our Company

There have been no instances of material frauds committed against our Company in the preceding five (5) years from the date of this Draft Red Herring Prospectus.

X. Past cases where penalties imposed

There are no past cases in the five (5) years preceding the date of this Draft Red Herring Prospectus, where penalties were imposed on our Company by concerned authorities.

XI. Past inquiries, inspections and investigations under the Companies Act

There have been no inquiries, inspections or investigations initiated or conducted under the Companies Act or any previous company law in the last five (5) years immediately preceding the year of issue of the Draft Red Herring Prospectus in the case of our Company.

XII. Fines imposed or compounding of offences

There have been no prosecutions filed by our Company and its Subsidiary (*whether pending or not*) fines imposed, compounding of offences in the last five (5) years immediately preceding the year of the Draft Red Herring Prospectus.

XIII. Proceedings initiated against our Company for economic offences

There are no pending proceedings initiated against our Company for any economic offences as on the date of this Draft Red Herring Prospectus.

XIV. Defaults and non-payment of statutory dues

Our Company has no outstanding defaults in relation to statutory dues, dues payable to holders of any debentures (*including interest*) or dues in respect of deposits (*including interest*) or any defaults in repayment of loans from any bank or financial institution (*including interest*).

XV. Outstanding litigation involving our Company, Directors or any other person whose outcome could have a material adverse effect on our Company

Except as disclosed above, there is no outstanding litigation involving our Company, Subsidiary, Directors or any other person whose outcome could have a material adverse effect on our Company.

XVI. Material developments since September 30, 2017

Other than as disclosed under section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 137 of this Draft Prospectus, in the opinion of the Board, there has not arisen, since the date of the last balance sheet included in this Draft Prospectus, any circumstance that materially and adversely affects or is likely to affect the trading or profitability of our Company taken as a whole or the value of our consolidated assets or our ability to pay our liabilities over the next twelve (12) months.

XVII. Outstanding dues to Creditors

Creditors of our Company to whom the amount due by our Company exceeds Rs.5.00 lakhs as of September 30, 2017 as per the Restated Financial Information of our Company shall be considered "material" creditors of our Company.

As on September 30, 2017 our Company does not owe a sum exceeding Rs. Five Lakhs to any undertaking except the following:

Sr. No.	List of Creditors	Amount (Rs. In Lakhs)
1.	Arpan Travels & Tours - Air	12.35
2.	Chaurasia Service Station	10.47
3.	Chaitanya Petroleum - Ponda Goa	32.21
4.	Kesar Singh & Sons - Rudarpur	5.00
5.	Malwa Automobiles (P) Ltd	6.38
6.	Pattikalyana Filling Station	14.88
7.	Drivewell Service Station - Delhi	9.62
8.	Surendra Auto Service	5.91
9.	Continental Warehousing Corporation (NS) Ltd.	64.85
10.	Delhi State Civil Supplies Corporation Ltd.	21.79
11.	Kribhco Infrastructure Ltd	17.74
12.	National Co-Operative Consumer Fed. Of India Ltd	9.28
13.	Rishi Prakash Sharma & Associates	10.81
14.	Shri Balaji Enterprises - Panipat	22.54
15.	Slv Security Services Pvt Ltd. - Gurgaon	5.35
16.	Vaschan Telecom	5.80
17.	Labour Charges Payable At Agartala	11.45
	Total	266.44

GOVERNMENT AND OTHER APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government of India and various governmental agencies required by us to undertake this Issue and for our present business and except as mentioned below, no further material approvals are required for carrying on our present business operations. Unless otherwise stated, these approvals are valid as on the date of this Draft Red Herring Prospectus.

The main objects clause of the Memorandum of Association and objects incidental to the main objects enable our Company to undertake its existing business activities.

I. Approvals for the Issue

The following approvals have been obtained or will be obtained in connection with the Issue:

- a. Our Board, pursuant to its resolution dated February 01, 2018, authorized the Issue subject to approval of the shareholders of our Company under Section 62(1)(c) of the Companies Act, 2013;
- b. The shareholders of our Company have, pursuant to their resolution passed at the extra ordinary general meeting of our Company held on February 06, 2018 under Section 62(1)(c) of the Companies Act, 2013, authorized the Issue;
- c. Our Board approved this Draft Red Herring Prospectus pursuant to its resolution dated [●];
- d. We have received in-principle approvals from the stock exchange for the listing of our Equity Shares pursuant to letter dated [●] bearing reference no. [●].
- e. NSDL/CDSL: ISIN No.: [●].

II. Corporate Approvals

- a. Certificate of Incorporation dated January 25, 2010 issued by Registrar of Companies, Delhi and Haryana.
- b. Corporate Identity Number (CIN): U60200DL2011PLC198327.

III. Approvals obtained in relation to our business operations

Our Company requires various approvals to carry on our business in India. Some of these may expire in the ordinary course of business and applications for renewal of these approvals are submitted in accordance with applicable procedures and requirements.

- a. Registration certificate from the Shops and Commercial establishment bearing registration no. PSA/REG/SPT/li-spt/0118937.
- b. Certificate issued by the Employees Provident Fund Organization (EPFO) bearing registration No.DL-938229-4046.
- c. Certificate issued by the Employees State Insurance Corporation (ESIC) bearing registration No.11-30-110076-0701.
- d. Certificate issued by the Food Safety Standards of India bearing registration No. 10012011000170, No. 10016011001525 and 10016011003522.
- e. Certificate issued by the Haryana State Pollution Control Board bearing registration No. 2827616SONCTOHW2393148.

IV. Other approvals:

- a. TAN number of the Company bearing no. DELA253640 issued by Income tax department.
- b. Permanent account number of the Company bearing no. AAICA1669A issued by Income tax department.
- c. GST Registrations:

No.	GSTIN	State
1.	16AAICA1669A1Z0	Tripura
2.	09AAICA1669A1ZV	Uttar Pradesh
3.	06AAICA1669A1Z1	Haryana
4.	30AAICA1669A1ZA	Goa
5.	07AAICA1669A1ZZ	Delhi
6.	37AAICA1669A1ZW	Andhra Pradesh (New)
7.	18AAICA1669A1ZW	Assam
8.	29AAICA1669A1ZT	Karnataka
9.	32AAICA1669A1Z6	Kerala
10.	27AAICA1669A1ZX	Maharashtra
11.	03AAICA1669A1Z7	Punjab
12.	33AAICA1669A1Z4	Tamil Nadu
13.	36AAICA1669A1ZY	Telagana

- d. Certificate issued by the Director General of Foreign Trade bearing Registration No. IEC-0511070420.
- e. Certificate issued by the labor department under the Delhi Shops and Establishment Act, 1954 bearing certificate no. 2013020007.
- f. Certificate issued by the Indian Banks' Association bearing registration No. DLA-1872.
- g. Certificate for common carrier from Govt. of National Capital Territory bearing Registration No. RT/136/2017.
- h. Certification issued by the QFS Management Systems LLP bearing registration no. IS/17017AO/140.

V. Intellectual property related approvals

Our Company has made an application dated February 14, 2018 for registration of our name and logo



with the Trade Marks Registry under class 39 which is pending for approval as on the date of this Draft Red Herring Prospectus.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

Our Board has, pursuant to its resolution dated February 01, 2018, authorized the Issue, subject to the approval of the Equity Shareholders of our Company under Section 62(1)(c) of the Companies Act and our Equity Shareholders have, pursuant to a resolution dated February 06, 2018, under Section 62(1)(c) of the Companies Act, authorized the Issue.

In-principle Listing Approvals

Our Company has obtained approval from NSE Emerge by way of its letter dated [●] to use the name of NSE Emerge in this Issue Document for listing of equity shares on the Emerge platform of the NSE. NSE is the Designated Stock Exchange.

Prohibition by SEBI, the RBI or Governmental Authorities

None of our Company, our Promoter, our Promoter Group, our Directors, and persons in control of our Company are or have ever been 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 our Promoter, nor any of our 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 in any manner associated with the securities market and there is or has been no action taken by the SEBI against our Directors or any entity in which our Directors are involved in as promoter or directors.

Neither our Company, nor our Promoter, nor our Directors, nor the relatives (as per the Companies Act) of our Promoter, are or have been detained as wilful defaulters by the RBI or any other governmental authorities.

Eligibility for the Issue

Our Company is an unlisted issuer in terms of the SEBI (ICDR) Regulations and this Offer is an initial public offer in terms of the SEBI (ICDR) Regulations.

This Offer is being made in terms of Regulation 106 (M) (2) of Chapter XB of the SEBI (ICDR) Regulations, whereby, an issuer whose post offer face value capital does not exceed twenty-five crore rupees, shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ("*SME Exchange*"), in this case being the SME Platform of NSE Emerge.

We confirm that:

- a) In accordance with Regulation 106 (P) of the SEBI (ICDR) Regulations, this Offer has been hundred percent underwritten and that the BRLMs to the Offer have underwritten more than 15% of the total Offer Size. For further details pertaining to the said underwriting please refer to section titled "General Information – Underwriting" beginning on page 52 of this Draft Red Herring Prospectus.
- b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Offer is greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date our Company becomes liable to repay it, then our Company and every officer in default shall, on and from expiry of eight days, be liable to repay such 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, the Company and each officer in default may be punishable with fine and/or imprisonment in such a case.

- c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulation, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our BRLM submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, we have entered into an agreement with the BRLMs and Market Maker to ensure compulsory Market Making for a minimum period of three years from the date of listing of equity shares offered in this offer. For further details of the arrangement of Market Making, please see "General Information- Details of the Market Making Arrangements for this Issue" on page no 53 of this Draft Red Herring Prospectus. We further confirm that we shall be complying with all other requirements as laid down for such issue under Chapter XB of SEBI (ICDR) Regulations, as amended from time to time and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.
- e) The Company has a record of three (3) years and positive cash accruals (earnings before depreciation and tax) from operations for at least two (2) financial years preceding the application and the net worth of the Company is positive.
- f) As on the date of this Draft Red Herring Prospectus, our Company has a paid-up capital of Rs.720.80 lakhs and the post issue capital will be of Rs.1029.80 lakhs.
- g) Our Company has not been referred to the Board for Industrial and Financial Reconstruction (BIFR).
- h) There is no winding up petition against the company, which has been admitted by the court or a liquidator has not been appointed.
- i) There has been no change in the Promoter(s) of the Company in the preceding one year from date of filing application to the Stock Exchange or listing on the SME segment.
- j) Our company shall mandatorily facilitate trading in demat securities and enter into an agreement with CDSL and NSDL.
- n) We have a website: www.avglogistics.com

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THIS DRAFT RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THIS DRAFT RED HERRING PROSPECTUS. THE BRLM, BEING SYSTEMATIX CORPORATE SERVICES 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 ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS DRAFT RED HERRING PROSPECTUS, THE BRLM ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE BRLM HAS FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED FEBRUARY 23, 2018 WHICH READS AS FOLLOWS:

WE, THE BRLM TO THE ISSUE, STATE AND CONFIRM AS FOLLOWS:

- (1) WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, ETC. AND OTHER MATERIAL IN CONNECTION WITH THE FINALISATION OF THIS DRAFT RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE.
- (2) ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:

 - (A) THE DRAFT RED HERRING PROSPECTUS FILED WITH THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;
 - (B) ALL THE LEGAL REQUIREMENTS RELATING TO THE ISSUE AS ALSO THE REGULATIONS, GUIDELINES, INSTRUCTIONS, ETC. FRAMED / ISSUED BY THE BOARD, THE CENTRAL GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND
 - (C) THE DISCLOSURES MADE IN THE DRAFT RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, TO THE EXTENT NOT REPLACED BY THE COMPANIES ACT, 2013, THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE, THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 AND OTHER APPLICABLE LEGAL REQUIREMENTS.
- (3) WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS ARE REGISTERED WITH SEBI AND THAT UNTIL DATE SUCH REGISTRATION IS VALID.
- (4) WE HAVE SATISFIED OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFIL THEIR UNDERWRITING COMMITMENTS – NOTED FOR COMPLIANCE
- (5) WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTER HAS BEEN OBTAINED FOR INCLUSION OF THEIR SPECIFIED SECURITIES AS PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN AND THE SPECIFIED SECURITIES PROPOSED TO FORM PART OF PROMOTERS' CONTRIBUTION SUBJECT TO LOCK-IN SHALL NOT BE DISPOSED/ SOLD/ TRANSFERRED BY THE PROMOTER DURING THE PERIOD STARTING FROM THE DATE OF FILING THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS WITH SEBI TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS – NOTED FOR COMPLIANCE
- (6) WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS/ RED HERRING PROSPECTUS – COMPLIED WITH AND NOTED FOR COMPLIANCE
- (7) WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO

ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE RECEIVED AT LEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS' CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO SEBI. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTERS' CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE ISSUER ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE – NOT APPLICABLE

- (8) WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE COMPANY FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE OBJECTS LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE COMPANY AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION – COMPLIED WITH TO THE EXTENT APPLICABLE.
- (9) WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE COMPANY SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE.
- (10) WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE – NOT APPLICABLE. UNDER SECTION 29 OF THE COMPANIES ACT, 2013, THE EQUITY SHARES IN THE OFFER ARE TO BE ISSUED IN DEMATERIALIZED MODE ONLY.
- (11) WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.
- (12) WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS:
 - (a) AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE (1) DENOMINATION FOR THE EQUITY SHARES OF THE COMPANY AND
 - (b) AN UNDERTAKING FROM THE COMPANY THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY SEBI FROM TIME TO TIME.
- (13) WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE – NOTED FOR COMPLIANCE
- (14) WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OR THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, PROMOTERS' EXPERIENCE, ETC.
- (15) WE ENCLOSE A CHECKLIST CONFIRMING REGULATION-WISE COMPLIANCE WITH THE

APPLICABLE PROVISIONS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CONTAINING DETAILS SUCH AS THE REGULATION NUMBER, ITS TEXT, THE STATUS OF COMPLIANCE, PAGE NUMBER OF THE DRAFT RED HERRING PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.

- (16) WE ENCLOSE STATEMENT ON 'PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKER BELOW (WHO IS RESPONSIBLE FOR PRICING THIS ISSUE)', AS PER FORMAT SPECIFIED BY SEBI THROUGH THE CIRCULAR DATED SEPTEMBER 27, 2011.
- (17) WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTIONS HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS – COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED, IN ACCORDANCE WITH ACCOUNTING STANDARD 18, IN THE FINANCIAL STATEMENTS OF THE COMPANY OF THIS DRAFT RED HERRING PROSPECTUS.
- (18) WE CERTIFY THAT THE ENTITY IS ELIGIBLE UNDER 106Y (1) (A) OR (B) (AS THE CASE MAY BE) TO LIST ON THE INSTITUTIONAL TRADING PLATFORM, UNDER CHAPTER XC OF THESE REGULATIONS – NOT APPLICABLE

THE FILING OF THIS DRAFT RED HERRING PROSPECTUS DOES NOT, HOWEVER, ABSOLVE ANY PERSON WHO HAS AUTHORISED THE ISSUE OF THIS DRAFT RED HERRING PROSPECTUS FROM ANY LIABILITIES UNDER SECTION 34 OR SECTION 36 OF COMPANIES ACT, 2013 OR FROM THE REQUIREMENT OF OBTAINING SUCH STATUTORY OR OTHER CLEARANCES AS MAY BE REQUIRED FOR THE PURPOSE OF THE ISSUE. SEBI FURTHER RESERVES THE RIGHT TO TAKE UP, AT ANY POINT OF TIME, WITH BRLM, ANY IRREGULARITIES OR LAPSES IN THIS DRAFT RED HERRING PROSPECTUS.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the RoC in terms of Section 32 of the Companies Act, 2013. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the RoC in terms of Sections 26 and 30 of the Companies Act, 2013.

ADDITIONAL CONFIRMATIONS/ CERTIFICATIONS TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

1. WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE DRAFT RED HERRING PROSPECTUS HAVE BEEN DEBARRED FROM FUNCTIONING BY ANY REGULATORY AUTHORITY.
2. WE CONFIRM THAT ALL THE MATERIAL DISCLOSURES IN RESPECT OF THE ISSUER HAVE BEEN MADE IN THE DRAFT RED HERRING PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE OFFER UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS OFFER SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-OFFER ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE OFFER HAVE BEEN GIVEN.
3. WE CONFIRM THAT THE DRAFT RED HERRING PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009. – NOTED FOR COMPLIANCE

4. WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER. –NOTED FOR COMPLIANCE
5. WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-REGULATION (4) OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009; CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE DRAFT RED HERRING PROSPECTUS.
6. WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE - NOTED FOR COMPLIANCE

Statement on Price Information of Past Issues handled by Systematix Corporate Services Limited

No.	Issue Name	Issue Size (Rs. Cr.)	Issue price (Rs.)	Listing date	Opening price on listing date (Rs.)	+/-% change in closing price, [+/- % change in closing benchmark]-30 th calendar days from listing	+/-% change in closing price, [+/- % change in closing benchmark]-90 th calendar days from listing	+/-% change in closing price, [+/- % change in closing benchmark]-180 th calendar days from listing
	CMM Infraprojects Limited	18.18	40	October 12, 2017	46.50	52.75% [2.23%]	28.13% [5.35%]	NA
	Jash Engineering Limited	48.0096	120	October 11, 2017	144	51.25%	59.92%	NA

Note: We have considered Nifty as benchmark for computing % in above table

Disclaimer clauses from our Company and the BRLM

Our Company, our Directors and the BRLM accept no responsibility for statements made otherwise than in this Draft Red Herring Prospectus or in the advertisements or any other material issued by or at our Company's instance and anyone placing reliance on any other source of information, including our Company's website <http://avglogistics.com/> would be doing so at his or her own risk.

The BRLM accepts no responsibility, save to the limited extent as provided in the Issue Agreement and the Underwriting Agreement.

All information shall be made available by our Company and the BRLM to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

None among our Company or any member of the Syndicate is liable for any failure in downloading the Bids due to faults in any software/ hardware system or otherwise.

Investors who Bid in the Issue will be required to confirm and will be deemed to have represented to our Company, 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 of our Company and will not issue, sell, pledge, or transfer the Equity Shares of our Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of our Company. Our Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of our Company.

The BRLM and their respective associates and affiliates may engage in transactions with, and perform services for, our Company and their respective group companies, affiliates or associates or third parties in the ordinary course of

business and have engaged, or may in the future engage, in commercial banking and investment banking transactions with our Company and their respective group companies, affiliates or associates or third parties, for which they have received, and may in the future receive, compensation.

Track Record of past issues handled by Systematix Corporate Services Limited

Financial Year	Total no. of IPOs	Total Funds Raised (Rs. Cr.)	Nos. of IPOs trading at discount- 30 th calender days from listing			Nos. of IPOs trading at premium- 30 th calender days from listing			Nos. of IPOs trading at discount- 180 th calendar days from listing			Nos. of IPOs trading at premium- 180 th calendar days from listing		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
F.Y 2017-2018	2	66.189	-	-	-	2	-	-	-	-	-	-	-	-

Disclaimer with respect to jurisdiction

The Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not competent to contract within the Indian Contract Act, 1872, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts registered under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies, permitted provident fund and pension funds, insurance funds set up and managed by the army and navy of the Union of India and insurance funds set up and managed by the Department of Posts, India) and to FPIs, FIIs, Eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Draft Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Draft Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of the Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Draft Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Draft Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Draft Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the 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.

Designated Stock Exchange

The Designated Stock Exchange for the purpose of the Issue will be NSE Emerge.

Disclaimer Clause of NSE

As required, a copy of this Draft Red Herring Prospectus has been 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 the RoC filing.

Disclaimer Clause under Rule 144A of the U.S. Securities Act

The Equity Shares have not been and will not be registered under the U.S. Securities Act 1933, as amended (the "Securities Act") or any state securities laws in the United States and may not be offered or sold within the United States or to, or for the account or benefit of, "U.S. persons" (as defined in Regulation S of the Securities Act), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares will be offered and sold (i) in the United States only to "qualified institutional buyers", as defined in Rule 144A of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act and in compliance with the applicable laws of the jurisdiction where those offers and sales occur. 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 Applicants may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Filing

The Draft Red Herring Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the offer document in terms of Regulation 106 (O) (1). However, a copy of the Prospectus shall be filed with SEBI at Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 would be delivered for registration to the RoC at New Delhi and a copy of the Prospectus to be filed under Section 26 of the Companies Act, 2013 would be delivered for registration with RoC at the office of the Registrar of Companies, Delhi, located at A) 4th Floor, IFCI Tower, 61, Nehru Place, New Delhi - 110019, India.

Listing

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining In-Principle approval of the Emerge Platform of NSE. However, application shall be made to Emerge Platform of NSE for obtaining permission for listing of the Equity Shares being offered and sold in the Offer on its Emerge Platform after the allotment in the Offer. NSE is the Designated Stock Exchange, with which the Basis of Allotment will be finalized for the Offer. If the permission to deal in and for an official quotation of the Equity Shares on the Emerge Platform is not granted by NSE, our Company shall forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. The allotment letters shall be issued or application money shall be refunded within fifteen (15) days from the closure of the Offer or such lesser time as may be specified by Securities and Exchange Board or else the application money shall be refunded to the applicants forthwith, failing which interest shall be due to be paid to the applicants at the rate of fifteen per cent per annum for the delayed period as prescribed under Section 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the Emerge Platform of NSE mentioned above are taken within six (6) Working Days of the Issue Closing Date.

Our Company has obtained approval from NSE Emerge by way of letter dated [●] to use the name of NSE Emerge in this Draft Red Herring Prospectus document for listing of equity shares on NSE Emerge.

Caution – Disclaimer from our Company, our Directors and the BRLM

Our Company, our Directors and the BRLM 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 our website, <http://avglogistics.com/>, would be doing so at his or her own risk.

The BRLM accept no responsibility, save to the limited extent as provided in the Issue Agreement entered into among the BRLM and our Company dated February 21, 2018, and the Underwriting Agreement to be entered into among the Underwriters and our Company.

All information shall be made available by our Company and the BRLM to the Bidders and public at large and no selective or additional information would be available for a section of the investors in any manner whatsoever, including at road show presentations, in research or sales reports, at bidding centres or elsewhere. Neither our Company nor any member of the Syndicate shall be liable to the Bidders for any failure in uploading the Bids, due to faults in any software or hardware system, or otherwise.

The BRLM and their respective associates may engage in transactions with, and perform services for our Company and our respective affiliates and associates in the ordinary course of business, and have engaged, or may in the future engage in commercial banking and investment banking transactions with our Company or their respective affiliates or associates for which they have received, and may in future receive compensation. Bidders that bid in the Issue will be required to confirm, and will be deemed to have represented to our Company, 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 the 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 Underwriters and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

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 (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount.

Consents

Consents in writing of (a) our Directors, the Company Secretary and Compliance Officer, the Auditors, the legal counsels, the Bankers to our Company, the Bankers to the Issue, lenders (where such consent is required), industry sources, and (b) the BRLM, the Syndicate Members and the Registrar to the Issue to act in their respective capacities, will be obtained and filed along with a copy of the Red Herring Prospectus with the RoC and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus with the RoC.

Our Company has received written consent from, M/s. Prakash K. Prakash, Chartered Accountants, our Statutory Auditors, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Draft Red Herring Prospectus and as "expert" as defined under Section 2(38) of the Companies Act 2013 in respect of the reports of the Auditor on the Restated Standalone Financial Statements dated February 07, 2018 and the statement of tax benefits dated February 07, 2018 included in this Draft Red Herring Prospectus and such consent has not been withdrawn as on the date of this Draft Red Herring Prospectus. However, the term "expert" shall not be construed to mean an "expert" as defined under the U.S. Securities Act.

Expert Opinion

Except for the report of our Auditor on the Restated Financial Statements and the statement of tax benefits included in this Draft Red Herring Prospectus, on pages 133 and 77, respectively, our Company has not obtained any expert opinion.

Issue Related Expenses

The total expenses of the Issue are estimated to be approximately Rs.[●] lakhs. The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, advertisement expenses and listing fees. The estimated Issue expenses are as follows:

(Rs. in lakhs)

Activity Expense	Amount* (in Rs. Lakhs)	Percentage of Total Estimated Issue Expenses*	Percentage of Issue Size*
Fees of the BRLM, underwriting commission, brokerage and selling commission (including commissions to SCSBs for ASBA Applications) and Commission payable to Registered Brokers	[●]	[●]	[●]
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	[●]	[●]	[●]
Advertising and marketing expenses, printing and stationery, distribution, postage etc.	[●]	[●]	[●]
Fees to the Registrar to the Issue	[●]	[●]	[●]
Listing fees and other regulatory expenses	[●]	[●]	[●]
Other expenses (Legal advisors, Auditors, PR firm and other Advisors etc.)	[●]	[●]	[●]
Total estimated Issue expenses	[●]	[●]	[●]

* The amount utilized for general corporate purposes shall not exceed 25% of the gross proceeds of the Fresh Issue.

Fees, Brokerage and Selling Commission

The total fees payable to the BRLM and Syndicate Members (including underwriting and selling commissions), and reimbursement of their out of pocket expenses, will be as stated in the engagement letters with the Book Running BRLM, dated January 15, 2018 and the Syndicate Agreement to be executed among our Company and the members

of the Syndicate, copies of which shall be available for inspection at our Registered Office, from 10.00 am to 4.00 p.m. on Working Days from the date of filing the Red Herring Prospectus until the Bid/Issue Closing Date.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue, including fees for processing of Bid-cum-Application Forms, data entry, printing of Allotment Advice, refund order, preparation of refund data on magnetic tape and printing of bulk mailing register, will be as per the agreement dated February 21, 2018 signed among our Company and the Registrar to the Issue, a copy of which shall be made available for inspection at our Registered Office.

Particulars regarding Public or Rights Issues during the last Five (5) Years

There have been no public or rights issues undertaken by our Company during the five (5) years immediately preceding the date of this Draft Red Herring Prospectus.

Commission or Brokerage on Previous Issues

Since this is the initial public offering of the Equity Shares of our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure public subscription for any of our Equity Shares, since the incorporation of our Company.

Previous Issues Otherwise than for Cash

Except as disclosed under section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

Capital Issues in the Preceding three (3) Years

Except as disclosed under section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus, our Company has not made any capital issues during the three (3) years immediately preceding the date of this Draft Red Herring Prospectus.

Performance vis-à-vis Objects

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

Outstanding Debentures, Bonds or Redeemable Preference Shares

Our Company does not have any outstanding debentures, bonds or redeemable preference shares, as on the date of this Draft Red Herring Prospectus.

Partly Paid-Up Shares

As on the date of this Draft Red Herring Prospectus, there are no partly paid-up Equity Shares of our Company.

Stock Market Data of the Equity Shares

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Offer is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, no stock market data is available for the Equity Shares.

Mechanism for Redressal of Investor Grievances by our Company

The agreement dated February 21, 2018 between the Registrar to the Issue and our Company, provides for retention of records with the Registrar to the Issue for a minimum period of three (3) years from the date of listing and commencement of trading of the Equity Shares on the Stock Exchanges, in order to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

Investors may contact the BRLM for any complaint pertaining to the Issue. All grievances relating to the non-ASBA process must be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid-cum-Application Form number, the Bidders' DP ID, Client ID, PAN, address of the Bidder, 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 the ASBA process may be addressed to the Registrar to the Issue, with a copy to the relevant SCSB or the member of the Syndicate if the Bid was submitted to a member of the Syndicate at any of the Specified Locations, or the Registered Broker if the Bid was submitted to a Registered Broker at any of the Broker Centres, as the case may be, quoting the full name of the sole or first Bidder, Bid-cum-Application Form number, Bidders' DP ID, Client ID, PAN, address of the Bidder, number of Equity Shares applied for, date of 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 ASBA Bid was submitted and ASBA Account number in which the amount equivalent to the Bid Amount was blocked.

Further, with respect to the Bid-cum-Application Forms submitted with the Registered Broker, the investor shall also enclose the acknowledgement from the Registered Broker in addition to the documents/information mentioned hereinabove.

Disposal of Investor Grievances by our Company

We estimate that the average time required by our Company and/or the Registrar to the Issue for the redressal of routine investor grievances shall be seven (7) days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

Our Company has appointed Parul Jain, Company Secretary, as the Compliance Officer and she may be contacted in case of any pre-Issue or post-Issue related problems, at the address set forth hereunder.

AVG Logistics Limited

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Website: www.avglogistics.com
Email id: cs@avglogistics.com

Further, our Board has constituted a Stakeholders' Relationship Committee comprising our Directors, February 06, 2018, which is responsible for redressal of grievances of the security holders of our Company. For further details, please refer to section titled "Our Management" beginning on page 114 of this Draft Red Herring Prospectus.

We do not have any listed Group Companies as on the date of this Draft Red Herring Prospectus.

Changes in Auditors

There have been no changes in the statutory auditors our Company in the last three (3) years.

Capitalization of Reserves or Profits

Except as provided under the section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus, our Company has not capitalized its reserves or profits at any time during the five (5) years immediately preceding the date of this Draft Red Herring Prospectus.

Revaluation of Assets

Our Company has not revalued its assets since its incorporation.

Purchase of Property

Except as disclosed in this Draft Red Herring Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Offer or the purchase or acquisition of which has not been completed on the date of this Draft Red Herring Prospectus.

Except as stated elsewhere in this Draft Red Herring Prospectus, our Company has not purchased any property in which the Promoters and / or Directors have any direct or indirect interest in any payment made there under.

Servicing Behavior

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII: OFFERING INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued pursuant to this offer are subject to the provisions of the Companies Act, the SEBI (ICDR) Regulations, SCRA, SCRR, the Memorandum of Association and Articles of Association, the terms of the Red Herring Prospectus, the Prospectus, the abridged prospectus, Bid-cum-Application Form, the Revision Form, the CAN, the Allotment Advice and other terms and conditions as may be incorporated in the Allotment Advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, rules, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchanges, the RBI, RoC and/ or other authorities, as in force on the date of the Issue and to the extent applicable or such other conditions as may be prescribed by the SEBI, the RBI, the Government of India, the Stock Exchanges, the RoC and/ or any other authorities while granting its approval for the Issue.

Please note that, in accordance with the SEBI Circular No. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015. All the investors applying in a public offer shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Ranking of the Equity Shares

The Equity Shares being offered and transferred pursuant to the Issue shall be subject to the provisions of the Companies Act, the Memorandum of Association and Articles of Association and rank *pari-passu* in all respects with the other existing Equity Shares including in respect of the rights to receive dividend. In respect of the Issue, all dividends, if any, declared by our Company after the date of Allotment, will be payable to the Bidders who have been issued and allotted Equity Shares in such Issue for the entire year. The Allottees upon Allotment of Equity Shares under the Issue, will be entitled to dividend and other corporate benefits, if any, declared by our Company after the date of Allotment. For further details, please refer to section titled "Main Provisions of Articles of Association" beginning on page 221 of this Draft Red Herring Prospectus.

Mode of Payment of Dividend

Our Company shall pay dividends, if declared, to the shareholders of our Company in accordance with the provisions of the Companies Act, the Memorandum of Association and Articles of Association. For further details, please refer to section titled "Dividend Policy" and "Main Provisions of Articles of Association" beginning on pages 132 and 221 respectively of this Draft Red Herring Prospectus.

Face Value and Issue Price

The face value of each Equity Share is Rs.10 and the Issue Price at the lower end of Price Band is [●] per Equity Share and at the higher end of the Price Band is Rs.[●] per Equity Share.

The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLMS and advertised in [●] edition of the English national newspaper [●], [●] edition of the Hindi national newspaper [●] and the regional newspaper [●], each with wide circulation, at least five (5) Working Days prior to the Bid/ Issue Opening Date. 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.

At any given point of time, there shall be only one (1) denomination of Equity Shares.

Compliance with the SEBI (ICDR) Regulations

Our Company shall comply with all the disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholders

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, our equity shareholders shall have the following rights:

- Right to receive dividends, if declared;
- Rights to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy, in accordance with the provisions of the Companies Act;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation, subject to any statutory and preferential claim being satisfied;
- Right of free transferability, subject to applicable laws including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the Equity Listing Agreements to be entered into by our Company with the Stock Exchange(s) and the Memorandum of Association and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association of our Company relating to voting rights, dividend, forfeiture and lien, transfer, transmission and/ or consolidation/ splitting, please refer to section titled "Main Provisions of Articles of Association" beginning on page 221 of this Draft Red Herring Prospectus.

Minimum Application Value, Market Lot and Trading Lot

Pursuant to Section 29 of the Companies Act, 2013 the Equity Shares shall be allotted only in dematerialised form. As per the SEBI (ICDR) Regulations, the trading of the Equity Shares shall only be in dematerialised form. In this context, two agreements have been signed amongst our Company, the respective Depositories and the Registrar to the Issue:

- Agreement dated [●] amongst NSDL, our Company and the Registrar to the Issue; and
- Agreement dated [●] amongst CDSL, our Company and the Registrar to the Issue.

Since trading of the Equity Shares is in dematerialised form, the tradable lot is [●] Equity Share. Allotment in this Issue will be only in electronic form and in multiples of one Equity Share subject to a minimum allotment of [●] Equity Shares.

Minimum Number of Allottees

Further in accordance with Regulation 106R of SEBI (ICDR) Regulations, the minimum number of allottees in this Issue shall be fifty (50) shareholders. In case the minimum number of prospective allottees is less than fifty (50), no allotment will be made pursuant to this Issue and all the monies blocked by SCSBs shall be unblocked within six (6) days of closure of Issue.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, India.

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

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and applications may not be made by persons in any such jurisdiction,

except in compliance with the applicable laws of such jurisdiction.

Joint Holders

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

Nomination Facility to Investor

In accordance with Section 72 of the Companies Act, 2013 the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety (90) days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right to not to proceed with the Issue after the Bid/Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) Working Days of the Bid/Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM through, the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) Working Day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

Notwithstanding the foregoing, this Issue is also subject to obtaining (i) the final listing and trading approvals of the Stock Exchange, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC. If our Company withdraws the Issue after the Bid/ Issue Closing Date and thereafter determines that it will proceed with an issue of the Equity Shares, our Company shall file a fresh Draft Red Herring Prospectus with Stock Exchange.

Bid/ Issue Opening Date

Bid / Issue Opening Date	On or before [●]
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Bid / Issue Closing Date	On or before [●]
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before [●]
Initiation of Refunds	On or before [●]
Credit of Equity Shares to demat accounts of Allottees	On or before [●]
Commencement of trading of the Equity Shares on the Stock Exchange	On or before [●]

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

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

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing Date, the Bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than 5.00 p.m. (IST) on the Bid/Issue Closing Date. All times mentioned in this Draft Red Herring Prospectus are Indian Standard Times. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on Business Days. Neither our Company nor the BRLM is liable for any failure in uploading the Bids due to faults in any software/hardware system or otherwise.

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

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

In case of any discrepancy in the data entered in the electronic book vis-à-vis the data contained in the Bid-cum-Application Form, for a particular Bidder, the Registrar to the Issue shall ask for rectified data.

Minimum Subscription

This Offer is not restricted to any minimum subscription level and is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Red Herring Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the offer, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our

Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

In accordance with Regulation 106 P (1) of the SEBI (ICDR) Regulations, our offer shall be hundred percent underwritten. Thus, the underwriting obligations shall be for the entire hundred percent of the offer through the Draft Red Herring Prospectus and shall not be restricted to the minimum subscription level.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the number of prospective allottees to whom the Equity Shares will allotted will not be less than 50 (Fifty).

Further, in accordance with Regulation 106(Q) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

Migration to Main Board

Our company may migrate to the main board of NSE from NSE EMERGE on a later date subject to the following:

- a. If the Paid-up Capital of our Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall have to apply to NSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b. If the Paid-up Capital of our company is more than Rs. 10 crores but below Rs. 25 crores, our Company may still apply for migration to the Main Board and if the Company fulfils the eligible criteria for listing laid down by the Main Board (NSE) and if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

Market Making

The shares offered through this issue are proposed to be listed on the EMERGE Platform of NSE (SME Exchange) wherein the BRLM to the issue shall ensure compulsory Market Making through registered Market Maker of the SME Exchange for a minimum period of 3 (three) years from the date of listing of shares issued through this Draft Red Herring Prospectus on the EMERGE Platform of NSE. For further details of the market making arrangement, please refer to section titled "General Information" beginning on page 46 of this Draft Red Herring Prospectus.

Arrangements for Disposal of Odd Lots

The trading of the Equity Shares will happen in the minimum contract size of [●] shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one (1) lot, where value of such shareholding is less than the minimum contract size allowed for trading on the EMERGE Platform of NSE.

As Per the Extant Policy of the Government of India, OCBs Cannot Participate in this Issue

NRIs, FPIs/FIIs and foreign venture capital investors registered with SEBI are permitted to purchase shares of an Indian company in a public Issue without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment ("**FDI**") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FPIs and foreign venture capital investors registered with SEBI to invest in shares of Indian Companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India / RBI while granting such approvals.

Option to Receive Securities in Dematerialized Form

In accordance with the SEBI (ICDR) Regulations, every company making public offer shall issue and allot securities to successful applicants in dematerialized form only. Applicants shall not have an option of allotment of Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange. Allottees shall have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

New Financial Instruments

There are no new financial instruments such as deep discounted bonds, debenture, warrants, secured premium notes, etc. issued by our Company.

Application by Eligible NRIs, FIIs Registered with SEBI, VCFs Registered with SEBI and QFIs

It is to be understood that there is no reservation for Eligible NRIs or FIIs registered with SEBI or VCFs or QFIs. Such Eligible NRIs, QFIs, FPIs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

Restrictions, if any, on Transfer and Transmission of Shares or Debentures and on their Consolidation or Splitting

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution as detailed in section titled "Capital Structure" beginning on page 55 of this Draft Red Herring Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers and transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section titled "Main Provisions of the Articles of Association" beginning on page 221 of this Draft Red Herring Prospectus.

Pre-Issue Advertisement

Subject to Section 30 of the Companies Act, 2013 our Company shall, after registering the Prospectus with the RoC publish a pre-Issue advertisement, in the form prescribed by the SEBI (ICDR) Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation where the Registered Office of our Company is situated.

The above information is given for the benefit of the Bidders. The Bidders are advised to make their own enquiries about the limits applicable to them. Our Company and the BRLM do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the BRLM are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Applied for do not exceed the applicable limits under laws or regulations.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(2) of Chapter XB of SEBI (ICDR) Regulations whereby, an issuer whose post-issue face value capital exceeds ten crore rupees, but does not exceed twenty five crore rupees. The Company shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the EMERGE Platform of NSE). For further details regarding the salient features and terms of such an Issue, please refer to section titled "Terms of Issue"; and "Issue Procedure" beginning on page 167; and 179 respectively of this Draft Red Herring Prospectus.

Following is the Offer structure:

Initial Public Offer of up to 30,90,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at price of Rs. [●] (including a premium of Rs. [●]) aggregating up to Rs. [●] of which 1,54,800 Equity Shares of face value of Rs. 10/- each will be reserved for subscription by Market Maker to the Issue ("the Market Maker Reservation Portion"). The issue less the Market Maker Reservation i.e. Net Issue of 29,35,200 Equity Shares of face value of Rs. 10 each is hereinafter referred to as the "Net Issue". The Issue and Net Issue will constitute 30.01% and 28.50% respectively of the Post Issue Paid-up Capital of the Company.

The Issue is being made through the Book Building Process.

Particulars	Market Maker	QIBs	Non Institutional Bidders	Retail Individual Bidders
Number of Equity Shares available for allocation/ Allotment (*)	1,54,800 Equity Shares	14,66,400 Equity Shares or Net Issue less allocation to Non Institutional Bidders and Retail Individual Bidders.	Not less than 441,600 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 10,27,200 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non Institutional Bidders.
Percentage of Issue Size available for allocation/ Allotment	Upto 5.01% of the Issue Size.	49.96% of the Net Issue shall be available for allocation to QIBs. However, upto 5% of the Net QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Not less than 15% of the Net Issue.	Not less than 35% of the Net Issue
Basis of allocation/ Allotment if respective category is oversubscribed (*)	Firm Allotment Proportionate	Proportionate as follows: a) [●] Equity Shares constituting 5% of the Net QIB Portion, shall be available for allocation on a proportionate basis to Mutual Funds; (b) [●] Equity Shares shall be allotted on a proportionate basis to all QIBs, including Mutual Funds receiving allocation as per (a) above.	Proportionate	On a proportionate basis subject to Minimum Lot as explained in the section titled "Issue Procedure – Part B – General Information Document for Investing in Public Issue –Allotment Procedure and Basis of Allotment" on page 192.
Minimum Bid	[●] Equity Shares	Such number of Equity Shares and in multiples	Such number of Equity Shares that the	[●] Equity Shares in multiples of [●]

		of [●] Equity Shares thereafter after such that the Bid Amount exceeds Rs.2,00,000.	Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter.	Equity Shares thereafter.
Maximum Bid	[●] Equity Shares	Such number of Equity Shares not exceeding the size of the Net Issue, subject to the regulations as applicable to the Bidder.	Such number of Equity Shares not exceeding the size of the Net Issue, subject to the regulations as applicable to the Bidder.	Such number of Equity Shares in multiples of [●] Equity Shares so that the Bid amount does not exceed Rs.2,00,000.
Mode of Allotment	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode	Compulsorily Dematerialized mode
Bid Lot	[●] equity shares	[●] Equity Shares and in multiples thereof.	[●] Equity Shares and in multiples thereof	[●] Equity Shares and in multiples thereof
Trading Lot	[●] equity shares	[●] equity shares	[●] equity shares	[●] equity shares
Who can apply(**)	Market Maker	Mutual Funds, Venture Capital Fund, FVCI, FPIs (other than Category III FPIs), Public financial institutions, as specified in Section 2(72) of the Companies Act, 2013, scheduled commercial banks, mutual funds registered with SEBI, multilateral development financial institutions, FPIs other than Category III Foreign Portfolio Investors, FVCIs, VCFs, AIFs, state industrial development corporation, insurance companies registered with the IRDA, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension fund with minimum corpus of Rs. 250 million, in accordance with applicable law and National Investment Fund set up by the Government of India, insurance funds set up	Companies, Corporate Bodies, Scientific Institutions, Societies, Trusts, Resident Indian individuals, HUF (in the name of Karta), Eligible NRIs and subaccounts 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.

		and managed by army, navy or air force of the Union of India and insurance funds set-up and managed by the Department of Posts, India and systematically important NBFCs.		
Mode of Bidding	Only through the ASBA process	Only through the ASBA process	Only through the ASBA process	Only through the ASBA process
Terms of payment	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form	The entire Bid Amount shall be blocked 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.	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form.	The entire Bid Amount shall be blocked at the time of submission of Bid cum Application Form to the members of the Syndicate. In case of ASBA Bidders, the SCSB shall be authorised to block the Bid Amount mentioned in the Bid cum Application Form

Under-subscription, if any, in any category, other than the QIB category, would be allowed to be met with spill over from the other categories, at the discretion of our Company in consultation with the BRLM and the Designated Stock Exchange. Under-subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue to the public.

In case of joint Bids, the Bid-cum-Application Form should contain only the name of the first Bidder whose name should also appear as the first holder of the beneficiary account held in joint names. The signature of only such first Bidder would be required in the Bid-cum-Application Form and such first Bidder would be deemed to have signed on behalf of the joint holders.

Withdrawal of the Issue

Our Company in consultation with the BRLM, reserve the right not to proceed with the Issue at any time after the Bid/ Issue Opening Date but before the Allotment. In such an event, our Company would issue a public notice in the newspapers in which the pre-Issue advertisements were published, within two (2) days of the Bid/ Issue Closing Date or such other time as may be prescribed by SEBI, providing reasons for not proceeding with the Issue. The BRLM, through the Registrar to the Issue, shall notify the SCSBs to unblock the bank accounts of the ASBA Bidders within one (1) day from the date of receipt of such notification. Our Company shall also inform the same to the Stock Exchanges on which Equity Shares are proposed to be listed.

If our Company withdraw the Issue after the Bid/ Issue Closing Date and thereafter determine that they will proceed with the Issue, our Company shall file a fresh Draft Red Herring Prospectus with the Stock Exchange.

Notwithstanding the foregoing, the Issue is also subject to obtaining (i) the final listing and trading approvals of the

Stock Exchanges, which our Company shall apply for after Allotment, and (ii) the final RoC approval of the Prospectus after it is filed with the RoC.

Bid/ Issue Programme

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

Event	Indicative Date(1)
Bid/ Issue Opening Date	On or before ●
Bid/ Issue Closing Date	On or before ●
Finalisation of Basis of Allotment with the Designated Stock Exchange	On or before ●
Initiation of refunds	On or before ●
Credit of Equity Shares to demat accounts of Allottees	On or before ●
Commencement of trading of the Equity Shares on the Stock Exchanges	On or before ●

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

Except in relation to the Bids received from 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, ‘IST’) during the Bid/ Issue Period (except the Bid/Issue Closing Date) as mentioned above at the Bidding Centres and the Designated Branches mentioned on the Bid cum Application Form or by members of the Syndicate at the Specified Locations or by the Registered Brokers at the Broker Centre 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 and bids by Eligible Employee, 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 upto such time as deemed fit by the Stock Exchanges after taking into account the total number of applications received upto 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 time available for uploading Bids on the Bid/ Issue Closing Date, Bidders are advised to submit their Bids one day prior to the Bid/ Issue Closing Date and no later than 1.00 p.m. (IST) on the Bid/ Issue Closing Date. Bidders are cautioned that in the event a large number of Bids are received on Bid/ Issue Closing Date, as is typically experienced in public offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. Bids will be accepted only on 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 directly submitted to SCSBs by ASBA Bidders shall be uploaded by the SCSBs in the electronic system to be provided by the Stock Exchanges. Our Company 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.

Our Company, in consultation with the BRLM, reserves the right to revise the Price Band during the Bid/Issue 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/Issue Opening Date.

In case of revision in the Price Band, the Bid/Issue Period shall be extended for at least 3 (three) additional Working Days after such revision, subject to the Bid/Issue Period not exceeding 10 (ten) Working Days. Any revision in Price Band, and the revised Bid/Issue 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 BRLM and the terminals of the other members of the Syndicates.

ISSUE PROCEDURE

All Bidders should review the General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under "Issue Procedure- Part B – General Information Document", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI (ICDR) Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014 and certain notified provisions of the Companies Act, 2013, and the amendments to the SEBI (ICDR) Regulations to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchanges and the BRLM. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.

Pursuant to the SEBI (Issue of Capital and Disclosure Requirements) (Fifth Amendment) Regulations, 2015, certain changes would be applicable to the issue procedure for initial public offerings, including making the ASBA process mandatory for all investors (except for Anchor Investors) and allowing registrar, share transfer agents, depository participants and stock brokers to accept application forms. These changes are applicable for public issues which open on or after January 1, 2016. In the event that the Bid/ Issue Opening Date for this Issue is on or after January 1, 2016, we will have to make appropriate changes to the "Issue Procedure" section and other sections of this Draft Red Herring Prospectus, prior to filing of the Red Herring Prospectus with the RoC.

Our Company and the BRLMS do not accept any responsibility for the completeness and accuracy of the information stated in this section, and are not liable for any amendment, modification or change in the applicable law which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that their Bids are submitted in accordance with applicable laws and do not exceed the investment limits or maximum number of the Equity Shares that can be held by them under applicable law or as specified in this Draft Red Herring Prospectus.

PART A

Book Building Process

The Issue is being made through the Book Building Process wherein 49.96% of the Issue shall be available for allocation to Qualified Institutional Buyers on a proportionate basis. Out of the QIB Portion 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for Allotment on a proportionate basis to QIBs and Mutual Funds, subject to valid bids being received from them at or above the Issue Price. Further, not less than 15% of the Net Issue would be available for allocation to Non-Institutional Bidders and not less than 35% of the Net Issue would be available for allocation to Retail Individual Bidders on a proportionate basis, subject to valid bids being received from them at or above the Issue Price.

Subject to the valid Bids being received at or above the Issue Price, allocation to all categories in the Net Issue, shall be made on a proportionate basis, except for the Retail Portion where Allotment to each Retail Individual Bidders shall not be less than the minimum Bid lot, subject to availability of Equity Shares in Retail Portion, and the remaining available Equity Shares, if any, shall be allotted on a proportionate basis. Under subscription, if any, in any category, would be allowed to be met with spill-over from any other category or a combination of categories at the discretion of our Company in consultation with the BRLMS and the Stock Exchange.

In accordance with the SEBI ICDR Regulations, QIBs and Non-Institutional Investors are not allowed to withdraw or lower the size of their Bids (both in terms of number of Equity Shares Bid for and Bid Amount) at any stage. Further, allocation to QIBs in the Net QIB Portion will be on a proportionate basis.

Investors should note that according to section 29(1) of the Companies Act, 2013, allotment of Equity Shares to all successful Bidders will only be in the dematerialised form. The Bid-cum-Application Forms which do not have the details of the Bidder's depository account including DP ID, PAN and Beneficiary Account Number shall be treated as incomplete and rejected. In case DP ID, Client ID and PAN mentioned in the Bid-cum-Application Form and

entered into the electronic system of the stock exchanges, do not match with the DP ID, Client ID and PAN available in the depository database, the bid is liable to be rejected. Bidders will not have the option of getting allotment of the Equity Shares in physical form. The Equity Shares on allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid-Cum-Application Form

Copies of the Bid-cum-Application Form and the abridged prospectus will be available at the offices of the BRLM, the Designated Intermediaries at Bidding Centers, and Registered Office of our Company. An electronic copy of the Bid-cum-Application Form will also be available for download on the websites of the NSE (www.nseindia.com), the SCSBs, the Registered Brokers, the RTAs and the CDPs at least one (1) Working Day prior to the Bid/Issue Opening Date.

All Bidders shall mandatorily participate in the Issue only through the ASBA process. ASBA Bidders must provide bank account details and authorisation to block funds in the relevant space provided in the Bid-cum-Application Form and the Bid-cum-Application Forms that do not contain such details are liable to be rejected.

ASBA Bidders shall ensure that the Bids are made on Bid-cum-Application Forms bearing the stamp of the Designated Intermediary, submitted at the Collection 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.

The prescribed colour of the Bid-cum-Application Form for various categories is as follows:

Category	Colour of Bid-cum-Application Form*
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FVCIs, FIIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporates or foreign individuals bidding under the QIB Portion), applying on a repatriation basis (ASBA)	Blue

**excluding electronic Bid-cum-Application Form*

Designated Intermediaries (other than SCSBs) shall submit/deliver the Bid-cum-Application Forms to respective SCSBs where the Bidder has a bank account and shall not submit it to any non-SCSB Bank.

Who can Bid?

In addition to the category of Bidders set forth under “*General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue*”, the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporate or foreign individuals only under the Non-Institutional Investors (NIIs) category;
- Scientific and/ or industrial research organisations authorised in India to invest in the Equity Shares; and
- Any other person eligible to Bid in the Issue under applicable laws.

Maximum and Minimum Application Size

a. For Retail Individual Bidders:

The Bid must be for a minimum of [●] Equity Shares and in multiples of [●] Equity Shares thereafter, so as to ensure that the Bid Amount payable by the Bidder does not exceed Rs.2,00,000. In case of revision of Bid, the Retail Individual Bidders have to ensure that the Bid Amount does not exceed Rs.2,00,000.

b. For Other Bidders (Non-Institutional Bidders and QIBs):

The Bid-cum-Application must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.2,00,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **A QIB and a Non-Institutional Bidder cannot withdraw or lower the size of their Bid at any stage and are required to pay the entire Bid Amount upon submission of the Bid.** The identity of QIBs applying in the Net Issue shall not be made public during the Issue Period. In case of revision in Bid, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs.2,00,000 for being considered for allocation in the Non-Institutional Portion.

Bidders are advised to ensure that any single Bid-cum-Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Red Herring Prospectus.

Information for the Bidders

- a. Our Company shall file the Red Herring Prospectus with the RoC at least three working days before the Bid/ Issue Opening Date.
- b. Our Company shall, after registering the Red Herring Prospectus with the RoC, make a pre- issue advertisement, in the form prescribed under the ICDR Regulations, in English and Hindi national newspapers and one regional newspaper with wide circulation. In the pre- issue advertisement, our Company and the BRLMS shall advertise the Bid/ Issue Opening Date, the Bid/ Issue Closing Date. This advertisement, subject to the provisions of the Companies Act, shall be in the format prescribed in Part A of Schedule XIII of the SEBI (ICDR) Regulations.
- c. The price band as decided by our Company in consultation with the BRLMS is Rs.[●] per Equity Share. The Floor Price of Equity Shares is Rs.[●] per Equity Share and the Cap Price of Equity Shares is Rs.[●] per Equity Share and the minimum Bid Lot is of [●] Equity Shares.
- d. Our Company shall also announce the Price Band at least five (5) Working Days before the Bid/Issue Opening Date in English and Hindi National newspapers and one Regional newspaper with wide circulation. This announcement shall contain relevant financial ratios computed for both upper and lower end of the Price Band. Further, this announcement shall be disclosed on the websites of the Stock Exchanges where the Equity Shares are proposed to be listed and shall also be pre-filled in the application forms available on the websites of the stock exchanges.
- e. The Issue Period shall be for a minimum of three (3) Working Days. In case the Price Band is revised, the Issue Period shall be extended, by an additional three Working Days, subject to the total Issue Period not exceeding ten (10) Working Days. The revised Price Band and Issue Period will be widely disseminated by notification to the SCSBs and Stock Exchanges, and by publishing in English and Hindi national newspapers and one regional newspaper with wide circulation and also by indicating the change on the websites of the BRLMS and at the terminals of the members of the Syndicate.
- f. The BRLMS shall dispatch the Red Herring Prospectus and other Issue material including Bid-cum-Application Form, to the Designated Stock Exchange, members of the Syndicate, Bankers to the Issue, investors' associations and SCSBs in advance.
- g. The Bidders should note that in case the PAN, the DP ID and Client ID mentioned in the Bid-cum-Application Form and entered into the electronic bidding system of the Stock Exchanges does not match with the PAN, DP ID and Client ID available in the database of Depositories, the Bid-cum-Application Form is liable to be rejected.

Option to subscribe in the Issue

- a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
- b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
- c. A single Bid-cum-Application from any investor shall not exceed the investment limit / minimum number of specified securities that can be held by him/her/it under the relevant regulations / statutory guidelines and applicable law.

Availability of Red Herring Prospectus and Bid-Cum-Application Form

Copies of the Bid-cum-Application Form and the abridged prospectus will be available at the offices of the BRLMS, the Designated Intermediaries at Bidding Centres, and Registered Office of our Company. An electronic copy of the Bid-cum-Application Form will also be available for download on the websites of SCSBs (via Internet Banking) and NSE (www.nseindia.com) at least one (1) day prior to the Bid/Issue Opening Date.

Participation by Associated/ Affiliates of BRLMS and Syndicate Members

The BRLMS and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMS and the Syndicate Members, if any, may subscribe to Equity Shares in the Issue, either in the QIB Portion and Non-Institutional Portion as may be applicable to such Bidders, where the allotment is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

Bids by Eligible NRI'S

NRIs may obtain copies of Bid-cum-Application Form from the offices of the BRLMS and the Designated Intermediaries. Eligible NRI Bidders bidding on a repatriation basis by using the Non-Resident Forms should authorize their SCSB to block their Non-Resident External ("**NRE**") accounts, or Foreign Currency Non-Resident ("**FCNR**") ASBA Accounts, and eligible NRI Bidders bidding on a non-repatriation basis by using Resident Forms should authorize their SCSB to block their Non-Resident Ordinary ("**NRO**") accounts for the full Bid Amount, at the time of the submission of the Bid-cum-Application Form.

Eligible NRIs bidding on non-repatriation basis are advised to use the Bid-cum-Application Form for residents (white in colour). Eligible NRIs bidding on a repatriation basis are advised to use the Bid-cum-Application Form meant for Non-Residents (blue in colour).

Bids by FPI including FIIS

In terms of the SEBI FPI Regulations, any qualified foreign investor or FII who holds a valid certificate of registration from SEBI shall be deemed to be an FPI until the expiry of the block of three years for which fees have been paid as per the SEBI FII Regulations. An FII or a sub-account may participate in this Issue, in accordance with Schedule 2 of the FEMA Regulations, until the expiry of its registration with SEBI as an FII or a sub-account. An FII shall not be eligible to invest as an FII after registering as an FPI under the SEBI FPI Regulations.

In case of Bids made by FPIs, a certified copy of the certificate of registration issued by the designated depository participant under the FPI Regulations is required to be attached to the Bid-cum-Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason. An FII or subaccount may, subject to payment of conversion fees under the SEBI FPI Regulations, participate in the Issue, until the expiry of its registration as a FII or sub-account, or until it obtains a certificate of registration as FPI, whichever is earlier. Further, in case of Bids made by SEBI registered FIIs or sub-accounts, which are not registered as FPIs, a certified copy of the certificate of registration as an FII issued by SEBI is required to be attached to the Bid-cum-Application Form, failing which our Company reserves the right to reject any Bid without assigning any reason.

In terms of the SEBI FPI Regulations, the issue of Equity Shares to a single FPI or an investor group (which means the same set of ultimate beneficial owner(s) investing through multiple entities) must be below 10.00% of our post-Issue Equity Share capital. Further, in terms of the FEMA Regulations, the total holding by each FPI shall be below 10.00% of the total paid-up Equity Share capital of our Company and the total holdings of all FPIs put together shall not exceed 24% of the paid-up Equity Share capital of our Company. The aggregate limit of 24% may be increased up to the sectorial cap by way of a resolution passed by the Board of Directors followed by a special resolution passed by the Shareholders of our Company and subject to prior intimation to RBI. In terms of the FEMA Regulations, for calculating the aggregate holding of FPIs in a company, holding of all registered FPIs as well as holding of FIIs (being deemed FPIs) shall be included. The existing individual and aggregate investment limits an

FII or sub account in our Company is 10.00% and 24% of the total paid-up Equity Share capital of our Company, respectively.

FPIs are permitted to participate in the Issue subject to compliance with conditions and restrictions which may be specified by the Government from time to time.

Subject to compliance with all applicable Indian laws, rules, regulations, guidelines and approvals in terms of Regulation 22 of the SEBI FPI Regulations, an FPI, other than Category III foreign portfolio and unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated, may issue or otherwise deal in offshore derivative instruments (as defined under the SEBI FPI Regulations as any instrument, by whatever name called, which is issued overseas by an FPI against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with know your client norms. An FPI is also required to ensure that no further issue or transfer of any offshore derivative instrument is made by or on behalf of it to any persons that are not regulated by an appropriate foreign regulatory authority.

FPIs who wish to participate in the Issue are advised to use the Bid-cum-Application Form for Non-Residents (blue in colour).

Bids by SEBI registered VCFs, AIFs and FVCIs

The SEBI VCF Regulations and the SEBI FVCI Regulations, *inter alia*, prescribe the investment restrictions on the VCFs and FVCIs registered with SEBI. Further, the SEBI AIF Regulations prescribe, among others, the investment restrictions on AIFs.

Accordingly, the holding by any individual VCF registered with SEBI in one venture capital undertaking should not exceed 25% of the corpus of the VCF. Further, VCFs and FVCIs can invest only up to 33.33% of the investible funds by way of subscription to an initial public offering.

The category I and II AIFs cannot invest more than 25% 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 until an existing fund or scheme managed by the fund is wound up and such funds shall not launch any new scheme after notification of the SEBI AIF Regulations.

All FIIs and FVCIs should note that refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of Bank charges and commission.

Our Company or the BRLM will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

There is no reservation for Eligible NRIs, FPIs and FVCIs and all Bidders will be treated on the same basis with other categories for the purpose of allocation

Bids by Mutual Funds

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any Company provided that the limit of 10% shall not be applicable for investments in index funds or

sector or industry specific funds. No mutual fund under all its schemes should own more than 10% of any Company's paid up share capital carrying voting rights.

With respect to Bids by Mutual Funds, a certified copy of their SEBI registration certificate must be lodged with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid-cum-Application in whole or in part, in either case, without assigning any reason thereof.

In case of a Mutual Fund, a separate Bid-cum-Application can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bid in respect of more than one scheme of the Mutual Fund will not be treated as multiple bids provided that the Bids clearly indicate the scheme concerned for which the Bids has been made.

The Bids made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the bids are made.

Bids by limited liability partnerships

In case of Bids made by limited liability partnerships registered under the Limited Liability Partnership Act, 2008, a certified copy of certificate of registration issued under the Limited Liability Partnership Act, 2008, must be attached to the Bid-cum-Application Form. Failing this, our Company reserves the right to reject any Bid by a limited liability partnership without assigning any reason thereof. Limited liability partnerships can participate in the Issue only through the ASBA process.

Bids by insurance companies

In case of Bids made by insurance companies registered with the IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Bid-cum-Application Form. Failing this, our Company reserves the right to reject any Bid without assigning any reason thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000, as amended, are broadly set forth below:

- a) equity shares of a company: the lower of 10% of the outstanding Equity Shares (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- b) the entire group of the investee company: not more than 15% of the respective fund in case of a life insurer or 15% of investment assets in case of a general insurer or reinsurer or 15% of the investment assets in all companies belonging to the group, whichever is lower; and
- c) the industry sector in which the investee company belong to: not more than 15% of the fund of a life insurer or a general insurer or a reinsurer or 15% of the investment asset, whichever is lower.

The maximum exposure limit, in the case of an investment in equity shares, cannot exceed the lower of an amount of 10% of the investment assets of a life insurer or general insurer and the amount calculated under points (a), (b) and (c) above, as the case may be.

Insurance companies participating in this Issue, shall comply with all applicable regulations, guidelines and circulars issued by IRDA from time to time.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FIIs, Mutual Funds, FPIs, insurance companies and provident funds with a minimum corpus of Rs. 2500 lakhs and pension funds with a minimum corpus of Rs. 2500 lakhs (in each case, subject to applicable law and in accordance with their respective constitutional documents), a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws, as applicable must be lodged along with the Bid-cum-Application Form. Failing this, our Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reasons thereof.

Bids by provident funds/ pension funds

In case of Bids made by provident funds/ pension funds, subject to applicable laws, with minimum corpus of Rs. 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be attached to the Bid-cum-Application Form. Failing this, our Company reserves the right to reject any Bid, without assigning any reason thereof.

Bids by banking companies

In case of Bids made by banking companies registered with the RBI, certified copies of: (i) the certificate of registration issued by the RBI, and (ii) the approval of such banking company's investment committee are required to be attached to the Bid-cum-Application Form, failing which our Company reserves the right to reject any Bid by a banking company, without assigning any reason therefor.

The investment limit for banking companies in non-financial services companies as per the Banking Regulation Act, 1949, as amended (the "**Banking Regulation Act**"), and the Master Circular dated July 1, 2015 – Para-banking Activities, is 10% of the paid-up share capital of the investee company or 10% of the banks' own paid-up share capital and reserves, whichever is less. Further, the investment in a non-financial services company by a banking company together with its subsidiaries, associates, joint ventures, entities directly or indirectly controlled by the bank and mutual funds managed by asset management companies controlled by the banking company cannot exceed 20% of the investee company's paid-up share capital. A banking company may hold up to 30% of the paid-up share capital of the investee company with the prior approval of the RBI provided that the investee company is engaged in non-financial activities in which banking companies are permitted to engage under the Banking Regulation Act.

Bids by SCSBs

SCSBs participating in the Issue are required to comply with the terms of the SEBI circulars dated September 13, 2012 and January 2, 2013. Such SCSBs are required to ensure that for making applications on their own account using ASBA, they should have a separate account in their own name with any other SEBI registered SCSBs. Further, such account shall be used solely for the purpose of making application in public issues and clear demarcated funds should be available in such account for ASBA applications.

The above information is given for the benefit of the Bidders. Our Company, the BRLM and the Syndicate Members are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and Bidders are advised to ensure that any single Bid from them does not exceed the applicable investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the Draft Red Herring Prospectus.

Issuance of a Confirmation Note ("CAN") and Allotment in the Issue

1. Upon approval of the basis of allotment by the Designated Stock Exchange, the BRLM or Registrar to the Issue shall send to the SCSBs a list of their Bidders who have been allocated Equity Shares in the Issue.
2. The Registrar will then dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder.

Terms of Payment

The entire Issue price of Rs.[●] per share is payable on Bid-cum-Application. In case of allotment of lesser number of Equity Shares than the number applied, the Registrar to the issue shall instruct the SCSBs to unblock the excess amount blocked.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account, post finalisation of basis of Allotment. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Bidders should note that the arrangement with Bankers to the issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Bidders.

Payment mechanism for Bidders

The Bidders shall specify the bank account number in the Bid-cum-Application Form and the SCSBs shall block an amount equivalent to the Bid-cum-Application Amount in the bank account specified in the Bid-cum-Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/ rejection of the Bid-cum-Application or receipt of instructions from the Registrar to unblock the Bid Amount. However, Non-Retail Bidders shall neither withdraw nor lower the size of their Bid-cum-Applications at any stage. In the event of withdrawal or rejection of the Bid-cum-Application Form or for unsuccessful Bid-cum-Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the bid money in the relevant bank account within one day of receipt of such instruction. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the Bid-cum-Application by the ASBA Bidders, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

Signing of Underwriting Agreement and Filing of Prospectus with RoC

- a. Our Company has entered into an Underwriting agreement dated February 21, 2018.
- b. A copy of the Red Herring Prospectus and Prospectus will be filed with the RoC in terms of Section 32 of Companies Act, 2013 and section 26 of the Companies Act, 2013.

Pre-Issue 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-Issue advertisement, in the form prescribed by the SEBI Regulations, in one widely circulated English language national daily newspaper; one widely circulated Hindi language national daily newspaper and one regional newspaper with wide circulation. In the pre-Issue advertisement, we shall state the Bid Opening Date and the Bid Closing Date. This advertisement, subject to the provisions of Section 30 of the Companies Act, 2013, shall be in the format prescribed in Part A of Schedule XIII of the SEBI Regulations.

Advertisement Regarding Issue Price and Prospectus

Our Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the final derived Issue Price. Any material updates between the date of the Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of Allotment Advice

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The BRLM or the Registrar to the Issue will dispatch an Allotment Advice to their bidders who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Bid.

General Instructions

Do's:

1. Check if you are eligible to apply as per the terms of the Draft Red Herring Prospectus and under applicable law, rules, regulations, guidelines and approvals;
2. Ensure that you have Bid within the Price Band;
3. Read all the instructions carefully and complete the Bid-cum-Application Form in the prescribed form;
4. Ensure that the details about the PAN, DP ID and Client ID are correct and the Bidders depository account is active, as Allotment of the Equity Shares will be in the dematerialised form only;
5. Ensure that your Bid-cum-Application Form bearing the stamp of a Designated Intermediary is submitted to the Designated Intermediary at the Bidding Centre;
6. If the first bidder is not the account holder, ensure that the Bid-cum-Application Form is signed by the account holder. Ensure that you have mentioned the correct bank account number in the Bid-cum-Application Form;
7. Ensure that the signature of the First Bidder in case of joint Bids, is included in the Bid-cum-Application Forms;
8. Ensure that the name(s) given in the Bid-cum-Application Form is/are exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case of joint Bids, the Bid-cum-Application Form should contain only the name of the First Bidder whose name should also appear as the first holder of the beneficiary account held in joint names;
9. Ensure that you request for and receive a stamped acknowledgement of the Bid-cum-Application Form for all your Bid options;
10. Ensure that you have funds equal to the Bid Amount in the ASBA Account maintained with the SCSB before submitting the Bid-cum-Application Form under the ASBA process to the respective member of the Syndicate (in the Specified Locations), the SCSBs, the Registered Broker (at the Broker Centres), the RTA (at the Designated RTA Locations) or CDP (at the Designated CDP Locations);
11. Submit revised Bids to the same Designated Intermediary, through whom the original Bid was placed and obtain a revised acknowledgment;
12. Except for Bids (i) on behalf of the Central or State Governments and the officials appointed by the courts, who, in terms of a SEBI circular dated June 30, 2008, may be exempt from specifying their PAN for transacting in the securities market, and (ii) Bids by persons resident in the state of Sikkim, who, in terms of a SEBI circular dated July 20, 2006, may be exempted from specifying their PAN for transacting in the securities market, all Bidders should mention their PAN allotted under the IT Act. The exemption for the Central or the State Government and officials appointed by the courts and for investors residing in the State of Sikkim is subject to (a) the Demographic Details received from the respective depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same. All other bids in which PAN is not mentioned will be rejected;
13. Ensure that the Demographic Details are updated, true and correct in all respects;
14. Ensure that thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India are attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal;
15. Ensure that the category and the investor status is indicated;
16. Ensure that in case of Bids under power of attorney or by limited companies, corporates, trust etc., relevant documents are submitted;
17. Ensure that Bids submitted by any person outside India should be in compliance with applicable foreign and Indian laws;
18. Bidders should note that in case the DP ID, Client ID and the PAN mentioned in their Bid-cum-Application Form and entered into the online IPO system of the Stock Exchanges by the relevant Designated Intermediary, as the case may be, do not match with the DP ID, Client ID and PAN available in the Depository database, then such Bids are liable to be rejected. Where the Bid-cum-Application Form is

- submitted in joint names, ensure that the beneficiary account is also held in the same joint names and such names are in the same sequence in which they appear in the Bid-cum-Application Form;
19. Ensure that the Bid-cum-Application Forms are delivered by the Bidders within the time prescribed as per the Bid-cum-Application Form and the Red Herring Prospectus;
 20. Ensure that you have mentioned the correct ASBA Account number in the Bid-cum-Application Form;
 21. Ensure that you have correctly signed the authorization /undertaking box in the Bid-cum-Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the Bid Amount mentioned in the Bid-cum-Application Form at the time of submission of the Bid;
 22. Ensure that you receive an acknowledgement from the concerned Designated Intermediary, for the submission of your Bid-cum-Application Form; and
 23. The Bid-cum-Application Form is liable to be rejected if the above instructions, as applicable, are not complied with.

Don'ts:

1. Do not Bid for lower than the minimum Bid size;
2. Do not Bid/revise Bid Amount to less than the Floor Price or higher than the Cap Price;
3. Do not pay the Bid Amount in cash, by money order, cheques or demand drafts or by postal order or by stock invest;
4. Do not send Bid-cum-Application Forms by post; instead submit the same to the Designated Intermediary only;
5. Do not submit the Bid-cum-Application Forms to any non-SCSB bank or our Company;
6. Do not Bid on a Bid-cum-Application Form that does not have the stamp of the relevant Designated Intermediary;
7. Do not Bid at Cut-off Price (for Bids by QIBs and Non-Institutional Bidders);
8. Do not instruct your respective Banks to release the funds blocked in the ASBA Account under the ASBA process;
9. Do not Bid for a Bid Amount exceeding Rs. 200,000 (for Bids by Retail Individual Bidders);
10. Do not fill up the Bid-cum-Application Form such that the Equity Shares Bid for exceeds the Issue size and / or investment limit or maximum number of the Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations or under the terms of the Draft Red Herring Prospectus;
11. Do not submit the General Index Register number instead of the PAN;
12. Do not submit the Bid without ensuring that funds equivalent to the entire Bid Amount are blocked in the relevant ASBA Account;
13. Do not submit Bids on plain paper or on incomplete or illegible Bid-cum-Application Forms or on Bid-cum-Application Forms in a colour prescribed for another category of Bidder;
14. Do not submit a Bid in case you are not eligible to acquire Equity Shares under applicable law or your relevant constitutional documents or otherwise;
15. Do not Bid if you are not competent to contract under the Indian Contract Act, 1872 (other than minors having valid depository accounts as per Demographic Details provided by the depository);
16. Do not submit more than five Bid-cum-Application Forms per ASBA Account;
17. 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 Offer – Applying in the Offer – Instructions for filing the Bid cum Application Form/Application Form*” on page 192, 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 the 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 upto Rs. 200,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Amount of more than Rs. 200,000 would be considered under Non-Institutional Portion for the purposes of allocation.

Bids at Different Price Levels and Revision of Bids

- a. Our Company in consultation with the BRLMS, and without the prior approval of, or intimation, to the Bidders, reserves the right to revise the Price Band during the Bid/ Issue Period, provided that the Cap Price shall be less than or equal to 120% of the Floor Price and the Floor Price shall not be less than the face value of the Equity Shares. The revision in Price Band shall not exceed 20% on the either side i.e. the floor price can move up or down to the extent of 20% of the floor price disclosed. If the revised price band decided, falls within two different price bands than the minimum application lot size shall be decided based on the price band in which the higher price falls into.
- b. Our Company in consultation with the BRLMS, will finalize the Issue Price within the Price Band, without the prior approval of, or intimation, to the Bidders
- c. The Bidders can Bid at any price within the Price Band. The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders may Bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.
- d. Retail Individual Bidders, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders shall submit the Bid-cum-Application Form along with a cheque/demand draft for the Bid Amount based on the Cap Price with the Syndicate. In case of ASBA Bidders (excluding Non-Institutional Bidders and QIB Bidders) bidding at Cut-off Price, the ASBA Bidders shall instruct the SCSBs to block an amount based on the Cap Price.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar quoting the full name of the sole or First Bidder, Bid-cum-Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid-cum-Application Form, name and address of the Application Collecting Intermediary, where the Bid was submitted thereof and a copy of the acknowledgement slip.

Bidders can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of Allotment, credit of allotted shares in the respective beneficiary accounts, etc.

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 (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount.

Undertakings by the Company

Our Company undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at EMERGE Platform of NSE where the Equity Shares are proposed to be listed within six working days from Issue Closure date.
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar and Share Transfer Agent to the Issue by our Company;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares issued through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.; and
6. That adequate arrangement shall be made to collect all Applications Supported by Blocked Amount while finalizing the Basis of Allotment.
7. If our Company does not proceed with the Issue after the Bid/Issue Opening Date but before allotment, then the reason thereof shall be given as a public notice to be issued by our Company within two days of the Bid/Issue Closing Date. The public notice shall be issued in the same newspapers where the Pre-Issue advertisements were published. The stock exchanges on which the Equity Shares are proposed to be listed shall also be informed promptly;
8. If our Company withdraw the Issue after the Bid/Issue Closing Date, our Company shall be required to file a fresh Draft Red Herring Prospectus with the RoC/SEBI, in the event our Company subsequently decides to proceed with the Issue;
9. Allotment is not made within the prescribed time period under applicable law, the entire subscription amount received will be refunded/unblocked within the time prescribed under applicable law. If there is delay beyond the prescribed time, our Company shall pay interest prescribed under the Companies Act, 2013, the SEBI Regulations and applicable law for the delayed period.

Utilization of the Issue Proceeds

The Board of Directors of our Company certifies that:

1. all monies received out of the issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.
6. The BRLM undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

Equity Shares in Dematerialised Form with NSDL or CDSL

To enable all shareholders of our Company to have their shareholding in electronic form, our Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- a. Agreement dated [●] among NSDL, the Company and the Registrar to the Issue;
- b. Agreement dated [●] among CDSL, the Company and the Registrar to the Issue.

Our Company's shares bear ISIN No. [●].

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public Issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of 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 should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders should rely on their own examination of the Issue and the Issuer, and should carefully read the Draft Red Herring Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken through the Book-Building process as well as to the Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Bidders/ Applicants in IPOs and FPOs, on the processes and procedures governing IPOs and FPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (the "**SEBI (ICDR) Regulations**").

Bidders/ Applicants should note that investment in equity and equity related securities involves risk and Bidder/ Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/ or for subscribing to securities in an Issue and the relevant information about the Issue undertaking the Issue are set out in the Red Herring Prospectus ("RHP")/ Prospectus filed by the Issue with the Registrar of Companies ("**RoC**"). Bidders/ Applicants should carefully read the entire RHP/ Prospectus and the Bid-cum-Application Form/ Application Form and the Abridged Prospectus of the Issue in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the RHP/ Prospectus, the disclosures in the RHP/ Prospectus shall prevail. The RHP/ Prospectus of the Issue is available on the websites of stock exchanges, on the website(s) of the BRLMS to the Issue and on the website of Securities and Exchange Board of India ("**SEBI**") at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Bidders/ Applicants may refer to "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs ON NSE EMERGE (SME PLATFORM)

2.1 Initial public Issue (IPO)

An IPO means an Issue of specified securities by an unlisted Issue to the public for subscription and may include an Issue for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issue.

For undertaking an IPO, an Issue is *inter alia* required to comply with the eligibility requirements in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI (ICDR) Regulations. For details of compliance with the eligibility requirements by the Issue Bidders/ Applicants may refer to the RHP/ Prospectus.

2.2 Further public Issue (FPO)

An FPO means an Issue of specified securities by a listed Issue to the public for subscription and may include an Issue for Sale of specified securities to the public by any existing holder of such securities in a listed Issue.

For undertaking an FPO, the Issue is *inter alia* required to comply with the eligibility requirements in terms of Regulation 26/ 27 of the SEBI (ICDR) Regulations. For details of compliance with the eligibility requirements by

the Issue Bidders/ Applicants may refer to the RHP/ Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post- issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue is being made under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulations.

2.3 Other Eligibility Requirements

In addition to the eligibility requirements specified in paragraphs 2.1, an issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI (ICDR) Regulations, the Companies Act, 1956 and the Companies Act, 2013 (the "*Companies Act*"), The Securities Contracts (Regulation) Rules, 1957 (the "*SCRR*"), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (2) of Chapter XB of SEBI (ICDR) Regulation:

- (a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, issue has to be 100% underwritten and the BRLMS has to underwrite at least 15% of the total issue size.
- (b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 40 of the Companies Act, 2013.
- (c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issue any observations on the Offer Document. The BRLM shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.
- (d) In accordance with Regulation 106(V) of the SEBI (ICDR) Regulations, the BRLMS has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the issue.
- (e) The company should have track record of atleast 3 years
- (f) The company should have positive cash accruals (earnings before depreciation and tax) from operations for atleast 2 financial years preceding the application and its net-worth should be positive
- (g) The post issue paid up capital of the company (face value) shall not be more than Rs. 25 crore.
- (h) The issuer shall mandatorily facilitate trading in demat securities.
- (i) The issuer should not been referred to Board for Industrial and Financial Reconstruction.
- (j) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company
- (k) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the issuer
- (l) The Company should have a website. Issuer shall also comply with all the other requirements as laid down for such an Issue under Chapter XB of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to this issue.

Thus, our Company is eligible for the issue in accordance with regulation 106M (2) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital exceeds Rs.1,000 lakhs but does not exceed Rs.2,500 lakhs. Company also complies with the eligibility conditions laid by the EMERGE Platform of NSE for listing of our Equity Shares.

2.4 Types of Public Issues – Fixed Price Issues and Book Built Issues

In accordance with the provisions of the SEBI (ICDR) Regulations, an Issue can either determine the Issue Price through the Book Building Process ("**Book Built Issue**") or undertake a Fixed Price Issue ("**Fixed Price Issue**"). An Issue may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Draft Red Herring Prospectus (in case of a Fixed Price Issue) and determine the price at a later date before registering the Prospectus with the RoC.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issue shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five (5) Working Days before the Bid/ Issue Opening Date, in case of an IPO and at least one (1) Working Day before the Bid/ Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Bidders/ Applicants should refer to the RHP/ Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.5 Issue Period

The Issue may be kept open for a minimum of three (3) Working Days (for all category of Bidders/ Applicants) and not more than ten (10) Working Days. Bidders/ Applicants are advised to refer to the Bid-cum-Application Form and Abridged Prospectus or RHP/ Prospectus for details of the Bid/ Issue Period. Details of Bid/ Issue Period are also available on the website of Stock Exchange(s).

2.6 Migration to Main Board

(a) SME Issuer may migrate to the Main Board of SE from the SME Exchange at a later date subject to the following: Paid up Capital of the Company is likely to increase above Rs.25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

(b) If the Paid up Capital of the company is more than 10 crores but below Rs.25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.7 Flowchart of Timelines

A flow chart of process flow in Fixed Price and Book Built Issues is as follows:



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, FII's, FPIs and FVCIs may not be allowed to Bid/ Apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Bidders/ Applicants are requested to refer to the RHP/ Prospectus for more details.

Subject to the above, an illustrative list of Bidders/ Applicants is as follows:

- Indian national's 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 and corporate bodies registered under applicable law in India and authorised to invest in equity shares;
- QIBs;
- NRIs on a repatriation basis or on a non-repatriation basis subject to applicable law;
- Indian financial institutions, regional rural banks, co-operative banks (subject to RBI regulations and the SEBI (ICDR) Regulations and other laws, as applicable);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or foreign individual, bidding under the QIBs category;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- FPIs other than Category III foreign portfolio investors bidding under the QIBs category;
- FPIs which are Category III foreign portfolio investors, bidding under the NIIs category;
- Trusts/ societies registered under the Societies Registration Act, 1860, or under any other law relating to trusts/ societies and who are authorised under their respective constitutions to hold and invest in equity shares;
- Limited liability partnerships registered under the Limited Liability Partnership Act, 2008; and
- Any other person eligible to Bid/ Apply in the Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws.

As per the existing regulations, OCBs are not allowed to participate in an Issue.

SECTION 4: APPLYING IN THE ISSUE

Book Built Issue: 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 Issue. Electronic Bid-cum-Application Forms will be available on the websites of the Stock Exchanges at least one (1) day prior to the Bid/ Issue Opening Date. For further details regarding availability of Bid-cum-Application Forms, Bidders may refer to the RHP/ Prospectus.

Fixed Price Issue: Applicants should only use the specified Bid-cum-Application Form either bearing the stamp of Collection Bank(s) or SCSBs as available or downloaded from the websites of the Stock Exchanges. Bid-cum-Application Forms are available with the branches of Collection Banks or Designated Branches of the SCSBs and at the registered office of the Issue. For further details regarding availability of Bid-cum-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	Colour of Bid-cum-Application Form *
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FIIs, FPIs, QFIs or FVCIs, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue

* Excluding electronic Bid-cum-Application Form

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Bidders/ Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE BID-CUM-APPLICATION FORM/APPLICATION FORM

Bidders may note that forms not filled completely or correctly as per instructions provided in this GID, the DRHP



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:

R- Bid-cum-Application Form

COMMON BID CUM APPLICATION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R Address : Contact Details: CIN No	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIB, AND ELIGIBLE NRI, APPLYING ON A NON-REPATRIATION BASIS																											
LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	Bid cum Application Form No. _____ BOOK BUILT ISSUE ISIN :																											
<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:30%;">SYNDICATE MEMBER'S STAMP & CODE</td> <td style="width:30%;">BROKER/SCSB/DP/RTA STAMP & CODE</td> <td rowspan="3"> 1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr / Ms _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____ </td> </tr> <tr> <td>SUB-BROKER'S / SUB-AGENT'S STAMP & CODE</td> <td>ESCROW BANK/SCSB BRANCH STAMP & CODE</td> </tr> <tr> <td>BANK BRANCH SERIAL NO.</td> <td>SCSB SERIAL NO.</td> </tr> </table>		SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER Mr / Ms _____ Address _____ Email _____ Tel. No (with STD code) / Mobile _____	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	2. PAN OF SOLE / FIRST BIDDER _____																				
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BANK BRANCH SERIAL NO.	SCSB SERIAL NO.																												
3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL		6. INVESTOR STATUS <input type="checkbox"/> Individual(s) - IND <input type="checkbox"/> Hindu Undivided Family* - HUF <input type="checkbox"/> Bodies Corporate - CO <input type="checkbox"/> Banks & Financial Institutions - FI <input type="checkbox"/> Mutual Funds - MF <input type="checkbox"/> Non-Resident Indians - NRI (Non-Repatriation basis) <input type="checkbox"/> National Investment Fund - NIF <input type="checkbox"/> Insurance Companies - IC <input type="checkbox"/> Venture Capital Funds - VCF <input type="checkbox"/> Alternative Investment Funds - AIF <input type="checkbox"/> Others (Please specify) - OTH <small>* HUF should apply only through Karta (Application by HUF would be treated on par with Individual)</small>																											
4. BID OPTIONS (ONLY RETAIL INDIVIDUAL BIDDERS CAN BID AT "CUT-OFF")		5. CATEGORY <input type="checkbox"/> Retail Individual Bidder <input type="checkbox"/> Non-Institutional Bidder <input type="checkbox"/> QIB																											
<table border="1" style="width:100%; border-collapse: collapse;"> <thead> <tr> <th rowspan="2">Bid Options</th> <th rowspan="2">No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small></th> <th colspan="3">Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)</th> <th rowspan="2">"Cut-off" (Please tick)</th> </tr> <tr> <th>Bid Price</th> <th>Retail Discount</th> <th>Net Price</th> </tr> </thead> <tbody> <tr> <td>Option 1</td> <td>8 7 6 5 4 3 2 1</td> <td>3 2 1</td> <td>3 2 1</td> <td>3 2 1</td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 2</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> <tr> <td>(OR) Option 3</td> <td></td> <td></td> <td></td> <td></td> <td><input type="checkbox"/></td> </tr> </tbody> </table>		Bid Options	No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small>	Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)			"Cut-off" (Please tick)	Bid Price	Retail Discount	Net Price	Option 1	8 7 6 5 4 3 2 1	3 2 1	3 2 1	3 2 1	<input type="checkbox"/>	(OR) Option 2					<input type="checkbox"/>	(OR) Option 3					<input type="checkbox"/>	7. PAYMENT DETAILS <input type="checkbox"/> FULL PAYMENT <input type="checkbox"/> PART PAYMENT
Bid Options	No. of Equity Shares Bid (In Figures) <small>(Bids must be in multiples of Bid Lot as advertised)</small>			Price per Equity Share (₹) / "Cut-off" (Price in multiples of ₹ 1/- only) (In Figures)				"Cut-off" (Please tick)																					
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(OR) Option 3					<input type="checkbox"/>																								
Amount paid (₹ in figures) _____ (₹ in words) _____		ASBA Bank A/c No. _____ Bank Name & Branch _____																											
I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID CUM APPLICATION FORM AND THE ATTACHED BROCHURE PROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES (GII) 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 FILING UP THE BID CUM APPLICATION FORM GIVEN OVERLEAF.																													
8A. SIGNATURE OF SOLE/ FIRST BIDDER _____ Date : _____	8B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS) I/We authorize the SCSB to do all acts as are necessary to make the Application in the bid. _____ _____ _____	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange system)																											
TEAR HERE																													
LOGO	XYZ LIMITED INITIAL PUBLIC ISSUE - R	Acknowledgement Slip for Broker/SCSB/DP/RTA Bid cum Application Form No. _____ PAN of Sole / First Bidder _____																											
DPID / CLID _____	Amount paid (₹ in figures) _____ Bank & Branch _____ ASBA Bank A/c No. _____	Stamp & Signature of SCSB Branch																											
Received from Mr./Ms. _____ Telephone / Mobile _____ Email _____	TEAR HERE																												
XYZ LIMITED - INITIAL PUBLIC ISSUE - R	<table border="1" style="width:100%; border-collapse: collapse;"> <tr> <td style="width:20%;">No. of Equity Shares</td> <td style="width:10%;">Option 1</td> <td style="width:10%;">Option 2</td> <td style="width:10%;">Option 3</td> <td rowspan="3">Stamp & Signature of Broker / SCSB / DP / RTA</td> <td rowspan="3">Name of Sole / First Bidder _____</td> </tr> <tr> <td>Bid Price</td> <td></td> <td></td> <td></td> </tr> <tr> <td>Amount Paid (₹)</td> <td></td> <td></td> <td></td> </tr> </table>	No. of Equity Shares	Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder _____	Bid Price				Amount Paid (₹)				Acknowledgement Slip for Bidder													
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Amount Paid (₹)																													
ASBA Bank A/c No. _____ Bank & Branch _____	Bid cum Application Form No. _____																												

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST BIDDER/ APPLICANT

- (a) Bidders/Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.
- (b) **Mandatory Fields:** Bidders/ Applicants should note that the name and address fields are compulsory and e-mail and/ or telephone number/mobile number fields are optional. Bidders/ Applicants should note that the contact details mentioned in the Bid-cum-Application Form/ Application Form may be used to dispatch communications (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 Issue, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.
- (c) **Joint Bids/ Applications:** In the case of joint Bids/ applications, the Bids/ applications should be made in the name of the Bidder/ Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Bidder/ Applicant would be required in the Bid-cum-Application Form/ Application Form and such first Bidder/ Applicant would be deemed to have signed on behalf of the joint holders. 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, 2013 which is reproduced below:

"Any person who:

- (a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or*
- (b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or*
- (c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,*
shall be liable for action under Section 447."

The liability prescribed under Section 447 of the Companies Act, 2013 includes imprisonment for a term which shall not be less than six (6) months extending up to ten (10) years (provided that where the fraud involves public interest, such term shall not be less than three (3) years) and fine of an amount not less than the amount involved in the fraud, extending up to three (3) times of such amount.

- (e) **Nomination Facility to Bidder/ Applicant:** Nomination facility is available in accordance with the provisions of Section 72 of the Companies Act, 2013. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Bidders/ Applicants should inform their respective 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 Registration (GIR) 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 authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Bidder/ Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for 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 Issue. Please note that refunds on account of our Company not receiving the minimum subscription of 90% of the Issue, 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 DRHP by the Issuer. The Issuer is required to announce the Floor Price or Price Band, minimum Bid Lot and Discount (if applicable) by way of an advertisement in at least one English, one Hindi and one regional newspaper, with wide circulation, at least five Working Days before Bid/Issue Opening Date in case of an IPO, and at least one Working Day before Bid/Issue Opening Date in case of an FPO.
- (b) The Bidders may Bid at or above Floor Price or within the Price Band for IPOs undertaken through the Book Building Process. Cut-Off Price: Retail Individual Investors or Employees or Retail Individual Shareholders can Bid at the Cut off Price indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process. Bidding at the Cut-off Price is prohibited for QIBs and NIIs and such Bids from QIBs and NIIs may be rejected.
- (c) Minimum Bid Value and Bid Lot: The Issuer in consultation with the BRLMS may decide the minimum number of Equity Shares for each Bid to ensure that the minimum Bid value is within the range of above Rs.1,00,000. The minimum Bid Lot is accordingly determined by an Issuer on basis of such minimum Bid value.

- (d) 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 Draft Red Herring Prospectus or the advertisement regarding the Price Band published by the Issuer.

4.1.4.1 Maximum and Minimum Bid Size

(a) For Retail Individual Bidder

The Bid must be for a minimum of [●] Equity Shares. As the Bid Price payable by the Retail Individual Bidders cannot exceed Rs.2,00,000, they can make Bid for only minimum size i.e. for [●] Equity Shares.

(b) For Other Bidders (Non-Institutional Bidders and QIBs):

- i. The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs.200,000 and in multiples of [●] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB cannot withdraw its Bid after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Bid. In case of revision in Bids, the Non Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs.2,00,000 for being considered for allocation in the Non Institutional Portion. Bidders are advised to ensure that any single Bid-cum-Application from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in the RHP/Prospectus.
- ii. In case the Bid Amount reduces to Rs.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.
- iii. The price and quantity options submitted by the Bidder in the Bid-cum-Application Form may be treated as optional bids from the Bidder and may not be cumulated. After determination of the Issue Price, the number of Equity Shares Bid for by a Bidder at or above the Issue Price may be considered for allotment and the rest of the Bid(s), irrespective of the Bid Amount may automatically become invalid. This is not applicable in case of FPOs undertaken through Alternate Book Building Process.

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 Issue to detect multiple Bids:
 - i. All Bids may be checked for common PAN as per the records of the Depository. For Bidders other than Mutual Funds 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. Bids by Reserved Categories Bidding in their respective Reservation Portion as well as bids made by them in the Issue portion in public category.

- ii. Separate Bids by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Bids clearly indicate the scheme for which the Bid has been made.
- iii. Bids by Mutual Funds, and sub-accounts of FIIs (or FIIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF BIDDERS

- (a) The categories of Bidders identified as per the SEBI (ICDR) Regulations, 2009 for the purpose of Bidding, allocation and allotment in the Issue are RIIs, NIIs and QIBs.
- (b) An Issuer can make reservation for certain categories of Bidders as permitted under the SEBI (ICDR) Regulations, 2009. For details of any reservations made in the Issue, Bidders may refer to the RHP.
- (c) The SEBI (ICDR) Regulations, 2009, specify the allocation or allotment that may be made to various categories of Bidders in an Issue depending upon compliance with the eligibility conditions. Details pertaining to allocation are disclosed on reverse side of the Revision Form. For Issue specific details in relation to allocation Bidder may refer to the DRHP.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

- (a) Each Bidder should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.
- (b) Certain categories of Bidder, such as NRIs, FPIs and FVCIs may not be allowed to Bid/apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Bidders are requested to refer to the Draft Red Herring Prospectus for more details.
- (c) Bidders 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 should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

- (a) The full Bid Amount (net of any Discount, as applicable) shall be blocked in the ASBA Account based on the authorisation provided in the ASBA Form. If discount is applicable in the Issue, the RIIs should indicate the full Bid Amount in the Bid-cum-Application Form and the funds shall be blocked for the Bid Amount net of Discount. Only in cases where the DRHP 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) Bid Amount cannot be paid in cash, through money order or through postal order or through stock invest.
- (c) Bidders who Bid at Cut-off Price shall DEPOSIT the Bid Amount based on the Cap Price.
- (d) All Bidders can participate in the Issue only through the ASBA mechanism.
- (e) Please note that, providing bank account details in the space provided in the Bid-cum-Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

4.1.7.1 Payment instructions for Bidders

- a) Bidders may submit the ASBA Form either
 - i. in electronic mode through the internet banking facility offered by an SCSB authorizing blocking of funds that are available in the ASBA account specified in the Bid-cum-Application Form, or
 - ii. in physical mode to any Designated Intermediary.
- b) Bidders must specify the Bank Account number in the Bid-cum-Application Form. The Bid-cum-Application Form submitted by Bidder and which is accompanied by cash, demand draft, money order, postal order or any mode of payment other than blocked amounts in the ASBA Account maintained with an SCSB, will not be accepted.
- c) Bidders should ensure that the Bid-cum-Application Form is also signed by the ASBA Account holder(s) if

- the Bidder is not the ASBA Account holder.
- d) Bidders shall note that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
 - e) From one ASBA Account, a maximum of five Bid-cum-Application Forms can be submitted.
 - f) Bidders should submit the Bid-cum-Application Form only at the Bidding Centre i.e to the respective member of the Syndicate at the Specified Locations, the SCSBs, the Registered Broker at the Broker Centres, the RTA at the Designated RTA Locations or CDP at the Designated CDP Locations
 - g) Bidders bidding through a Designated Intermediary, other than a SCSB, should note that ASBA Forms submitted to such Designated Intermediary may not be accepted, if the SCSB where the ASBA Account, as specified in the Bid-cum-Application Form, is maintained has not named at least one branch at that location for such Designated Intermediary, to deposit ASBA Forms.
 - h) Bidders bidding directly through the SCSBs should ensure that the ASBA Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
 - i) Upon receipt of the ASBA Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the Bid-cum-Application Form.
 - j) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Bid Amount mentioned in the ASBA Form and for application directly submitted to SCSB by investor, may enter each Bid option into the electronic bidding system as a separate Bid.
 - k) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not accept such Bids and such bids are liable to be rejected.
 - l) Upon submission of a completed ASBA Form each Bidder may be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount specified in the ASBA Form in the ASBA Account maintained with the SCSBs
 - m) The Bid Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment and consequent transfer of the Bid Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Bid, as the case may be.
 - n) SCSBs bidding in the Issue must apply through an Account maintained with any other SCSB; else their Bids are liable to be rejected.

Unblocking of ASBA Account

- (a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful Bids transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Bid, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Bid, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected Bids, if any, to enable the SCSBs to unblock the respective bank accounts.
- (b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful Bidder to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
- (c) In the event of withdrawal or rejection of the ASBA Form and for unsuccessful Bids, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six (6) Working Days of the Bid/Issue Closing Date.
- (d) In the event of withdrawal or rejection of the Bid-cum-Application Form and for unsuccessful Bidders, the Registrar to the Issue may give instructions to the SCSB to unblock the Bid Amount in the relevant ASBA Account within six (6) Working Days of the Bid/Issue Closing Date.

4.1.7.2 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 Issue, Bidders may refer to the RHP/Prospectus.

- (c) The Bidders entitled to the applicable Discount in the Issue 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 Bids for allocation under Non-Institutional Category. These Bids are neither eligible for Discount nor fall under RII category.

4.1.7.3 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds 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.

4.1.8 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

- (a) Only the First Bidder is required to sign the Bid-cum-Application Form. Bidders should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
- (b) If the ASBA Account is held by a person or persons other than the Bidder., then the Signature of the ASBA Account holder(s) is also required.
- (c) In relation to the Bids, signature has to be correctly affixed in the authorization/undertaking box in the Bid-cum-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.
- (d) Bidders must note that Bid-cum-Application Form without signature of Bidder and /or ASBA Account holder is liable to be rejected.

4.1.9 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

- (a) Bidders should ensure that they receive the acknowledgment duly signed and stamped by Bid Collecting Intermediary or SCSB, as applicable, for submission of the Bid-cum-Application Form.
- (b) All communications in connection with Bid made in the Issue should be addressed as under:
- i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, the Bidders should contact the Registrar to the Issue.
 - ii. In case of ASBA Bids submitted to the Designated Branches of the SCSBs, the Bidders should contact the relevant Designated Branch of the SCSB.
 - iii. Bidders may contact the Company Secretary and Compliance Officer or BRLMS in case of any other complaints in relation to the Issue.
 - iv. In case of queries relating to uploading of Bids by a Syndicate Member, the Bidders should contact the relevant Syndicate Member.
 - v. In case of queries relating to uploading of Bids by a Registered Broker, the Bidders should contact the relevant Registered Broker
 - vi. In case of Bids submitted to the RTA, the Bidders should contact the relevant RTA.
 - vii. In case of Bids submitted to the DP, the Bidders should contact the relevant DP.
- (c) The following details (as applicable) should be quoted while making any queries:
- i. Full name of the sole or First Bidder, Bid-cum-Application Form number, Bidder' DP ID, Client ID, PAN, number of Equity Shares applied for, amount paid on Bid.
 - ii. name and address of the Designated Intermediary, where the Bid was submitted; or

For further details, Bidder may refer to the Draft Red Herring Prospectus and the Bid-cum-Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

- (a) During the Bid/Issue Period, any Bidder (other than QIBs and NIIs, who can only revise their Bid amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
- (b) RII may revise / withdraw their Bid till closure of the Bid/Issue period.
- (c) Revisions can be made only in the desired number of Equity Shares by using the Revision Form.
- (d) The Bidder can make this revision any number of times during the Bid/Issue Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the SCSB through which such Bidder had placed the original Bid.

A sample Revision form is reproduced below:

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:

Revision Form – R

COMMON BID REVISION FORM	XYZ LIMITED - INITIAL PUBLIC ISSUE - R	FOR RESIDENT INDIANS, INCLUDING RESIDENT QIBs, AND ELIGIBLE NRIs APPLYING ON A NON-REPATRIATION BASIS
	Address : Contact Details : CIN No :	

LOGO	TO, THE BOARD OF DIRECTORS XYZ LIMITED	<input type="checkbox"/> BOOK BUILT ISSUE <input type="checkbox"/> ISIN :	Bid cum Application Form No.
------	--	--	--

SYNDICATE MEMBER'S STAMP & CODE	BROKER/SCSB/DP/RTA STAMP & CODE	1. NAME & CONTACT DETAILS OF SOLE / FIRST BIDDER
		Mr / Ms. _____ Address _____ Tel. No (with STD code) / Mobile _____ Email _____
SUB-BROKER'S / SUB-AGENT'S STAMP & CODE	ESCROW BANK/SCSB BRANCH STAMP & CODE	2. PAN OF SOLE / FIRST BIDDER

BANK BRANCH SERIAL NO.	SCSB SERIAL NO.	3. BIDDER'S DEPOSITORY ACCOUNT DETAILS <input type="checkbox"/> NSDL <input type="checkbox"/> CDSL
		For NSDL, enter 8 digit OP ID followed by 3 digit Client ID / For CDSL, enter 15 digit Client ID

PLEASE CHANGE MY BID

4. FROM (AS PER LAST BID OR REVISION)															
Bid Options	No. of Equity Share: Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)				
	(In Figures)										(In Figures)				
	8	7	6	5	4	3	2	1	3	2	1	3	2	1	"Cut-off" (Please tick)
Option 1															<input type="checkbox"/>
(OR) Option 2															<input type="checkbox"/>
(OR) Option 3															<input type="checkbox"/>

5. TO (Revised Bid) (Only Retail Individual Bidders can Bid at "Cut-off")															
Bid Options	No. of Equity Share: Bid (Bids must be in multiples of Bid Lot as advertised)										Price per Equity Share (₹) "Cut-off" (Price in multiples of ₹ 1/- only)				
	(In Figures)										(In Figures)				
	8	7	6	5	4	3	2	1	3	2	1	3	2	1	"Cut-off" (Please tick)
Option 1															<input type="checkbox"/>
(OR) Option 2															<input type="checkbox"/>
(OR) Option 3															<input type="checkbox"/>

6. PAYMENT DETAILS												
Additional Amount Paid (₹ in figures)										PAYMENT OPTION : FULL PAYMENT <input type="checkbox"/> PART PAYMENT <input type="checkbox"/>		
										(₹ in words)		
ASBA Bank A/c No. _____												
Bank Name & Branch _____												

I/WE ON BEHALF OF JOINT APPLICANTS, IF ANY, HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS BID REVISION FORM AND THE ATTACHED APROSPECTUS AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES ("GID") AND HEREBY AGREE AND CONFIRM THE "BIDDER'S UNDERSTANDING ASSIGNMENT OVERLEAF" I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE BID REVISION FORM CAREFULLY.

7A. SIGNATURE OF SOLE / FIRST BIDDER	7B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(S) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Bid in Stock Exchange systems)
	I/We authorize the SCSB to do all acts as are necessary to make the Application in the line	
Date : _____	1) _____ 2) _____ 3) _____	

TEAR HERE

LOGO	XYZ LIMITED	Acknowledgement Slip for Broker/SCSB/DP/RTA	Bid cum Application Form No.
	BID REVISION FORM - INITIAL PUBLIC ISSUE - R		

DPID / CLID	PAN of Sole / First Bidder	
Additional Amount Paid (₹)	Bank & Branch	Stamp & Signature of SCSB Branch
ASBA Bank A/c No.		
Received from Mr./Ms.		
Telephone / Mobile	Email	

TEAR HERE

XYZ LIMITED - BID REVISION FORM - INITIAL PUBLIC ISSUE - R		Option 1	Option 2	Option 3	Stamp & Signature of Broker / SCSB / DP / RTA	Name of Sole / First Bidder
	No. of Equity Shares					
	Bid Price					
	Additional Amount Paid (₹)					
	ASBA Bank A/c No.					
Bank & Branch						
					Acknowledgement Slip for Bidder	
						Bid cum Application Form No.

TEAR HERE

Instructions to fill each field of the Revision Form can be found on the reverse side of the Revision Form. Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST BIDDER, PAN OF SOLE/FIRST BIDDER & DEPOSITORY ACCOUNT DETAILS OF THE BIDDER

Bidders should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: BID OPTIONS REVISION ‘FROM’ AND ‘TO’

- (a) Apart from mentioning the revised number of shares in the Revision Form, the Bidder must also mention the details of shares applied/bid for given in his or her Bid-cum-Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid-cum-Application Form and such Bidder is changing only one of the options in the Revision Form, the Bidder must still fill the details of the other two options that are not being revised, in the Revision Form. The 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 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 should ensure that the Bid Amount, subsequent to revision, does not exceed Rs. 200,000. In case the Bid Amount exceeds Rs. 200,000 due to revision of the Bid or for any other reason, the Bid may be considered, subject to eligibility, for allocation under the Non-Institutional Category, not being eligible for Discount (if applicable) and such Bid may be rejected if it is at the Cut-off Price. The Cut-off Price option is given only to the RIIs, Employees and Retail Individual Shareholders indicating their agreement to Bid for and purchase the Equity Shares at the Issue Price as determined at the end of the Book Building Process.
- (d) In case the total amount (i.e., original Bid Amount plus additional payment) exceeds Rs. 200,000, the Bid will be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the RII does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that no additional payment would be required from the RII and the RII is deemed to have approved such revised Bid at Cut-off Price.
- (e) In case of a downward revision in the Price Band, RIIs and Bids by Employees under the Reservation Portion, who have bid at the Cut-off Price could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked in case of Bidders.

4.2.3 FIELD 6: PAYMENT DETAILS

- a) All Bidders are required to make payment of the full Bid Amount (less Discount, if applicable) along with the Bid Revision Form. In case of Bidders specifying more than one Bid Option in the Bid-cum-Application Form, the total Bid Amount may be calculated for the highest of three options at net price, i.e. Bid price less discount offered, if any.
- b) Bidder may Issue instructions to block the revised amount based on cap of the revised Price Band (adjusted for the Discount (if applicable) in the ASBA Account, to the same Designated Intermediary through whom such Bidder had placed the original Bid to enable the relevant SCSB to block the additional Bid Amount, if any.
- c) In case the total amount (i.e., original Bid Amount less discount (if applicable) plus additional payment) exceeds Rs. 200,000, the Bid may be considered for allocation under the Non-Institutional Category in terms of the DRHP. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to revision, the number of Equity Shares Bid

- for may be adjusted downwards for the purpose of Allotment, such that additional amount is required blocked and the Bidder is deemed to have approved such revised Bid at the Cut-off Price.
- d) In case of a downward revision in the Price Band, RIIs, Employees and Retail Individual Shareholders, who have bid at the Cut-off Price, could either revise their Bid or the excess amount paid at the time of Bidding may be unblocked.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Bidders may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ BID-CUM-APPLICATION FORM /APPLICATION FORM

4.3.1 Bidders may submit completed Bid-cum -application form / Revision Form in the following manner:

Mode of Bid	Submission of Bid-cum-Application Form
All investors Bids	To the Bid-cum-Application Collecting Intermediaries as mentioned in the Draft Red Herring Prospectus/ Bid-cum-Application Form
Bidders should submit the Revision Form to the same Designated Intermediary through which such Bidders had placed the original Bid.	

SECTION 5: INSTRUCTIONS FOR FILING APPLICATION FORM IN ISSUES MADE OTHER THAN THROUGH THE BOOK BUILDING PROCESS (FIXED PRICE ISSUE)

This being book-built issue procedure for fixed price issue is not applicable.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

Book Building, in the context of the Issue, refers to the process of collection of Bids within the Price Band or above the Floor Price and determining the Issue Price based on the Bids received as detailed in Schedule XI of SEBI (ICDR) Regulations, 2009. The Issue Price is finalised after the Bid/Issue Closing Date. Valid Bids received at or above the Issue Price are considered for allocation in the Issue, subject to applicable regulations and other terms and conditions.

6.1 SUBMISSION OF BIDS

- During the Bid/Issue Period, Bidders may approach any of the Designated Intermediaries to register their Bids. Anchor Investors who are interested in subscribing for the Equity Shares should approach the BRLMS, to register their Bid.
- In case of Bidders (excluding NIIs and QIBs) Bidding at Cut-off Price, the Bidders may instruct the SCSBs to block Bid Amount based on the Cap Price less Discount (if applicable).
- For Details of the timing on acceptance and upload of Bids in the Stock Exchanges Platform Bidders are requested to refer to the DRHP.

6.2 ELECTRONIC REGISTRATION OF BIDS

- The Designated Intermediary may register the Bids using the on-line facilities of the Stock Exchanges. The Designated Intermediaries can also set up facilities for off-line electronic registration of Bids, subject to the condition that they may subsequently upload the off-line data file into the on-line facilities for Book Building on a regular basis before the closure of the issue.
- On the Bid/Issue Closing Date, the Designated Intermediaries may upload the Bids till such time as may be permitted by the Stock Exchanges.
- Only Bids that are uploaded on the Stock Exchanges Platform are considered for allocation/Allotment. The Designated Intermediaries are given till 1:00 pm on the day following the Bid/Issue Closing Date to modify select fields uploaded in the Stock Exchange Platform during the Bid/Issue Period after which the Stock Exchange(s) send the bid information to the Registrar to the Issue for further processing.

6.3 BUILD UP OF THE BOOK

- a) Bids received from various Bidders through the Designated Intermediaries may be electronically uploaded on the Bidding Platform of the Stock Exchanges' on a regular basis. The book gets built up at various price levels. This information may be available with the BRLMSs at the end of the Bid/Issue Period.
- b) Based on the aggregate demand and price for Bids registered on the Stock Exchanges Platform, a graphical representation of consolidated demand and price as available on the websites of the Stock Exchanges may be made available at the Bidding centres during the Bid/Issue Period.

6.4 WITHDRAWAL OF BIDS

- a) RIIs can withdraw their Bids until Bid/Issue Closing Date. In case a RII wishes to withdraw the Bid during the Bid/Issue Period, the same can be done by submitting a request for the same to the concerned Designated Intermediary who shall do the requisite, including unblocking of the funds by the SCSB in the ASBA Account.
- b) The Registrar to the Issue shall give instruction to the SCSB for unblocking the ASBA Account on the Designated Date. QIBs and NIIs can neither withdraw nor lower the size of their Bids at any stage.

6.5 REJECTION & RESPONSIBILITY FOR UPLOAD OF BIDS

- a) The Designated Intermediaries are individually responsible for the acts, mistakes or errors or omission in relation to:
 - i. the Bids accepted by the Designated Intermediaries;
 - ii. the Bids uploaded by the Designated Intermediaries, and
 - iii. the Bid-cum-Application forms accepted but not uploaded by the Designated Intermediaries.
- 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) BRLMS and their affiliate Syndicate Members (only in the Specified Locations) have the right to reject bids. However, such rejection shall be made at the time of receiving the Bid and only after assigning a reason for such rejection in writing.
- e) All bids by QIBs, NIIs & RIIs Bids can be rejected on technical grounds listed herein.

GROUPS OF REJECTIONS

Bidders are advised to note that Bids are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid-cum-Application Form;
- Bids at a price less than the Floor Price and Bids at a price more than the Cap Price;
- GIR number furnished instead of PAN;
- Bid for lower number of Equity Shares than specified for that category of investors;
- Bids at Cut-off Price by NIIs and QIBs;
- Submission of more than five Bid-cum-Application Forms/Application Form as through a single ASBA Account
- Bids for number of Equity Shares which are not in multiples Equity Shares which are not in multiples as specified in the DRHP;
- 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;
- Bids for lower number of Equity Shares than the minimum specified for that category of investors;
 - Category not ticked;
 - Multiple Bids as defined in the DRHP;
 - In case of Bids under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
 - Bid accompanied by Stock invest/ money order/ postal order/ cash/ cheque/ demand draft/ pay order;
 - Signature of sole Bidder is missing;
 - Bid-cum-Application Forms not delivered by the Bidder within the time prescribed as per the Bid-cum-Application Forms, Bid/Issue Opening Date advertisement and the DRHP and as per the instructions in the DRHP and the Bid-cum-Application Forms;
 - In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
 - Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
 - Bid by OCBs;
 - Bids by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
 - Inadequate funds in the bank account to block the Bid Amount specified in the Bid-cum-Application Form/Application Form at the time of blocking such Bid Amount in the bank account;
 - Bids not uploaded on the terminals of the Stock Exchanges; and
 - Where no confirmation is received from SCSB for blocking of funds
 - Bids by SCSBs wherein a separate account in its own name held with any other SCSB is not mentioned as the ASBA Account in the Bid-cum-Application Form/Application Form. Bids not duly signed by the sole/First Bidder;
 - Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
 - Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
 - Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
 - Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
 - Details of ASBA Account not provided in the Bid-cum-Application form

For details of instructions in relation to the Bid-cum-Application Form, Bidders may refer to the relevant section the GID.

BIDDERS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE BID-CUM-APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE BIDS COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE BID-CUM-APPLICATION FORM IS LIABLE TO BE REJECTED.

BASIS OF ALLOCATION

- a) The SEBI (ICDR) Regulations, 2009 specify the allocation or Allotment that may be made to various categories of Bidders in an Issue depending on compliance with the eligibility conditions. Certain details pertaining to the percentage of Issue size available for allocation to each category is disclosed overleaf of the Bid-cum-Application Form and in the DRHP. For details in relation to allocation, the Bidder may refer to the DRHP.
- b) Under-subscription in any category (except QIB Category) is allowed to be met with spill over from any other category or combination of categories at the discretion of the Issuer and in consultation with the BRLMSs and the Designated Stock Exchange and in accordance with the SEBI (ICDR) Regulations, 2009. Unsubscribed portion in QIB Category is not available for subscription to other categories.

- c) In case of under subscription in the Issue, spill-over to the extent of such under-subscription may be permitted from the Reserved Portion to the Issue. For allocation in the event of an under-subscription applicable to the Issuer, Bidders may refer to the DRHP.
- d) Illustration of the Book Building and Price Discovery Process Bidders should note that this example is solely for illustrative purposes and is not specific to the Issue; it also excludes Bidding by Anchor Investors.

Bidders can bid at any price within the Price Band. For instance, assume a Price Band of Rs.20 to Rs.24 per share, Issue size of 3,000 Equity Shares and receipt of five Bids from Bidders, details of which are shown in the table below. The illustrative book given below shows the demand for the Equity Shares of the Issuer at various prices and is collated from Bids received from various investors.

Bid Quantity	Bid Amount (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the Issuer is able to Issue the desired number of Equity Shares is the price at which the book cuts off, i.e., Rs.22.00 in the above example. The Issuer, in consultation with the BRLMSs, may finalise the Issue Price at or below such Cut-Off Price, i.e., at or below Rs.22.00. All Bids at or above this Issue Price and cut-off Bids are valid Bids and are considered for allocation in the respective categories.

SECTION 6: ISSUE PROCEDURE IN FIXED PRICE ISSUE

This being Book Built Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

The Allotment of Equity Shares to Bidders other than Retail Individual Investors and Anchor Investors may be on proportionate basis. For Basis of Allotment to Anchor Investors, Bidders may refer to the Draft Red Herring Prospectus. No Retail Individual Investor will be Allotted less than the minimum Bid Lot subject to availability of shares in Retail Individual Investor Category and the remaining available shares, if any will be Allotted on a proportionate basis. The Issuer is required to receive a minimum subscription of 90% of the Issue (excluding any Issue for Sale of specified securities). However, in case the Issue is in the nature of Issue for Sale only, then minimum subscription may not be applicable.

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the EMERGE Platform of NSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

- (a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the oversubscription ratio (number of Bidders in the category x number of Shares applied for).
- (b) The number of Shares to be allocated to the successful Bidders will be arrived at on a proportionate basis in marketable lots (i.e. Total number of Shares applied for into the inverse of the over subscription ratio).
- (c) For Bids where the proportionate allotment works out to less than [●] equity shares the allotment will be made as follows:
- Each successful Bidder shall be allotted [●] equity shares; and

- ii. The successful Bidder out of the total bidders for that category shall be determined by the drawl of lots in such a manner that the total number of Shares allotted in that category is equal to the number of Shares worked out as per (b) above.
- (d) If the proportionate allotment to an Bidder works out to a number that is not a multiple of [●] equity shares, the Bidder would be allotted Shares by rounding off to the nearest multiple of [●] equity shares subject to a minimum allotment of [●] equity shares.
- (e) If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Bidders in that category, the balance available Shares or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Bidder in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Bidder applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of [●] Equity Shares, results in the actual allotment being higher than the shares offered, the final allotment may be higher at the sole discretion of the Board of Directors, up to 110% of the size of the Issue specified under the Capital Structure mentioned in this DRHP.
- (f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Bidders as described below:
 - i. As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, The balance net Issue of shares to the public shall be made available for allotment to individual bidders other than retails individual investors and
 - ii. other investors, including corporate bodies/ institutions irrespective of number of shares applied for of the net Issue to any one of the categories specified in a) or b) shall/may be made available for allocation to bidders in the other category, if so required.

'Retail Individual Investor' means an investor who applies for shares of value of not more than Rs.2,00,000. Investors may note that in case of over subscription allotment shall be on proportionate basis and will be finalized in consultation with NSE.

The Executive Director / Managing Director of NSE- the Designated Stock Exchange in addition to BRLMS and Registrar to the Public Issue shall be responsible to ensure that the basis of allotment is finalized in a fair and proper manner in accordance with the SEBI (ICDR) Regulations.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

- (a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.
- (b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. **Bidders are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue.**
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Bidders who have been Allotted Equity Shares in the Issue.
- (c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.
- (d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Bidders Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Bidder depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Public Issue Account on the Designated Date.

SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the Bid/Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Bid/Issue Closing Date.

8.2 GROUND FOR REFUND

8.2.1 NON-RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Bidders in pursuance of the DRHP/Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, 2013 and as disclosed in the DRHP.

8.2.2 NON-RECEIPT OF MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the “stated minimum amount” has not been subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this Issue document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

Within six (6) Working Days of the Bid/Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Bids and also for any excess amount blocked on Bids.

8.3.1 MODE OF MAKING REFUNDS

The Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA Bids or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Bidders or instructions for unblocking of funds in the ASBA Account are not dispatched within the 4 Working days of the Bid/Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 6 days from the Bid/Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Acknowledgement Slip	The slip or document issued by the Designated Intermediary to a Bidder as proof of registration of the Bid.
Allotment/ Allot/ Allotted	Unless the context otherwise requires, allotment of the Equity Shares pursuant to the Issue to the successful Bidders
Allottee(s)	Successful Bidders(s) to whom Equity Shares have been allotted/transferred.
Allotment Advice	Note or advice or intimation of Allotment sent to the successful Bidders who have been or are to be Allotted the Equity Shares after the Basis of Allotment has been approved by the Designated Stock Exchange.
ASBA / Application Supported by Blocked Amount	An application, whether physical or electronic, used by Bidders, to make a Bid authorising an SCSB to block the Bid Amount in the ASBA Account
Application Supported by Blocked Amount Form/ASBA Form	An application from, whether physical or electronic, used by ASBA Bidders/Applicants, which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus.
ASBA Account	An account maintained with an SCSB and specified in the Bid-cum-Application Form submitted by Bidders for blocking the Bid Amount mentioned in the Bid-cum-Application Form
ASBA form	An application form, whether physical or electronic, used by Bidders which will be considered as the application for Allotment in terms of this Draft Red Herring Prospectus.
Banker(s) to the Issue	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Public Issue Account will be opened and in this case being ICICI Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Bidders under the Issue and which is described under section titled "Issue Procedure" beginning on page 179 of this Draft Red Herring Prospectus.
Bid	An indication to make an Issue during the Bid/Issue Period by a Bidder pursuant to submission of the Bid-cum-Application Form, to subscribe to or purchase the Equity Shares at a price within the Price Band, including all revisions and modifications thereto as permitted under the SEBI (ICDR) Regulations in accordance with the Draft Red Herring Prospectus and Bid-cum-Application Form
Bid Amount	The highest value of optional Bids indicated in the Bid-cum-Application Form and in the case of Retail Individual Bidders Bidding at Cut Off Price, the Cap Price multiplied by the number of Equity Shares Bid for by such Retail Individual Bidder and mentioned in the Bid-cum-Application Form and payable by the Retail Individual Bidder or blocked in the ASBA Account upon submission of the Bid in the Issue
Bid/ Issue Closing Date	The date after which the Syndicate, the Designated Branches and the Registered Brokers will not accept any Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation and in case of any revision, the extended

Term	Description
	Bid/Issue Closing Date shall also be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations
Bid/ Issue Opening Date	The date on which the Syndicate, the Designated Branches and the Registered Brokers shall start accepting Bids, which shall be notified in all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation and in case of any revision, each with wide circulation, and in case of any revision, the extended Bid/Issue Opening Date also to be notified on the website and terminals of the Syndicate and SCSBs, as required under the SEBI (ICDR) Regulations.
Bid/ Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date, inclusive of both days, during which Bidders can submit their Bids, including any revisions thereof.
Bid-cum-Application form	The form used by a Bidder, to make a Bid and which will be considered as the application for Allotment in terms of the Draft Red Herring Prospectus
Bidder(s)	Any prospective investor who makes a Bid/Application pursuant to the terms of the DRHP/RHP/Prospectus and the Bid-cum-Application Form. In case of issues undertaken through the fixed price process, all references to a Bidder/Applicants should be construed to mean an Applicant
Bidding	The process of making a Bid.
Bidding Centres	Centres for acceptance of the Bid-cum-Application Forms and Revision Forms which shall include Broker Centres.
Bid Lot	[●]
Book Building Process	Book building process, as provided in Schedule XI of the SEBI (ICDR) Regulations, in terms of which the Issue is being made
Book Running Lead Manager or BRLM	The BRLM to the Issue is Systematix Corporate Services Limited.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Bidders can submit the Bid-cum-Application forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of NSE India Limited.
Business Day	Monday to Saturday (except 2nd & 4th Saturday of a month and public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Bidder indicating the Equity Shares which will be Allotted/ transferred, after approval of Basis of Allotment by the Designated Stock Exchange.
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Collecting Depository Participant or CDPs	A depository participant as defined under the Depositories Act, 1996, registered with SEBI and who is eligible to procure Bids at the Designated CDP Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Cut-off Price	Issue Price, which shall be any price within the Price Band finalised by our Company in consultation with the BRLM. Only Retail Individual Bidders are entitled to Bid at the Cut-off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Controlling Branch/Designated Branch	Such branch of the SCSBs which coordinate Applications under this Issue by the ASBA Applicants with the Registrar to the Issue and the Stock Exchanges and a list of which is available at http://www.sebi.gov.in or at such other website as may be prescribed by SEBI from time to time
Depositories	Depositories registered with SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time, being NSDL and CDSL
Demographic Details	The demographic details of the Bidders such as their address, PAN, occupation and bank

Term	Description
	account details
Designated Branches	Such branches of the SCSBs which may collect the Bid-cum-Application Forms used by Bidders/Applicants (<i>excluding Anchor Investor</i>) and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
Designated CDP Locations	Such locations of the CDPs where Bidders can submit the Bid-cum-Application Forms to Collecting Depository Participants. The details of such Designated CDP Locations, along with names and contact details of the Collecting Depository Participants eligible to accept Bid-cum-Application Forms are available on the website of the Stock Exchanges (www.nseindia.com) and updated from time to time
Designated Date	The date on which the Collection Banks transfer funds from the public issue Accounts, and the SCSBs issue instructions for transfer of funds from the ASBA Accounts, to the Public Issue Account or the Refund Account, as appropriate, in terms of the Red Herring Prospectus following which the Board of Directors may Allot Equity Shares to successful Bidders in the Issue may give delivery instructions for the transfer of the Issued Shares.
Designated Intermediary(ies)	Syndicate, Sub-Syndicate Members/agents, SCSBs, Registered Brokers, CDPs and RTAs, who are authorized to collect ASBA Forms from the Bidders, in relation to the Issue
Designated RTA Locations	Such centres of the RTAs where Bidder can submit the Bud cum Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchange (www.nseindia.com) and updated from time to time
Designated Stock Exchange	National Sock Exchange India Limited
Draft Red Herring Prospectus or DRHP	This Draft Red Herring Prospectus dated February 23, 2018 issued in accordance with the SEBI (ICDR) Regulations, which does not contain complete particulars of the price at which the Equity Shares will be Allotted and the size of the Issue
Employees	Employees of an Issuer as defined under SEBI (ICDR) Regulations and including, in case of a new company, persons in the permanent and full-time employment of the promoting companies excluding the promoters and immediate relatives of the promoters. For further details, Bidder/Applicant may refer to the Draft Red Herring Prospectus.
Equity Shares	Equity Shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
First/sole Bidder	Bidder whose name shall be mentioned in the Bid-cum-Application Form or the Revision Form and in case of joint Bids, whose name shall also appear as the first holder of the beneficiary account held in joint names
FII(s)	Foreign Institutional Investors as defined under the SEBI (Foreign Institutional Investors) Regulations, 1995 and registered with SEBI under applicable laws in India
Floor Price	The lower end of the Price Band, subject to any revision thereto, at or above which the Issue Price will be finalised and below which no Bids will be accepted
FPIs	Foreign Portfolio Investors as defined under the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014
Issue	The initial public offer of upto 30,90,000 Equity Shares of face value of Rs.10 each for cash at a price of Rs.[●] each, aggregating up to Rs.[●]
Issue Agreement	The agreement dated February 21, 2018 between our Company and the BRLM, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issuer/Company	The Issuer i.e. AVG Logistics Limited proposing the initial public offering/further public offering as applicable
Issue Price	The final price at which Equity Shares will be Allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the BRLM on the Pricing Date in accordance with the Book-Building Process and the Red Herring Prospectus
General Information Document/GID	The General Information Document for investing in public issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013, notified

Term	Description
	by SEBI and included in Issue Procedure beginning on page 179 of this Draft Red Herring Prospectus
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the National Stock Exchange of India Limited
Market Making	Systematix Shares & Stocks (India) Limited
Market Making Agreement	Market Making Agreement dated February 21, 2018 between our Company, Book Running Lead Manager and Market Maker.
Market Maker Reservation Portion	The Reserved Portion of 1,54,800 Equity Shares of face value of Rs.10 each fully paid for cash at a price of Rs. [●] per Equity Share aggregating Rs. [●] Lakhs for the Market Maker in this Issue.
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(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
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 DRHP/RHP/Prospectus and Bid-cum-Application Form
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the DRHP/RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less reservation portion
Non-Institutional Investors or NIIs	All Bidders/Applicants, including sub accounts of FIIs registered with SEBI which are foreign corporates or foreign individuals and FPIs which are Category III foreign portfolio investors, that are not QIBs or RIBs and who have Bid for Equity Shares for an amount of more than Rs. 200,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the DRHP/RHP/Prospectus and the Bid-cum-Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes FIIs and FPIs
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
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Price Band	Price band of a minimum price of Rs. [●] per Equity Share (Floor Price) and the maximum price of Rs.[●] per Equity Share (Cap Price) including revisions thereof. The Price Band and the minimum Bid Lot size for the Issue will be decided by our Company in consultation with the BRLM and will be advertised at least five Working Days prior to the Bid/Issue Opening Date, all editions of the English national newspaper [●], all editions of the Hindi national newspaper [●] and in the regional newspaper [●], each with wide circulation
Pricing date	The date on which our Company in consultation with the BRLM, will finalise the Issue Price
Prospectus	The Prospectus to be filed with the RoC on or after the Pricing Date in accordance with Section 26 of the Companies Act, 2013, and the SEBI (ICDR) Regulations containing, inter alia, the Issue Price, the size of the Issue and certain other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited under Section 40 of the Companies Act, 2013 to receive monies from the SCSBs from the bank accounts of

Term	Description
	the bidders on the Designated Date.
Qualified Institutional Buyers or QIBs	Qualified Institutional Buyers as defined under Regulation 2(1)(zd) of the SEBI (ICDR) Regulations, 2009.
Red Herring Prospectus or RHP	The Red Herring Prospectus to be issued in accordance with Section 32 of the Companies Act, 2013, and the provisions of the SEBI (ICDR) Regulations, which will not have complete particulars of the price at which the Equity Shares will be offered and the size of the Issue, including any addenda or corrigenda thereto. The Red Herring Prospectus will be registered with the RoC at least three days before the Bid/Issue Opening Date and will become the Prospectus upon filing with the RoC on or after the Pricing Date
Refund Account(s)	The account opened with the Refund Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding refund to Bidders) shall be made.
Refund Bank(s) / Refund Banker(s)	Bank which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Account will be opened, in this case being ICICI Bank Limited
Refund through electronic transfer of funds	Refunds through NECS, direct credit, RTGS or NEFT, as applicable
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of NSE having right to trade in stocks listed on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Linkintime India Private Limited having registered office at C-101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400083, Maharashtra, India.
Registrar Agreement	The agreement dated February 21, 2018, entered by our Company and the Registrar to the Issue in relation to the responsibilities and obligations of the Registrar to the Issue pertaining to the Issue
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Resident Indian	A person resident in India, as defined under FEMA
Retail Individual Bidder(s)/Retail Individual Investor(s)/RII(s)/RIB(s)	Individual Bidders, or minors applying through their natural guardians, including HUFs (applying through their Karta), who apply for an amount less than or equal to Rs. 2,00,000
Reserved Category / Categories	Categories of persons eligible for making Bids under reservation portion.
Revision Form	Form used by the Bidders, to modify the quantity of the Equity Shares or the Bid Amount in any of their Bid-cum-Application Forms or any previous Revision Form(s)
Reservation Portion	The portion of the Issue reserved for category of eligible Bidders as provided under the SEBI (ICDR) Regulations.
SCSB/ Self Certified Syndicate Banker	shall mean a Banker to an Issue registered under SEBI (Bankers to an Issue) Regulations, 1994, as amended from time to time, and which offer the service of making Bids/Application/s Supported by Blocked Amount including blocking of bank account 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
Specified Locations	Bidding centres where the Syndicate shall accept Bid-cum-Application Forms from Bidders, a list of which is available on the website of SEBI (www.sebi.gov.in) and

Term	Description
	updated from time to time
Stock Exchanges / SE	The stock exchanges as disclosed in the DRHP/RHP/Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Syndicate or Members of the Syndicate	The BRLM and the Syndicate Members
Syndicate Agreement	Agreement dated [●] entered into amongst the BRLM, the Syndicate Members, our Company in relation to the procurement of Bid-cum-Application Forms by Syndicate
Syndicate Members	Intermediaries registered with SEBI who are permitted to carry out activities as an underwriter, namely, Systematix Shares & Stocks (India) Limited.
Underwriters	Systematix Corporate Services Limited
Underwriting Agreement	The agreement dated February 21, 2018 entered into between the Underwriter and our Company
Working Day	shall mean all days, other than second and fourth Saturday of the month, Sunday or a public holiday, on which commercial banks in Mumbai are open for business; provided however, with reference to the time period between (a) announcement of Price Band; and (b) Bid/Issue Period, "Working Day" shall mean all days, excluding all Saturdays, Sundays or a public holiday, on which commercial banks in Mumbai are open for business; and with reference to the time period between the Bid/Issue Closing Date and the listing of the Equity Shares on the Stock Exchanges, "Working Day" shall mean all trading days of Stock Exchanges, excluding Sundays and bank holidays.

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 the Consolidated FDI Policy, which with effect from May 12, 2015, 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 May 12, 2015. The Government proposes to update the consolidated circular on FDI Policy once every year and therefore, the Consolidated FDI Policy will be valid until the DIPP issues an updated circular.

The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the Consolidated FDI Policy and transfer does not attract the provisions of the SEBI Takeover Regulations; (ii) the non-resident shareholding is within the sectoral limits under the Consolidated FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI.

As per the existing policy of the GoI, OCBs cannot participate in the Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States, and, unless so registered, may not be offered or sold within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws.

Accordingly, the Equity Shares are being offered and sold (a) in the United States only to persons reasonably believed to be "qualified institutional buyers" (as defined in Rule 144A under the Securities Act and referred to in this Draft Red Herring Prospectus as "U.S. QIBs" pursuant to the private placement exemption set out in Section 4(a)(2) of the Securities Act; for the avoidance of doubt, the term U.S. QIBs does not refer to a category of institutional investor defined under applicable Indian regulations and referred to in this Draft Red Herring Prospectus as "QIBs"), in transactions exempt from the registration requirements of the Securities Act and (b) outside the United States in offshore transactions in reliance on Regulation S under the 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.

The above information is given for the benefit of the Bidders. Our Company and the BRLMS are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Draft Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

SECTION VIII: MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning given to such terms in the Articles of Association of the Company. Pursuant to Schedule I of the Companies Act, 2013 and the SEBI (ICDR) Regulations, the main provisions of the Articles of Association of the Company are detailed below:

Article No.	Interpretation	Heading
1.	"The Act" means the Companies Act, 2013 and the applicable pro-visions of the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	The Act
	"Articles" means Articles of Association of the Company as originally framed or altered from time to time.	Articles
	"Beneficial Owner" shall have the meaning assigned thereto by Section 2(1) (a) of the Depositories Act, 1996.	Beneficial Owner
	"Board or Board of Director" means the collective body of the Board of Directors of the Company.	Board or Board of Directors
	"Chairman" means the Chairman of the Board of the Directors of the Company.	Chairman
	"The Company" means AVG Logistics Limited.	The Company
	"Depositories Act, 1996" shall mean Depositories Act, 1996 and include any Statutory modification or re-enactment thereof for the time being in force.	Depositories Act,1996
	"Depository" shall have the meaning assigned thereto by Section 2(1) (e) of the Depositories Act, 1996.	Depository
	"Directors" means the Directors appointed to the board for the time being of the Company.	Directors
	"Dividend" includes any interim dividend	Dividend
	"Document" means a document as defined in Section 2 (36) of the Companies Act, 2013.	Document
	"Equity Share Capital" with reference to any Company limited by shares, means all share capital which is not preference share capital	Equity Share Capital
	"KMP" means Key Managerial Personnel of the Company provided as per the relevant sections of the Act.	KMP
	"Managing Director" means a Director who by virtue or an agreement with the Company or of a resolution passed by the Company in general meeting or by its Board of Directors or by virtue of its Memorandum or Articles of Association is entrusted with substantial powers of management and includes a director occupying the position of managing director, by whatever name called.	Managing Director
	"Month" means Calendar month	Month
	"Office" means the registered office for the time being of the Company.	Office
	"Paid-up share capital" or "share capital paid-up" means such aggregate amount of money credited as paid-up as is equivalent to the amount received as paid up in respect of shares issued and also includes any amount credited as paid-up in respect of shares of the company, but does not include any other amount received in respect of such shares, by whatever name called	Paid-up share Capital
	"Postal Ballot" means voting by post or through any electronic mode.	Postal Ballot
	"Proxy" includes attorney duly constituted under the power of attorney to vote for a member at a General Meeting of the	Proxy

Article No.	Interpretation	Heading
	Company on poll.	
	"Public Holiday" means a Public Holiday within the meaning of the Negotiable Instruments Act, 1881 (XXVI of 1881); provided that no day declared by the Central Government to be such a holiday shall be deemed to be such a holiday in relation to any meeting unless the declaration was notified before the issue of the notice convening such meeting.	Public Holiday
	"Registrar" means the Registrar of Companies of the state in which the Registered Office of the Company is for the time being situated and includes an Additional Registrar a Joint Registrar, a Deputy Registrar or an Assistant Registrar having the duty of registering companies and discharging various functions under this Act.	Registrar
	"Rules" means the applicable rules as prescribed under the relevant sections of the Act for time being in force.	Rules
	"SEBI" means Securities & Exchange Board of India established under Section 3 of the Securities & Exchange Board of India Act, 1992.	SEBI
	"Securities" means the securities as defined in clause (h) of Section 2 of the Securities Contracts (Regulation) Act, 1956 (42 of 1956).	Securities
	"Share" means share in the Share Capital of the Company and includes stock except where a distinction between stock and share is expressed or implied.	Share
	"Seal" means the common seal of the Company.	Seal
	<p>"Preference Share Capital", with reference to any Company limited by shares, means that part of the issued share capital of the Company which carries or would carry a preferential right with respect to—</p> <p>payment of dividend, either as a fixed amount or an amount calculated at a fixed rate, which may either be free of or subject to income-tax; and</p> <p>repayment, in the case of a winding up or repayment of capital, of the amount of the share capital paid-up or deemed to have been paid-up, whether or not, there is a preferential right to the payment of any fixed premium or premium on any fixed scale, specified in the memorandum or articles of the Company;</p> <p>Words imparting the plural number also include, where the context requires or admits, the singular number, and vice versa.</p> <p>Unless the context otherwise requires, words or expressions contained in these regulations shall bear the same meaning as in the</p> <p>Act or any statutory modification thereof in force at the date at which these regulations become binding on the Company.</p> <p>‘In writing’ and ‘written’ includes printing, lithography and other modes of representing or reproducing words in a visible form.</p>	Preference Share Capital
2.	The Authorized Share Capital of the Company shall be such amount and be divided into such shares as may from time to time be provided in Clause V of the Memorandum of Association with power to increase or reduce the capital and	Share Capital

Article No.	Interpretation	Heading
	<p>divide the shares in the capital of the Company (including Preferential Share Capital, if any) and to attach thereto respectively any preferential, qualified or special rights, privileges or conditions as may be determined in accordance with these presents and to modify or abrogate any such rights, privileges or conditions in such manner as may for the time being be permitted by the said Act.</p> <p>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. Further provided that 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.</p>	
3.	<p>Subject to provisions of Section 54 of the Act read with Companies (Share Capital and Debentures) Rules, 2014, and any other applicable provisions of the Act or any law for the time being in force, the Company may issue Sweat Equity Shares on such terms and in such manner as the Board may determine.</p>	Issue of Sweat Equity Shares
4.	<p>The Company shall have powers to issue any debentures, debenture- stock or other securities at Par, 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 the General Meetings (but not voting on any business to be conducted), appointment of Directors on Board 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.</p>	Issue of Debentures
5.	<p>i. 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 registration of transfer of transmission or within such other period as the conditions of issue shall be provided,—</p> <p>a) one certificate for all his shares without payment of any charges; or</p> <p>b) several certificates, each for one or more of his shares, upon payment of Rupees twenty for each certificate after the first</p> <p>ii. The Company agrees to issue certificate within fifteen days of the date of lodgement of transfer, sub-division, consolidation, renewal, exchange or endorsement of calls/allotment monies or to issue within fifteen days of such lodgement for transfer, Pucca Transfer Receipts in denominations corresponding to the market units of trading autographically signed by a responsible official of the Company and bearing an endorsement that the transfer has been duly approved by the Directors or that no such approval is necessary;</p>	Issue of Share Certificates

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	<p>iii. Every certificate shall be under the seal and shall specify the shares to which it relates and the amount paid-up thereon.</p> <p>iv. 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.</p>	
6.	<p>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.</p> <p>Except as required by law, no person shall be recognised 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 recognise (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 by these regulations or by law otherwise provided) any other rights in respect of any share except an absolute right to the entirety thereof in the registered holder.</p> <p>The provisions of these Articles relating to issue of Certificates shall mutatis mutandis apply to any other securities including Debentures (except where the Act otherwise requires) of the Company.</p>	Issue of Share Certificates
7.	<p>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.</p> <p>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.</p>	Variations of Shareholder's rights
8.	<p>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 <i>paripassu</i> therewith</p>	
9.	<p>Subject to the provisions of section 55 and 62, any preference shares may with the sanction of ordinary resolution, be issued</p>	Issue of Preference Shares

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10.	<p>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</p> <p>Where at any time Company having Share Capital proposes to increase its subscribed capital by the issue of further Shares, such shares shall be offered:</p> <p>to persons who, at the date of the offer, are holders of Equity Shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the conditions specified in the relevant provisions of Section 62 of the Act.</p> <p>to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such other conditions as may be prescribed under the relevant rules of Section 62.</p> <p>to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed under the relevant rules of Section 62.</p> <p>The notice shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue.</p> <p>Nothing in this Article shall apply to the increase of the subscribed capital of company caused by the exercise of an option as a term attached to the debentures issued or loan raised by the company to convert such debentures or loans into shares in the company:</p> <p>Provided that the terms of issue of such debentures or loan containing such an option have been approved, before the issue of such debentures or the raising of loan, by a special resolution passed by the company in general meeting.</p>	Further Issue of shares
11.	<p>The Company shall have a first and paramount lien—</p> <p>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/ or</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>The Company's lien, if any, on a share shall extend to all</p>	Lien

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	<p>dividends payable and bonuses declared from time to time in respect of such shares</p> <p>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—</p> <p>a. unless a sum in respect of which the lien exists is presently pay-able; or</p> <p>b. until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is presently payable, has been given to the registered holder for the time being of the share or the person entitled thereto by reason of his death or insolvency.</p> <p>To give effect to any such sale, the Board may authorise some per son to transfer the shares sold to the purchaser thereof. The purchaser shall be registered as the holder of the shares comprised in any such transfer. 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.</p> <p>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.</p> <p>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.</p>	
12.	<p>Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint-tenants with benefits of survivorship subject to the following and other provisions contained in these Articles:-</p> <p>The Company shall at its discretion, be entitled to decline to register more than three persons as the joint-holders of any share.</p> <p>The joint-holders of any shares shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.</p> <p>On the death of any such joint-holders, the survivor or survivors shall be the only person or persons recognized by the Company as having any title to the share but the Directors may require such evidence of death as they may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on shares held by him jointly with any other person.</p> <p>Any one of such joint-holders may give effectual receipts of any dividends or other moneys payable in respect of such share. Only the person whose name stands first in the Register of Members as one of the joint-holders of any share shall be entitled to delivery of the certificate, if any, relating to such share or to receive documents from the Company and any documents served on or sent to such person shall be deemed</p>	Joint Holdings

Article No.	Interpretation	Heading
	<p>served on all the joint-holders.</p> <p>Any one of the two or more joint-holders may vote at General Meeting either personally or by attorney or by proxy in respect of such shares as if they were solely entitled hereto and if more than one such joint-holders be present at any meeting personally or by proxy or by attorney then one of such joint holders so present whose name stand first in the Register in respect of such shares shall alone be entitled to vote in respect thereof but the other or others of the joint-holders shall be entitled to vote in preference to a joint-holder present by attorney or by proxy although the name of such joint-holder present by attorney or by proxy stands first in Register in respect of such shares.</p> <p>Several executors or administrators of a deceased member in whose (deceased member) sole name any share stands, shall for the purpose of this Clause be deemed as Joint-Holders.</p> <p>The provisions of these Articles relating to joint-holding of shares shall mutatis mutandis apply to any other securities including Debentures of the company registered in Joint-names</p>	
13.	<p>The Board may, from time to time, make calls upon the members in respect of any 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:</p> <p>Provided that no call shall exceed one fourth of the nominal value of the shares or be payable at less than one month from the date fixed for the payment of the last preceding call.</p> <p>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.</p> <p>A call may be revoked or postponed at the discretion of the Board</p> <p>A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by installments.</p> <p>The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.</p> <p>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. Calls on shares</p> <p>The Board shall be at liberty to waive payment of any such interest wholly or in part.</p>	Calls on shares

Article No.	Interpretation	Heading
	<p>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. ii. In case of non-payment of such sum, all the relevant provisions of these regulations as to payment of interest and expenses, forfeiture iii. or otherwise shall apply as if such sum had become payable by virtue of a call duly made and notified.</p> <p>The Board: 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 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, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance. Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up. Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right.</p> <p>The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.</p> <p>The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company</p>	
14.	<p>A call may be revoked or postponed at the discretion of the Board. A call shall be deemed to have been made at the time when the resolution of the Board authorizing the call was passed and may be required to be paid by instalments. The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof. 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. Calls on shares () The Board shall be at liberty to waive payment of any such interest wholly or in part. 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</p>	

Article No.	Interpretation	Heading
	<p>issue such sum becomes payable.</p> <p>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.</p> <p>The Board— i. 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 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, twelve per cent per annum, as may be agreed upon between the Board and the member paying the sum in advance.</p> <p>Any uncalled amount paid in advance shall not in any manner entitle the member so advancing the amount, to any dividend or participation in profit or voting right on such amount remaining to be called, until such amount has been duly called-up. Provided however that any amount paid to the extent called – up, shall be entitled to proportionate dividend and voting right. The Board may at its discretion, extend the time fixed for the payment of any call in respect of any one or more members as the Board may deem appropriate in any circumstances.</p> <p>The provisions of these Articles relating to call on shares shall mutatis mutandis apply to any other securities including debentures of the company</p>	
15.	<p>The shares or other interest of any member in the Company shall be a movable property, transferable in the manner provided by the Articles.</p> <p>Each share in the Company shall be distinguished by its appropriate number.</p> <p>A Certificate under the Common Seal of the Company, specifying any shares held by any member shall be prima facie evidence of the title of the member of such shares.</p> <p>The instrument of transfer of any share in the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>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.</p> <p>The Board may, subject to the right of appeal conferred by section 58 of Companies Act, 2013 and Section 22A of the Securities Contracts (Regulation) Act, 1956, decline to register, by giving notice of intimation of such refusal to the transferor and transferee within timelines as specified under the Act.</p> <p>the transfer of a share, not being a fully paid share, to a person of whom they do not approve;</p> <p>any transfer of shares on which the Company has a lien.</p> <p>Provided however that the Company will not decline to register or acknowledge any transfer of shares on the ground of the transferor being either alone or jointly with any other person or</p>	Transfer of shares

Article No.	Interpretation	Heading
	<p>persons indebted to the Company on any account whatsoever. Ensure to have common form of transfers</p>	
	<p>The Board shall decline to recognize any instrument of transfer unless the instrument of transfer is in the form as prescribed in rules made under sub-section (1) of section 56; 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 the instrument of transfer is in respect of only one class of shares. Provided that, transfer of shares in whatever lot shall not be refused.</p> <p>The Company agrees that when proper documents are lodged for transfer and there are no material defects in the documents except minor difference in signature of the transferor(s), Then the Company will promptly send to the first transferor an intimation of the aforesaid defect in the documents, and inform the transferor that objection, if any, of the transferor supported by valid proof, is not lodged with the Company within fifteen days of receipt of the Company's letter , then the securities will be transferred; If the objection from the transferor with supporting documents is not received within the stipulated period, the Company shall transfer the securities provided the Company does not suspect fraud or forgery in the matter.</p> <p>The Company agrees that in respect of transfer of shares where the Company has not affected transfer of shares within 1 month or where the Company has failed to communicate to the transferee any valid objection to the transfer within the stipulated time period of 1 month, the Company shall compensate the aggrieved party for the opportunity losses caused during the period of the delay.</p> <p>On giving not less than seven days' previous notice in accordance with section 91 and rules made thereunder, the registration of transfers may be suspended at such times and for such periods as the Board may from time to time determine.</p> <p>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.</p> <p>The provisions of these Articles relating to transfer of Shares shall mutatis mutandis apply to any other securities including debentures of the company</p>	
16.	<p>The Company shall keep a book to be called the "Register of Transfers" and therein shall be fairly and distinctly entered the particulars of every transfer or transmission of any shares</p>	Register of Transfers
17.	<p>i. The provisions of this Article shall apply notwithstanding anything to the contrary contained in any other Article of these Articles. The Company shall be entitled to dematerialise its securities and to offer securities in a dematerialised form pursuant to the</p>	Dematerialisation of Securities

Article No.	Interpretation	Heading
	<p>Depository Act, 1996</p> <p>Option for Investors:</p> <p>Every holder of or subscriber to securities of the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such a person who is the beneficial owner of the Securities can at any time opt out of a Depository, if permitted, by the law, in respect of any security in the manner provided by the Depositories Act, 1996 and the Company shall, in the manner and within the time prescribed, issue to the beneficial owner the required Certificates for the Securities. If a person opts to hold its Security with a Depository, the Company shall intimate such depository the details of allotment of the Security</p> <p>Securities in Depository to be in fungible form:-</p> <p>All Securities of the Company held by the Depository shall be dematerialised and be in fungible form.</p> <p>Nothing contained in Sections 88, 89, 112 & 186 of the Companies Act, 2013 shall apply to a Depository in respect of the Securities of the Company held by it on behalf of the beneficial owners.</p> <p>Rights of Depositories & Beneficial Owners:-</p> <p>Notwithstanding anything to the contrary contained in the Act a Depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of Security of the Company on behalf of the beneficial owner.</p> <p>Save as otherwise provided in (d) above, the depository as the registered owner of the Securities shall not have any voting rights or any other rights in respect of the Securities held by it.</p> <p>Every person holding Securities of the Company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the Company. The beneficial owner of Securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his Securities which are held by a depository.</p> <p>ii. Notwithstanding anything contained in the Act to the contrary, where Securities of the Company are held in a depository, the records of the beneficial ownership may be served by such depository to the Company by means of electronic mode or by delivery of floppies or discs.</p> <p>iii. Nothing contained in Section 56 of the Companies Act, 2013 shall apply to a transfer of Securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.</p> <p>iv. Notwithstanding anything contained in the Act, where Securities are dealt with by a depository, the Company shall intimate the details thereof to the depository immediately on allotment of such securities.</p> <p>v. Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for Securities issued by the Company shall apply to Securities held with a Depository.</p> <p>vi. The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Section 88 and other applicable</p>	

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	<p>provisions of the Companies Act 2013 and the Depositories Act, 1996 with the details of Shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.</p> <p>vii. The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the residents in that state or Country</p>	
18.	<p>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.</p> <p>Nothing in clause 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.</p> <p>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— to be registered himself as holder of the share; or to make such transfer of the share as the deceased or insolvent member could have made.</p> <p>The Board shall, in either case, have the same right to decline or suspend registration as it would have had, if the deceased or insolvent member had transferred the share before his death or insolvency.</p> <p>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.</p> <p>If the person aforesaid shall elect to transfer the share, he shall testify his election by executing a transfer of the share.</p> <p>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.</p> <p>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</p>	Transmission of shares

Article No.	Interpretation	Heading
	<p>entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company:</p> <p>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.</p> <p>The provisions of these Articles relating to transmission of shares shall mutatis mutandis apply to any other securities including debentures of the Company. No fee shall be charged for requisition of transfer, transmission, probate, succession certificate and letter of admiration, Certificate of Death or marriage, power of attorney or similar other documents.</p>	
19.	<p>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.</p> <p>The notice aforesaid shall— 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 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.</p> <p>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.</p> <p>A forfeited share may be sold or otherwise disposed of on such terms and in such manner as the Board thinks fit. At any time before a sale or disposal as aforesaid, the Board may cancel the forfeiture on such terms as it thinks fit.</p> <p>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. 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.</p> <p>A duly verified declaration in writing that the declarant is a director, the manager or the secretary, of the Company, and that</p>	Forfeiture of shares

Article No.	Interpretation	Heading
	<p>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;</p> <p>The Company may receive the consideration, if any, given for the share on any sale or disposal thereof and may execute transfer of the shares in favour of the person to whom the share is sold or disposed off;</p> <p>The transferee shall thereupon be registered as the holder of the share; and iv. 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 then share.</p> <p>The forfeiture of a share shall involve extinction at the time of forfeiture, of all interest in and all claims and demands against the Company, in respect of the share and all other rights incidental to the share</p> <p>Upon any sale after forfeiture or for enforcing a lien in exercise of the powers hereinabove given, the Board may, if necessary, appoint some person to execute an instrument for transfer of the shares sold and cause the purchaser's name to be entered in the register of members in respect of the shares sold and after his name has been entered in the register of members in respect of such shares the validity of the sale shall not be impeached by any person.</p> <p>Upon any sale, re-allotment or other disposal under the provisions of the preceding articles, the certificate(s), if any, originally issued in respect of the relative shares shall (unless the same shall on demand by the company has been previously surrendered to it by the defaulting member) stand cancelled and become null and void and be of no effect, and the Board shall be entitled to issue a duplicate certificate(s) in respect of the said shares to the person(s) entitled thereto.</p> <p>The Board may, subject to the provision of the Act, accept a surrender of any share from or by any member desirous of surrendering them on such terms as they think fit.</p> <p>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.</p> <p>The provisions of these articles relating to forfeiture of shares shall mutatis mutandis apply to any other securities including debentures of the Company</p>	

Article No.	Interpretation	Heading
20.	<p>Neither a judgment in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction there under nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member to the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from proceeding to enforce forfeiture of such shares as hereinafter provided</p> <p>Subject to the provisions of section 61, the Company may, by ordinary resolution,—</p> <p>consolidate and divide all or any of its share capital into shares of larger amount than its existing shares;</p> <p>convert all or any of its fully paid-up shares into stock, and reconvert that stock into fully paid-up shares of any denomination;</p> <p>sub-divide its existing shares or any of them into shares of smaller amount than is fixed by the memorandum; 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.</p>	Initial payment not to preclude forfeiture
21.	<p>Where shares are converted into stock,—</p> <p>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.</p> <p>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. 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</p>	Conversion of Shares into Stock
22.	<p>The Company may, by special resolution, reduce in any manner and with, and subject to, any incident authorized and consent required by law,</p> <p>its share capital;</p> <p>any capital redemption reserve account; or</p> <p>. Any share premium account.</p>	Reduction of Capital
23.	<p>The Company may issue share warrants subject to, and in accordance with, the provisions of the Act, and accordingly the Board may in its discretion, with respect to any share which is fully paid-up, on application in writing signed by the person registered as holder of the share, and authenticated by such evidence (if any) of the share and the amount of the stamp duty</p>	Share Warrants

Article No.	Interpretation	Heading
	<p>on the warrant and such fee as the Board may from time to time require, issue of a share warrant.</p> <p>The bearer of a share warrant may at any time, deposit the warrant in the office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for calling a meeting of the Company, and of attending and voting and exercising the other privileges of a member at any meeting held after the expiry of two days from the time of deposit, as if his name were inserted in the register of members as the holder of the shares including in the deposited warrants.</p> <p>Not more than one person shall be recognized as depositor of the share warrant.</p> <p>The Company shall, on two days written notice, return the deposited share warrants to the depositor.</p> <p>Subject herein otherwise expressly provided, no person shall, as bearer of a share warrant, sign a requisition for calling a member of the Company or attend or vote or exercise any other privilege of a member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>The bearer of share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the register of members as the holders of shares included in the warrant, and he shall be a member of the Company.</p> <p>The Board may from time to time, make rules as to the terms on which (if it shall think fit) a new share warrant of coupon may be issued by way of renewal in case of defacement, loss or destruction.</p>	
24.	<p>i. The Company in general meeting may, upon the recommendation of the Board, resolve—</p> <p>a. that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company’s reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and</p> <p>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.</p> <p>ii. The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in clause (iii), either in or towards—</p> <p>a. Paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>b. Paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid-up bonus shares, to and amongst such members in the proportions aforesaid</p> <p>c. Partly in the way specified in sub-clause (a) and partly in that specified in sub-clause (b);</p>	Capitalization of profits

Article No.	Interpretation	Heading
	<p>d. A securities premium account and a capital redemption reserve account may, for the purposes of this regulation, be applied in the paying up of unissued shares to be issued to members of the Company as fully paid bonus shares;</p> <p>e. The Board shall give effect to the resolution passed by the Company in pursuance of this -regulation.</p>	
	<p>Whenever such a resolution as aforesaid shall have been passed, the Board shall—</p> <p>a. make all appropriations and applications of the undivided profits resolved to be capitalized thereby, and all allotments and issues of fully paid shares if any; and</p> <p>b. generally to do all acts and things required to give effect thereto.</p> <p>ii. The Board shall have power—</p> <p>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 infractions; and</p> <p>b. to authorize any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid-up, of any further shares to which they may be entitled upon such capitalization, or as the case may require, for the payment by the Company on their behalf, by the application thereto of their respective proportions of profits resolved to be capitalized, of the amount or any part of the amounts remaining unpaid on their existing shares;</p> <p>iii. Any agreement made under such authority shall be effective and binding on such members.</p> <p>iv. Capital paid-up in advance of calls may carry interest but shall not in respect thereof confer a right to dividend or to participate in profits.</p>	
25.	<p>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.</p>	Buy-back of Shares
26.	<p>All General Meetings other than annual general meeting shall be called extra-ordinary general meetings.</p> <p>i. The Board may, whenever it thinks fit, call an extraordinary general meeting.</p> <p>ii. The General meeting including Annual general meeting shall be convened by giving notice of clear 21 days in advance as per section 101 of Companies Act 2013. The directors if they think fit may convene a General Meeting including Annual General Meeting of the company by giving a notice thereof being not less than three days if consent is given in writing or by electronic mode by not less than ninety-five percent of the members entitled to vote at such meeting.</p> <p>iii. 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.</p>	General Meeting

Article No.	Interpretation	Heading
27.	<p>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.</p> <p>Unless the number of members as on date of meeting are not more than one thousand, five members personally present shall be the quorum for a general meeting of the Company.</p> <p>ii. In any other case, the quorum shall be decided as under:</p> <p>a) fifteen members personally present if the number of members as on the date of meeting is more than one thousand but up to five thousand;</p> <p>b) thirty members personally present if the number of members as on the date of the meeting exceeds five thousand;</p> <p>The chairperson, if any, of the Board shall preside as Chairperson at every general meeting of the Company.</p> <p>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.</p> <p>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.</p> <p>The Chairman of any meeting shall be the sole judge of the validity of every vote tendered at such meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll.</p> <p>A declaration by the Chairman in pursuance of Section 107 of the Companies Act, 2013 that on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and an entry to that effect in the books containing the minutes of the proceedings of the Company, shall be conclusive evidence of the fact, without proof of the number or proportion of the votes cast in favour of or against such resolution.</p>	<p>Proceedings at general meetings</p>
28.	<p>Before or on the declaration of the result of the voting on any resolution of a show of hands, a poll may be ordered to be taken by the Chairman of the meeting of his own motion and shall be ordered to be taken by him on a demand made in that behalf by any member or members present in person or by proxy and holding shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution or on which an aggregate sum of not less than five Lac rupees has been paid up.</p> <p>ii. The demand for a poll may be withdrawn at any time by the person or persons who made the demand</p>	<p>Demand for poll</p>

Article No.	Interpretation	Heading
29.	<p>A poll demanded on a question of adjournment shall be taken forthwith.</p> <p>A poll demanded on any other question (not being a question relating to the election of a Chairman which is provided for in Section 104 of the Act) shall be taken at such time not being later than 48 (forty eight) hours from the time when the demand was made, as the Chairman may direct</p>	Time of taking poll
30.	<p>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.</p> <p>No business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</p> <p>When a meeting is adjourned for thirty days or more, notice of the adjourned meeting shall be given as in the case of an original meeting.</p> <p>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.</p>	Adjournment of meeting
	<p>Subject to any rights or restrictions for the time being attached to any class or classes of shares,—</p> <p>i. on a show of hands, every member present in person shall have one vote; and</p> <p>ii. 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.</p> <p>A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.</p> <p>i. 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.</p> <p>ii. For this purpose, seniority shall be determined by the order in which the names stand in the register of members.</p> <p>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.</p> <p>Subject to the provisions of the Act and other provisions of these Articles, any person entitled under the transmission clause to any shares may vote at any general meeting in respect thereof as if he was the registered holder of such shares, provided that at least 48 (forty eight) hours before the time of holding the meeting or adjourned meeting as the case may be at which he proposes to vote, he shall satisfy the Directors of his right to such shares unless the Directors shall have previously admitted his right to vote at such meeting in respect thereof.</p>	Voting rights

Article No.	Interpretation	Heading
	<p>Any business other than that upon which a poll has been demanded may be preceded with, pending the taking of the poll.</p> <p>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.</p> <p>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.</p> <p>Any such objection made in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.</p> <p>No member shall exercise any voting right in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid, or in regard to which the Company has exercised any right of lien.</p>	
31.	In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the polls is demanded shall be entitled to a casting vote in addition to his own vote or votes to which he may be entitled as a member.	Casting Vote
32.	A body corporate (whether a Company within the meaning of the Act or not) if it is a member or creditor (including a holder of debentures) of the Company may in accordance with the provisions of Section 113 of the Companies Act, 2013 authorize such person by a resolution of its Board of Directors as it thinks fit, to act as its representative at any meeting of the Company or of any class of members of the Company or at any meeting of creditors of the Company	Representation of Body Corporate
33.	The Company shall comply with provisions of Section 111 of the Companies Act, 2013, relating to circulation of member's resolution	Circulation of member's resolution
34.	The Company shall comply with provisions of Section 115 of the Act relating to resolution requiring special notice.	Resolution requiring special notice
35.	The provisions of Section 116 of Companies Act, 2013 shall apply to resolutions passed at an adjourned meeting of the Company, or of the holders of any class of shares in the Company and of the Board of Directors of the Company and the resolutions shall be deemed for all purposes as having been passed on the date on which in fact they were passed and shall not be deemed to have been passed on any earlier date.	Resolutions passed at adjourned meeting
36.	The Company shall comply with the provisions of Section 117 and 179 of the Companies Act, 2013 relating to registration of certain resolutions and agreements.	Registration of resolutions and agreements
37.	The Company shall cause minutes of all proceedings of general meetings, and of all proceedings of every meeting of its Board of Directors or of every Committee of the Board to be kept by making within thirty days of the conclusion of every such meeting concerned, entries thereof in books kept for the purpose with their pages consecutively numbered.	Minutes of proceedings of general meeting and of Board and other meetings

Article No.	Interpretation	Heading
	<p>Each page of every such book shall be initialled or signed and the last page of the record of proceedings of each meeting in such books shall be dated and signed :</p> <p>A. In the case of minutes of proceedings of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting.</p> <p>B. In the case of minutes of proceedings of the general meeting by Chairman of the said meeting within the aforesaid period, of thirty days or in the event of the death or inability of that Chairman within that period, by a Director duly authorised by the Board for the purpose.</p> <p>C. In no case the minutes of proceedings of a meeting shall be attached to any such book as aforesaid by pasting or otherwise.</p> <p>D. The minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>E. All appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>F. In the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall also contain:</p> <p>a. the names of the Directors present at the meetings, and</p> <p>b. in the case of each resolution passed at the meeting, the names of the Directors, if any dissenting from or not concurring in the resolution.</p> <p>Nothing contained in Clauses (a) to (d) of Clause 90 (ii) hereof shall be deemed to require the inclusion in any such minutes of any matter which in the opinion of the Chairman of the meeting:</p> <p>a. is or could reasonably be regarded, as defamatory of any person</p> <p>b. is irrelevant or immaterial to the proceedings; or</p> <p>c. in detrimental to the interests of the Company.</p> <p>The Chairman shall exercise an absolute discretion in regard to the inclusion or non-inclusion of any matter in the minutes on the grounds specified in this clause.</p>	
38.	The minutes of meetings kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein.	Minutes to be considered to be evidence
39.	No document purporting to be a report of the proceedings of any general meeting of the Company shall be circulated or advertised at the expenses of the Company unless it includes the matters required by Section 118 of the Act to be contained in the Minutes of the proceedings of such meeting	Publication of reports of proceeding of general meetings
40.	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 or 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

Article No.	Interpretation	Heading
41.	<p>An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.</p> <p>A vote given in accordance with the terms of an instrument of proxy shall be valid, notwithstanding the previous death or insanity of the principal or 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:</p> <p>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.</p>	Proxy
42.	<p>The first directors of the Company shall be:</p> <ol style="list-style-type: none"> 1. Asha Gupta 2) Niti Gupta <p>Appointment of Senior Executive as a Whole Time Director subject to the provisions of the Act and within the overall limit prescribed under these Articles for the number of Directors on the Board, the Board may appoint any persons as a Whole Time Director of the Company for such a period and upon such terms and conditions as the Board may decide.</p> <p>The Senior Executive so appointed shall be governed by the following provisions:</p> <p>He shall be liable to retire by rotation as provided in the Act but shall be eligible for re-appointment. His re-appointment as a Director shall not constitute a break in his appointment as Whole Time Director. He shall be reckoned as Director for the purpose of determining and fixing the number of Directors to retire by rotation. He shall cease to be a Director of the Company on the happening of any event specified in Section 164 of the Act. Subject to what is stated herein above, he shall carry out and perform all such duties and responsibilities as may, from time to time, be conferred upon or entrusted to him by Managing Director(s) and / or the Board, shall exercise such powers and authorities subject to such restrictions and conditions and / or stipulations as the Managing Director(s) and /or the Board may, from time to time determine.</p> <p>Nothing contained in this Article shall be deemed to restrict or prevent the right of the Board to revoke, withdraw, alter, vary or modify all or any such powers, authorities, duties and responsibilities conferred upon or vested in or entrusted to such whole time directors.</p> <p>The remuneration of the directors shall, in so far as it consists of a monthly payment, be deemed to accrue from day-to-day. In addition to the remuneration payable to them in pursuance of the Act, the directors -may be paid all travelling, hotel and other expenses properly incurred by them—</p>	Board of Directors

Article No.	Interpretation	Heading
	<p>a. in attending and returning from meetings of the Board of Directors or any committee thereof or general meetings of the company; or</p> <p>b. in connection with the business of the company.</p> <p>The Board may pay all expenses incurred in getting up and registering the company.</p> <p>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.</p> <p>All cheques, promissory notes, drafts, hundis, 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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	
43.	<p>Not less than two-thirds of the total number of Directors of the Company, excluding the Independent directors if any appointed by the Board, shall be persons whose period of office is liable to determination by retirement of Directors by rotation and save as otherwise expressly provided in the Act and these Articles be appointed by the Company in General Meeting.</p> <p>The remaining Directors shall be appointed in accordance with the provisions of the Act.</p> <p>At the Annual General Meeting in each year one-third of the Directors for the time being as are liable to retire by rotation or, if their number is not three or a multiple of three, the number nearest to one-third shall retire from office.</p> <p>Subject to the provisions of the Act and these Articles the Directors to retire by rotation under the foregoing Article at every Annual General Meeting shall be those who have been longest in the office since their last appointment, but as between persons who became Directors on the same day, those who are</p>	<p>Retirement and Rotation of Directors</p>

Article No.	Interpretation	Heading
	<p>to retire shall, in default of and subject to any agreement among themselves, be determined by lot. Subject to the provision of the Act, a retiring Director shall retain office until the dissolution of the meeting at which his reappointment is decided or successor is appointed.</p> <p>Subject to the provisions of the Act and these Articles, the retiring Director shall be eligible for reappointment.</p> <p>Subject to the provision of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in the manner aforesaid may fill up the vacated office by electing the retiring Director or some other person thereto.</p>	
44.	<p>Notwithstanding anything to the contrary contained in these Articles, so long as any moneys remain owing by the Company to any of the Finance Corporation or Credit Corporation or to any other Finance Company or Body out of any loans granted by them to the Company or Body (hereinafter in this Article referred to as “the Corporation”) continue to hold debentures or shares in the Company as a result of underwriting or by direct subscription or private placement, or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time, any person or persons as a Director or Directors wholetime or non-wholetime (which Director or Directors is/are hereinafter referred to as “Nominee Director/s”) on the Board of the Company and to remove from such office any person or persons so appointed and to appoint any person or persons in his or their places.</p> <p>The terms and conditions of appointment of a Nominee Director/s shall be governed by the agreement that may be entered into or agreed with mutual consent with such Corporation. At the option of the Corporation such Nominee Director/s shall not be required to hold any share qualification in the Company. Also at the option of the Corporation such Nominee Director/s shall not be liable to retirement by rotation of Directors.</p> <p>The Nominee Directors so appointed shall hold the said office only so long as any money only so long as any moneys remain owing by the Company to the Corporation or so long as the Corporation holds Shares or Debentures in the Company as a result of direct subscription or private placement or the liability of the Company arising out of any Guarantee is outstanding and the Nominee Director/s so appointed in exercise of the said power shall ipso facto vacate such office immediately, if the moneys owing by the Company to the Corporation is paid off or on the Corporation ceasing to hold debentures/shares in the Company or on the satisfaction of the liability of the Company arising out of any Guarantee furnished by the Corporation.</p> <p>The Nominee Directors appointed under this Article shall be</p>	<p>Nominee Director</p>

Article No.	Interpretation	Heading
	<p>entitled to receive all notices of and attend all General Meetings, Board Meetings and/or the Meetings of the Committee of which the Nominee Director/s is/are members as also the minutes of such meetings. The Corporation shall also be entitled to receive all such notices and minutes. The Company shall pay to the Nominee Director/s sitting fees and expenses to which the other Directors of the Company are entitled, but if any other fees, commission monies or remuneration in any form is payable to the Directors of the Company, the fees, commission, monies and remuneration in relation to such Nominee Directors shall accrue to the Corporation and same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or by such Nominee Directors in connection with their appointment or Directorship shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Directors. Provided that if any such Nominee Directors is an Officer of the Financial Institution, the sitting fees in relation to such Nominee Directors shall also accrue to the Financial Institution as the case may be and the same shall accordingly be paid by the Company directly to the Corporation.</p>	
45.	<p>The Company may (subject to the provisions of Act and other applicable provisions and these Articles) remove any Director before the expiry of his period of office after giving him a reasonable opportunity of being heard.</p> <p>Special notice as provided in the Act shall be given of nay resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the meeting at which he is removed.</p> <p>On receipt of the notice of a resolution to remove a Director under this Article, the Company shall forthwith send a copy thereof to the Director concerned and the Director (whether or not he is a member of the Company) shall be entitled to be heard on the resolution at the meeting.</p> <p>Where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company and requests its notification to members of the Company, the Company shall, if the time permits it to do so-,</p> <p>(a) in any notice of the resolution given to members of the Company state the fact of the representations having been made, and</p> <p>(b) send a copy of the representations to every member of the Company to whom the notice of the meeting is sent (whether before or after the receipt of representation by the Company) and if a copy of the representation is not sent as aforesaid due to insufficient time or for the company's default, the director may without prejudice to his right to be heard orally require that the representation shall be read out at the meeting:</p>	Removal of Directors

Article No.	Interpretation	Heading
	<p>Provided that copy of the representation need not be sent out and the representation need not be read out at the meeting if, on the application either of the company or of any other person who claims to be aggrieved, the Tribunal is satisfied that the rights conferred by this sub-section are being abused to secure needless publicity for defamatory matter; and the Tribunal may order the company's costs on the application to be paid in whole or in part by the director notwithstanding that he is not a party to it.</p> <p>A vacancy created by the removal of a director under this article, if he had been appointed by the company in general meeting or by the Board, be filled by the appointment of another director in his place at the meeting at which he is removed, provided special notice of the intended appointment has been given as prescribed in the Act.</p> <p>A director so appointed shall hold office till the date up to which his predecessor would have held office if he had not been removed.</p> <p>If the vacancy is not filled under clause (5) above , it may be filled as a casual vacancy in accordance with the provisions of this Act:</p> <p>Provided that the director who was removed from office shall not be reappointed as a director by the Board of Directors.</p> <p>Nothing in this section shall be taken) as depriving a person removed under this section of any compensation or damages payable to him in respect of the termination of his appointment as director as per the terms of contract or terms of his appointment as director, or of any other appointment terminating with that as director; or as derogating from any power to remove a director under other provisions of this Act.</p>	
46.	<p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>a. In attending and returning from meetings of the Board of Remuneration and sitting fees to Directors including Managing and whole time Directors Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or</p> <p>b. In connection with the business of the Company.</p> <p>Subject to provisions of the Act, the Directors including Managing or whole time Directors shall be entitled to and shall</p>	<p>Remuneration and sitting fees to Directors including Managing and whole time Directors</p>

Article No.	Interpretation	Heading
	<p>be paid such remuneration as may be fixed by the Board of Directors from time to time in recognition of the services rendered by them for the company.</p> <p>In addition to the remuneration payable to the Directors as above, they may be paid all travelling, hotel and other expenses incurred by them.</p> <p>c. In attending and returning from meetings of the Board of Directors and committee thereof, all General Meetings of the company and any of their adjourned sittings, or in connection with the business of the Company.</p>	
47.	<p>Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at meetings of the Board.</p> <p>a. The power to make calls on shareholders in respect of money unpaid on their shares;</p> <p>b. The Power to authorize buy-back of securities under Section 68 of the Act.</p> <p>c. Power to issue securities, including debenture, whether in or outside India</p> <p>d. The power to borrow moneys</p> <p>e. The power to invest the funds of the Company,</p> <p>f. Power to Grant loans or give guarantee or provide security in respect of loans</p> <p>g. Power to approve financial statements and the Board's Report</p> <p>h. Power to diversify the business of the Company</p> <p>i. Power to approve amalgamation, merger or reconstruction</p> <p>j. Power to take over a Company or acquire a controlling or substantial stake in another Company</p> <p>k. Powers to make political contributions;</p> <p>l. Powers to appoint or remove key managerial personnel (KMP);</p> <p>m. Powers to take note of appointment(s) or removal(s) of one level below the Key Management Personnel;</p> <p>n. Powers to appoint internal auditors and secretarial auditor;</p> <p>o. Powers to take note of the disclosure of director's interest and shareholding;</p> <p>p. Powers to buy, sell investments held by the Company (other than trade investments), constituting five percent or more of the paid up share capital and free reserves of the investee Company;</p> <p>q. Powers to invite or accept or renew public deposits and related matters;</p> <p>r. Powers to review or change the terms and conditions of public deposit;</p> <p>s. Powers to approve quarterly, half yearly and annual financial statements or financial results as the case may be. Provided that the Board may by resolution passed at the meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company or in the</p>	<p>Power and duties of Directors: Certain powers to be exercised by the Board only at Meeting.</p>

Article No.	Interpretation	Heading
	<p>case of a branch office of the Company, a principal officer of the branch office, the powers specified in subclauses (d), (e) and (f) to the extent specified in clauses (ii), (iii) and (iv) respectively on such condition as the Board may prescribe.</p> <p>Every resolution delegating the power referred to in sub-clause (d) of clause (i) shall specify the total amount outstanding at any one time up to which moneys may be borrowed by the delegate.</p> <p>Every resolution delegating the power referred to in sub-clause (e) of clause (i) shall specify the total amount up to which the funds of the Company may be invested and the nature of the investments which may be made by the delegate.</p> <p>Every resolution delegating the power referred to in sub-clause (f) of clause (i) shall specify the total amount up to which loans may be made by the delegates, the purposes for which the loans may be made and the maximum amount up to which loans may be made for each such purpose in individual cases.</p> <p>Nothing in this Article shall be deemed to affect the right of the Company in general meeting to impose restrictions and conditions on the exercise by the Board of any of the powers referred to in this Article.</p>	
48.	<p>The Board of Directors of the Company shall not except with the consent of the Company in general meeting :</p> <ul style="list-style-type: none"> a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole or substantially the whole of any such undertaking; b) remit, or give time for the repayment of any debt, due by a Director; c) invest, otherwise than in trust securities, the amount of compensation received by it as a result of any merger or amalgamation; d) borrow moneys, where the money to be borrowed, together with the moneys already borrowed by the Company (apart from the temporary loans obtained from the Company's bankers in the ordinary course of business) will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; or e) contribute to bona fide charitable and other funds, aggregate of which in any financial year, exceed five percent of its average net profits during the three financial years, immediately proceedings. <p>Nothing contained in sub-clause (a) above shall affect:</p> <ul style="list-style-type: none"> a) the title of a buyer or other person who buys or takes a lease of any such undertaking as is referred to in that sub-clause in good faith and after exercising due care and caution, or b) the selling or leasing of any property of the Company where the ordinary business of the Company consists of, or comprises 	<p>Restriction on powers of Board</p>

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	<p>such selling or leasing.</p> <p>Any resolution passed by the Company permitting any transaction such as is referred to in sub-clause (i) (a) above, may attach such conditions to the permission as may be specified in the resolution, including conditions regarding the use, disposal or investment of the sale proceeds which may result from the transaction.</p> <p>Provided that this clause shall not be deemed to authorise the Company to effect any reduction in its capital except in accordance with the provisions contained in that behalf in the Act.</p> <p>No debt incurred by the Company in excess of the limit imposed by sub-clause (d) of clause (i) above, shall be valid or effectual, unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by that clause had been exceeded.</p> <p>Due regard and compliance shall be observed in regard to matters dealt with by or in the Explanation contained in Section 180 of the Companies Act, 2013 and in regard to the limitations on the power of the Company contained in Section 182 of the Companies Act, 2013.</p>	
49.	<p>Subject to the provisions of the Act, the management of the business of the Company shall be vested in the Directors and the Directors may exercise all such powers and do all such acts and things as the Company is by the Memorandum of Association or otherwise authorised to exercise and do and not hereby or by the statue or otherwise directed or required to be exercised or done by the Company in General Meeting, but subject nevertheless to the provisions of the Act and other Act and of the Memorandum of Association and these Articles and to any regulations, not being inconsistent with the Memorandum of Association and these Articles or the Act, from time to time made by the Company in general meeting provided that no such regulation shall invalidate any prior act of the Directors which would have been valid if such regulation had not been made.</p>	<p>General powers of the Company vested in Directors</p>
50.	<p>Without prejudice to the general powers conferred by Article above and the other powers conferred by these presents and so as not in any way to limit any or all of those powers and subject to the provisions of the Act and these Articles, it is hereby expressly declared that the Directors shall have the following powers:</p> <p>i. to pay and charge to the capital account of the Company and interest lawfully payable thereon under the provisions of Sections 76 corresponding to Section 40 of the Companies Act, 2013;</p> <p>ii to purchase or otherwise acquire any lands, buildings, machinery, premises, hereditaments, property effects, assets, rights, credits, royalties, bounties and goodwill of any person, firm or Company carrying on the business which this Company is authorised to carry on, at or for such price or consideration</p>	<p>Specific power given to Directors</p>

Article No.	Interpretation	Heading
	<p>and generally on such terms and conditions as they may think fit; and in any such purchase or acquisition to accept such title as the Board may believe or may be advised to be reasonable satisfactory;</p> <p>iii. to purchase, or take on lease for any term or terms of years, or otherwise acquire any mills or factories or any land or lands, with or without buildings and outhouses thereon, situate in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit; and in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory;</p> <p>iv. to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially, in cash or in shares, bonds, debentures, debenture stock or other securities of the Company, and any such shares may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures, debenture stock or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged;</p> <p>v. To erect, construct, enlarge, improve, alter, maintain, pull down rebuilt or reconstruct any buildings, factories, offices, workshops or other structures, necessary or convenient for the purposes of the Company and to acquire lands for the purposes of the Company;</p> <p>vi. To let, mortgage, charge, sell or otherwise dispose of subject to the provisions of Section 180 of the Companies Act, 2013 any property of the Company either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as they think fit and to accept payment or satisfaction for the same in cash or otherwise, as they may think fit;</p> <p>vii. To insure and keep insured against loss or damage by fire or otherwise, for such period and to such extent as they may think proper, all or any part of the building, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power;</p> <p>viii. Subject to Section 179 of the Companies Act, 2013 to open accounts with any bank or bankers or with any Company, firm, or individual and to pay money into and draw money from any account from time to time as the Directors may think fit;</p> <p>ix. To secure the fulfillment of any contracts or engagements entered into by the Company by mortgage or charge of all or any of the properties of the Company and its unpaid capital for the time being or in such other manner as they may think fit;</p> <p>x. To attach to any shares to be issued as the consideration for any contract with or property acquired by the Company, or in payment for services rendered to the Company, such conditions, subject to the provisions of the Act, as to the transfer thereof as they may think fit;</p>	

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	<p>xi. To accept from any member on such terms and conditions as shall be agreed, a surrender of his shares or stock or any part thereof subject to the provisions of the Act;</p> <p>xii. To appoint any person or persons (whether incorporated or not) to accept and hold in trust for the Company any property belonging to the Company or in which it is interested or for other purposes and to execute and do all such deeds and things as may be requisite in relation to any such trusts and to provide for the remuneration of such trustee or trustees;</p> <p>xiii. To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its Officers or otherwise concerning the affairs of the Company and also subject to the provisions of Section 180 of the Companies Act, 2013 to compound and allow time for payment or satisfaction of any debts due, or of any claims or demands by or against the Company;</p> <p>Subject to the provisions of Sections 180 of the Companies Act, 2013 to invest and deal with any of the moneys of the Company, not immediately required for the purpose thereof, upon such Shares, securities or investments (not being Shares in this Company) and in such manner as they may think fit, and from time to time to vary or realize such investments.</p> <p>xv. Subject to such sanction as may be necessary under the Act or these Articles, to give any Director, Officer, or other person employed by the Company, an interest in any particular business or transaction either by way of commission on the gross expenditure thereon or otherwise or a share in the general profits of the Company, and such interest, commission or share of profits shall be treated as part of the working expenses of the Company.</p> <p>xvi. To provide for the welfare of employees or ex-employees of the Company and their wives, widows, families, dependants or connections of such persons by building or contributing to the building of houses, dwelling, or chawls or by grants of money, pensions, allowances, gratuities, bonus or payments by creating and from time to time subscribing or contributing to provident and other funds, institutions, or trusts and by providing or subscribing or contributing towards places of instruction and recreation, hospitals and dispensaries, medical and other attendances and other assistance as the Directors shall think fit;</p> <p>xvii. To establish and maintain or procure the establishment and maintenance of any contributory or non contributory pension or superannuation funds for the benefit of, and give or procure the giving of donations, gratuities, pensions, allowances or emoluments, to any persons who are or were at any time in the employment or services of the Company, or of any Company which is a subsidiary of the Company or is allied to or associated with the Company or with any such subsidiary Company, or who are or were at anytimeDirectors or officers of the Company or of any such other Company as aforesaid, and the wives, widows, families and dependants of any such persons and, also to establish and subsidize and subscribe to any institution, association, clubs or funds collected to be for</p>	

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	<p>the benefit of or to advance the interests and well being of the Company or of any such other Company as aforesaid, and make payments to or towards the insurance of any such person as aforesaid and do any of the matters aforesaid, either alone or in conjunction with any such other Company as aforesaid;</p> <p>xviii. To decide and allocate the expenditure on capital and revenue account either for the year or period or spread over the years.</p> <p>xix. To appoint and at their discretion to remove or suspend such Managers, Secretaries, Officers, Clerks, Agents and servants for permanent, temporary or special service as they may from time to time think fit, and to determine their powers and duties, and fix their salaries or emoluments and require security in such instances and to such amounts as they may think fit, and from time to time to provide for the management and transactions of the affairs of the Company in any special locality in India in such manner as they may think fit. The provisions contained in the clause following shall be without prejudice to the general powers conferred by this clause.</p> <p>xx. At any time and from time to time by power of attorney to appoint any person or persons to be the Attorney or Attorneys of the Company for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Directors under these presents) and for such period and subject to such conditions as the Directors may from time to time think fit and any such appointment (if the Directors may think fit) be made in favour of any Company or the members, directors, nominees or managers of any Company or firm or otherwise in favour of any fluctuating body or person whether nominated, directly or indirectly by the Directors and such power of attorney may contain any such powers for the protection or convenience of persons dealing with such Attorneys as the Directors may think fit; and may contain powers enabling any such delegates or Attorneys as aforesaid to sub-delegate all or any of the powers, authorities, and discretion for the time being vested in them.</p> <p>xxi. To enter into all such negotiations, contracts and rescind and/or vary all such contracts and to execute and do all such acts, deeds, and things in the name of on behalf of the Company as they may consider expedient for or in relation to any of the matters aforesaid or otherwise for the purposes of the Company</p>	
51.	<p>Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time one or more Directors as Managing Director or Managing Directors and/or Wholetime Directors of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director(s)/Whole-time Director(s), such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the</p>	<p>MANAGING DIRECTORS Power to appoint Managing and Whole-time Director</p>

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	<p>remuneration of such Directors may be by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.</p> <p>Subject to the approval of shareholders in their meeting, the managing director of the Company may be appointed and continue to hold the office of the chairman and managing director or Chief Executive officer of the Company at the same time. Subject to the provisions of Sections 197 & 198 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government</p>	
	<p>The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings, as it thinks fit.</p> <p>A director may, and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.</p> <p>The quorum for meetings of Board/Committees shall be as provided in the Act or under the rules.</p> <p>Save as otherwise expressly provided in the Act, questions arising at any meeting of the Board shall be decided by a majority of votes.</p> <p>In case of an equality of votes, the Chairperson of the Board, if any, shall have a second or casting vote.</p> <p>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.</p> <p>The participation of directors in a meeting of the Board/Committees may be either in person or through video conferencing or audio visual means or teleconferencing, as may be prescribed by the Rules or permitted under law.</p> <p>The Board may elect a Chairperson of its meetings and determine the period for which he is to hold office.</p> <p>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 number to be Chairperson of the meeting</p>	<p>Proceedings of the Board</p>
52.	<p>a) 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.</p> <p>b) 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.</p>	<p>Delegation of Powers of Board to Committee</p>

Article No.	Interpretation	Heading
	<p>A committee may elect a Chairperson of its meetings. 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.</p> <p>A committee may meet and adjourn as it thinks fit. 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.</p> <p>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.</p> <p>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.</p>	
53.	<p>Subject to the provisions of the Act,—</p> <p>a) A chief executive officer, manager, Company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may think fit; and any chief executive officer, manager, Company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board;</p> <p>b) A director may be appointed as chief executive officer, manager, Company secretary or chief financial officer.</p> <p>A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officers, 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.</p>	<p>Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer</p>
	<p>The Board shall provide for the safe custody of the seal.</p> <p>The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorised by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.</p>	

Article No.	Interpretation	Heading
54.	<p>The Company in general meeting may declare dividends, but no dividend shall exceed the amount recommended by the Board.</p> <p>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.</p> <p>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.</p> <p>The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p> <p>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.</p>	Dividend

Article No.	Interpretation	Heading
	<p>Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.</p> <p>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.</p> <p>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.</p> <p>No dividend shall bear interest against the Company. Provided however that no amount outstanding as unclaimed dividends shall be forfeited unless the claim becomes barred by law and that such forfeiture, when effected, will be annulled in appropriate cases;</p> <p>Where a dividend has been declared by a company but has not been paid or claimed within thirty days from the date of the declaration, the company shall, within seven days from the date of expiry of the thirty 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 the Unpaid Dividend Account as per provisions of section 124 and any other pertinent provisions in rules made thereof.</p> <p>The company shall transfer any money transferred to the unpaid dividend account of a company that remains unpaid or unclaimed for a period of seven years from the date of such transfer, to the Fund known as Investor Education and Protection Fund established under section 125 of the Act.</p> <p>The Board may retain dividends payable upon shares in respect of which any person is, under the Transmission Clause hereinbefore contained, entitled to become a member, until such person shall become a member in respect of such shares.</p> <p>Payment in any way whatsoever shall be made at the risk of the person entitled to the money paid or to be paid. The Company will not be responsible for a payment which is lost or delayed. The Company will be deemed to having made a payment and received a good discharge for it if a payment using any of the foregoing permissible means is made.</p>	
55.	<p>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.</p> <p>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.</p>	Accounts

Article No.	Interpretation	Heading
56.	<p>The books containing the minutes of the proceedings of any general meeting of the Company shall;</p> <p>i. be kept at the registered office of the Company, and</p> <p>ii. be open, during the business hours to the inspection of any member without charge subject such reasonable restrictions as the Company may, in general meeting impose so however that not less than two hours in each day are allowed for inspection.</p> <p>Provided however that any person willing to inspect the minutes books of General Meetings shall intimate to the Company his willingness atleast 15 days in advance.</p> <p>Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof</p>	Inspection of Statutory Documents of the Company
57.	<p>Any member shall be entitled to be furnished, within seven days after he has made a request in that behalf of the Company, with a copy of any minutes referred to in Clause (a) above, on payment of Rs. 10/- (Ten Rupees only) for each page or part thereof.</p> <p>The Company shall keep at its registered office a Register of charges and enter therein all charges and floating charges specifically affecting any property or assets of the Company or any of its undertakings giving in each case the details as prescribed under the provisions of the Act.</p> <p>The register of charges and instrument of charges, as per clause (i) above, shall be open for inspection during business hours</p> <p>a. by any member or creditor without any payment of fees; or</p> <p>b. by any other person on payment of such fees as may be prescribed</p> <p>Provided however, that any person willing to inspect the register of charges shall intimate to the Company at least 15 days in advance, expressing his willingness to inspect the register of charges, on the desired date.</p>	Register of charges
58.	<p>a) The first Auditor of the Company shall be appointed by the Board of Directors within 30 days from the date of registration of the Company and the Auditors so appointed shall hold office until the conclusion of the first Annual General Meeting.</p> <p>b) Appointment of Auditors shall be governed by provisions of Companies Act 2013 and rules made there under.</p> <p>c) The remuneration of the Auditor shall be fixed by the Company in the Annual General Meeting or in such manner as the Company in the Annual General Meeting may determine. In case of an Auditor appointed by the Board his remuneration shall be fixed by the Board.</p> <p>d) The Board of Director may fill any casual vacancy in the office of the auditor and where any such vacancy continues, the remaining auditor, if any may act, but where such vacancy is caused by the resignation of the auditors and vacancy shall be</p>	Audit

Article No.	Interpretation	Heading
59.	<p>filled up by the Company in General Meeting.</p> <p>Subject to the provisions of Chapter XX of the Act and rules made there under—</p> <p>i. If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not.</p> <p>ii. For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members.</p>	Winding up
60.	<p>Every officer of the company shall be indemnified out of the assets of the company against any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in which relief is granted to him by the court or the Tribunal Subject to the provisions of Chapter XX of the Act and rules made there under.</p>	Indemnity
61.	<p>Every Director, Manager, Secretary, Trustee, Member or Debenture holder, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in or about the business of the company shall, if so required by the Board before entering upon their duties sign a declaration pledging themselves to observe a strict secrecy respecting all transactions of the Company with its customers and the state of accounts with individuals and in matters which may come to their knowledge in the discharge of their duties except when required to do so by the Board or by any meeting or by</p> <p>a) Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents.</p> <p>b) No member shall be entitled to visit or inspect any works of the Company, without the permission of the Directors or to require discovery of or any information respecting any details of the Company's trading or business or any matter which is or may be in the nature of a trade secret, mystery of trade, secret or patented process or any other matter, which may relate to the conduct of the business of the Company and which in the opinion of the directors, it would be inexpedient in the interests of the Company to disclose</p>	Secrecy

SECTION IX: OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two years before the date of the Draft Red Herring Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of 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 Office at, Shop No. 25, DDA Market, Savita Vihar, Delhi 110092, India from 10.00 am to 4.00 pm on Working Days from the date of the Prospectus until the Bid/Issue Closing Date.

A Material Contracts to the Issue

1. Issue Agreement dated February 21, 2018, entered into among our Company and the BRLM.
2. Agreement dated February 21, 2018, entered into among our Company and the Registrar to the Issue.
3. Tripartite Agreement dated [●] entered into among our Company, NSDL and the Registrar to the Issue.
4. Tripartite Agreement dated [●] entered into among our Company, CDSL and the Registrar to the Issue.
5. Market Making Agreement dated February 21, 2018 between our Company, Market Maker and the BRLM.
6. Escrow Agreement dated [●] entered into among our Company and the BRLM, the Syndicate Members, Escrow Collection Banks, and the Registrar to the Issue.
7. Syndicate Agreement dated [●] entered into among our Company, the BRLM and Syndicate Members.
8. Underwriting Agreement dated February 21, 2018 entered into among our Company, the BRLM and Syndicate Members.

B Material Documents

1. Certified copies of the Memorandum of Association and Articles of Association of our Company.
2. Fresh certificate of incorporation dated February 21, 2018 pursuant to conversion of our Company to public limited company.
3. Resolution of the Board of Directors of our Company and Equity Shareholders of our Company dated February 01, 2018 and February 06, 2018, respectively, authorizing the Issue and other related matters.
4. Resolution of the Board of Directors of our Company dated February 23, 2018 approving the Draft Red Herring Prospectus and amendments thereto.
5. Resolution of the Board of our Company dated January 20, 2018 appointing Mr. Arun Kumar Goel as the Chief Financial Officer of our Company.
6. Employment Agreement dated January 20, 2018 entered into by our Company and Mr. Sanjay Gupta.
7. Employment Agreement dated January 20, 2018 entered into by our Company and Ms. Asha Gupta.
8. Copies of the annual reports of our Company for the five (5) fiscals immediately preceding the date of this Draft Red Herring Prospectus i.e. for the year ended March 31, 2017, 2016, 2015, 2014 and 2013.

9. The examination reports of the Statutory Auditor, M/s. Prakash K Prakash, Chartered Accountants, dated February 07, 2018 on our Company's restated financial information, and statement of tax benefits dated February 07, 2018 included in this Draft Red Herring Prospectus.
10. Consents of the Auditor, M/s. Prakash K Prakash, Chartered Accountants, to include its name as required under Section 26(1)(a)(v) of the Companies Act 2013 in this Draft Red Herring Prospectus and as an expert, as defined under Section 2(38) of the Companies Act 2013, in relation to their audit report dated February 07, 2018 on our restated financial information and the statement of tax benefits in the form and context in which it appears in this Draft Red Herring Prospectus.
11. Report of the Peer Review Auditor, M/s. Prakash K Prakash., Chartered Accountants, on the Restated Financial Statements for the period ended September 30, 2017 and Financial Year ended on March 31, 2017, 2016, 2015, 2014 and 2013 of our Company.
12. Consents of Promoters, Directors, Chief Financial Officer and Company Secretary and Compliance Officer, Bankers to our Company, Statutory auditor, Peer Review Auditor, Book Running Lead Manager, Registrar to the Issue, Legal counsel, Underwriter and Market Maker of our Company, as referred to act, in their respective capacities.
13. Due Diligence Certificate dated February 23, 2018, from Lead Manager.
14. Copy of approval from NSE Limited by way of letter dated [●], to use the name of NSE in this offer document for listing of Equity Shares on NSE EMERGE.

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 with 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 or guidelines issued by SEBI, 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 Contracts (Regulation) Act, 1956, as amended, the Securities and Exchange Board of India Act, 1992, as amended or the rules, regulations or guidelines issued thereunder, as the case may be. We further certify that all the statements in this Draft Red Herring Prospectus are true and correct.

SIGNED BY THE BOARD OF DIRECTORS OF OUR COMPANY:

Mr. Sanjay Gupta
Managing Director & Chief Executive Officer
DIN: 00527801 Sd/-

Ms. Asha Gupta
Whole Time Director
DIN: 02864795 Sd/-

Mr. Shyam Sunder Soni
Non- Executive Director
DIN: 00396429 Sd/-

Mr. Bishwanath Shukla
Independent Director
DIN: 02257584 Sd/-

Mr. Suresh Kumar Jain
Independent Director
DIN: 05103064 Sd/-

SIGNED BY COMPANY SECRETARY & COMPLIANCE OFFICER:

Ms. Parul Jain
PAN: APIPJ6815R Sd/-

SIGNED BY CHIEF FINANCIAL OFFICER:

Mr. Arun Kumar Goel
PAN: AAEPG8285D Sd/-

Date: February 23, 2018
Place: Delhi

