



WOMEN'S NEXT LOUNGIERIES LIMITED

Our Company was incorporated as "Shree Shiv Lingerie Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated December 22, 2010 bearing Registration No. 211237, in Mumbai, Maharashtra. Subsequently, the name of Our Company was changed to "Women's Next Loungeries Private Limited" vide fresh certificate of incorporation dated September 10, 2013 bearing registration no. 211237. Later Our Company was converted into a public limited company vide fresh certificate of incorporation dated December 12, 2013 and consequently the name of our Company was changed to "Women's Next Loungeries Limited". The Corporate Identification Number of our Company is U18204MH2010PLC211237. For further details please refer to chapter titled 'Our History and Certain Other Corporate Matters' beginning on page 115 of this Prospectus.

Registered Office: 101-105, Indian Complex, Bldg No.28, 1st Floor, Dapode Village, Bhiwandi -421329, Dist – Thane, Maharashtra, India.

Tel. No.: +91 02522-344073; **Fax No.:** +91 02522-344073; **E-mail:** info@womensnext.in; **Website:** www.womensnext.in

Contact Person: Mrs. Reena Bajaj, Company Secretary and Compliance Officer

Promoter of our Company: Mr. Bhavesh Tulsidas Bhanushali

THE ISSUE	
<p>PUBLIC ISSUE OF 10,00,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH FULLY PAID FOR CASH AT A PRICE OF RS. 65 PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF RS. 55 PER EQUITY SHARE) AGGREGATING RS. 650 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 52,000 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 PORTION I.E. ISSUE OF 9,48,000 EQUITY SHARES OF FACE VALUE OF RS. 10/- EACH IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 40 % AND 37.92 %, RESPECTIVELY OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY</p>	
<p>THE FACE VALUE OF EQUITY SHARES IS RS. 10 EACH. THE ISSUE PRICE IS RS. 65. THE ISSUE PRICE IS 6.5 TIMES OF THE FACE VALUE</p>	
<p>THE ISSUE IS BEING MADE IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME) For further details please refer "Section VII - Issue Information" beginning on page 186 of this Prospectus.</p>	
<p>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 "Issue Procedure" beginning on page 193 of this Prospectus. In case of delay, if any in refund, our Company shall pay interest on the application money at the rate of 15% per annum for the period of delay.</p>	
RISK IN RELATION TO THE FIRST ISSUE	
<p>This being the first issue of Equity Shares 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/- and the Issue Price is 6.5 times of the face value. The Issue Price (as determined and justified by our Company, in consultation with the Lead Manager) as stated in chapter titled "Basis for Issue Price" beginning on page 77 of this Prospectus should not be taken to be indicative of the market price of our Equity Shares after our Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares of our Company or regarding the price at which the Equity Shares will be traded after listing.</p>	
GENERAL RISKS	
<p>Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of our Company and the Issue including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the Prospectus. Specific attention of the investors is invited to the section "Risk Factors" beginning on page 21 of this Prospectus.</p>	
COMPANY'S ABSOLUTE RESPONSIBILITY	
<p>Our Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to our Company and the Issue, which is material in the context of the Issue, that the information contained in this 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 Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.</p>	
LISTING	
<p>The Equity Shares of our Company offered through this Prospectus are proposed to be listed on the SME Platform of Bombay Stock Exchange Limited (BSE). In terms of Chapter XB of the SEBI (ICDR) Regulation, 2009, as amended from time to time, we are not required to obtain an in-principle listing approval for the shares being offered in this Issue. However, our Company has received an approval letter dated March 12, 2014 from BSE for using its name in this offer document for listing our shares on the SME Platform of BSE. For the purpose of this Issue, BSE will be the Designated Stock Exchange.</p>	
LEAD MANAGER	REGISTRAR TO THE ISSUE
 <p>PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 108, Madhava Premises Co Soc Ltd, Bandra Kurla Complex, Bandra East, Mumbai 400051 Tel: +91 22 2659 8687 Fax: +91 22 2659 8690 Investor Grievance Email: ipo@pantomathgroup.com Website: www.pantomathgroup.com Contact Person: Mr. Mahavir Lunawat SEBI Registration No.: INM000012110</p>	 <p>LINK INTIME INDIA PRIVATE LIMITED C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078 Tel: +91 22 2596 7878 Fax: +91 22 2596 0329 Email: wnll.ipo@linkintime.co.in Website: www.linkintime.co.in Contact Person: Mr. Sachin Achar SEBI Registration No. INR000004058</p>
ISSUE PROGRAMME	
ISSUE OPENS ON: MARCH 28, 2014	ISSUE CLOSES ON: APRIL 07, 2014

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

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

SECTION I – GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Company Related Terms

Term	Description
Articles or Articles of Association or AOA	The Articles of Association of our Company, as amended from time to time
Auditor or Statutory Auditor	The auditor of our Company, being M/s Santosh Gupta & Co.
Bankers to our Company	Punjab National Bank
“Board” or “Board of Directors” or “our Board”	The Board of Directors of our Company, as duly constituted from time to time, or committee(s) thereof
Company secretary and Compliance Officer	Mrs. Reena Bajaj
Director(s)	The Director(s) of our Company, unless otherwise specified
Equity Shares	Equity Shares of our Company of face value of Rs. 10 each
Equity Shareholders	Persons holding equity shares of our Company
Group Companies	Includes those companies, firms and ventures promoted by our Promoter, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act and disclosed in the chapter titled “Our Group Entities” beginning on page 133 of this Prospectus
Memorandum of Association or Memorandum or MOA	The Memorandum of Association of our Company, as amended from time to time
Peer Reviewed Auditor	The Peer Reviewed Auditor of our Company, being R.T Jain & Co.
“Promoter” or “our Promoter”	Promoter of our company being Mr. Bhavesh Bhanushali
Promoter Group	Includes such persons and entities constituting our promoter group in terms of Regulation 2(zb) of the SEBI (ICDR) Regulations and a list of which is provided in the chapter titled “Our Promoter and Promoter Group” beginning on page 130 of this Prospectus

Term	Description
Registered Office	The Registered Office of our Company located at 101-105, Indian Complex, Bldg No.28, 1st Floor, Dapode Village, Bhiwandi - 421329, Dist – Thane, Maharashtra, India.
RoC	Registrar of Companies, Mumbai, Maharashtra
“Women’s Next Loungeries Limited”, “the Company” ,or “our Company” or “we”, “us”, “our”, or “WNLL” and the “Issuer Company”	Women’s Next Loungeries Limited, a public limited company incorporated under the provisions of the Companies Act, 1956

Issue Related Terms

Term	Description
Allocation/ Allocation of Equity Shares	The Allocation of Equity Shares of our Company pursuant to Fresh Issue of Equity Shares to the successful Applicants
Allotment/ Allot/ Allotted	Issue an allotment of Equity Shares of our Company pursuant to Fresh Issue of the Equity Shares to the successful Applicants
Allottee(s)	Successful Applicants to whom Equity Shares of our Company shall have been allotted
Applicant	Any prospective investor who makes an application for Equity Shares of our Company in terms of this Prospectus
Application Amount	The amount at which the Applicant makes an application for Equity Shares of our Company in terms of this Prospectus
Application Form	The Form in terms of which the prospective investors shall apply for our Equity Shares in the Issue
ASBA/ Application Supported by Blocked Amount.	Applications Supported by Blocked Amount (ASBA) means an application for Subscribing to the Issue containing an authorization to block the application money in a bank account maintained with SCSB
ASBA Account	Account maintained with SCSBs which will be blocked by such SCSBs to the extent of the Application Amount
ASBA Location(s)/ Application Specified Cities	Locations at which ASBA Applications can be uploaded by the SCSBs, namely Mumbai, New Delhi, Chennai, Kolkata, Ahmedabad, Rajkot, Bangalore, Hyderabad, Pune, Baroda and Surat.
ASBA Investor/ASBA applicant	Any prospective investor(s)/applicants(s) in this Issue who apply(ies) through the ASBA process
Banker(s) to the Issue/ Escrow Collection Bank(s).	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom the Escrow Account will be opened and in this case being ICICI Bank Ltd and Punjab National Bank
Basis of Allotment	The basis on which Equity Shares will be Allotted to the successful Applicants under the Issue and which is described under chapter titled “Issue Procedure” beginning on page 193 of this Prospectus
Controlling 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
Demographic Details	The demographic details of the Applicants such as their address, PAN, occupation and bank account details

Term	Description
Depository Participant	A Depository Participant as defined under the Depositories Act, 1996
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Forms from the ASBA Applicants 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
Designated Date	The date on which funds are transferred from the Escrow Account or the amount blocked by the SCSBs is transferred from the ASBA Account, as the case may be, to the Public Issue Account or the Refund Account, as appropriate, after the Issue is closed, following which the Equity Shares shall be allotted/transfer to the successful Applicants
Designated Stock Exchange	SME Platform of BSE Limited
Draft Prospectus	The Draft Prospectus dated February 24, 2014 issued in accordance with section 32 of the Companies Act, 1932 and filed with the BSE under SEBI (ICDR) Regulations
Eligible NRIs	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account(s)	Account(s) opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Applicants (excluding ASBA Applicants) will issue cheques or drafts in respect of the Application Amount when submitting any Application(s) pursuant to this Issue
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the Lead Manager, and the Escrow Collection Bank(s) for collection of the Application Amounts and where applicable, refunds of the amounts collected to the Applicants (excluding ASBA Applicants) on the terms and conditions thereof
First/ Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form
Issue/ Issue Size/ Initial Public Offer/ Initial Public Offering/ IPO	Public Issue of 10,00,000 Equity Shares of face value of Rs. 10 each fully paid of Women's Next Loungeries Limited for cash at a price of Rs. 65/- per Equity Share (including a premium of Rs. 55/- per Equity Share) aggregating Rs. 650.00 lakhs
Issue Agreement	The agreement dated February 21, 2014 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue
Issue Closing date	The date on which Issue closes for subscription
Issue Opening Date	The date on which Issue opens for subscription
Issue Period	The period between the Issue Opening Date and the Issue Closing Date

Term	Description
	inclusive of both the days during which prospective Investors may submit their application
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 65/- per Equity Share of face value of Rs. 10 each fully paid
Issue Proceeds	Proceeds from the fresh Issue that will be available to our Company, being Rs. 650.00 Lakhs
Listing Agreement	The Equity Listing Agreement to be signed between our Company and the SME Platform of BSE Limited
Lead Manager/ LM	Lead Manager to the Issue in this case being Pantomath Capital Advisors Private Limited, SEBI Registered Category I Merchant Banker
Market Making Agreement	Market Making Agreement dated February 21, 2014 between our Company, Lead Manager and Market Maker
Market Maker	Market Maker appointed by our Company from time to time, in this case being Choice Equity Broking Private Limited, who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for any other period as may be notified by SEBI from time to time
Market Maker Reservation Portion	The Reserved Portion of 52,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 65/- per Equity Share aggregating Rs. 33.80 lakhs for the Market Maker in this Issue
Mutual Fund(s)	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996, as amended from time to time
NIF	National Investment Fund set up by resolution F. No. 2/3/2005-DD-II dated November 23, 2005 of Government of India published in the Gazette of India
Net Issue	The Issue excluding the Market Maker Reservation Portion of 52,000 Equity Shares of face value of Rs. 10 each fully paid for cash at a price of Rs. 65/- per Equity Share aggregating Rs. 616.20 lakhs by our Company
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds and the Issue expenses, please refer to the chapter titled “Objects of the Issue” beginning on page 71 of this Prospectus
Non Institutional Investors	All Applicants that are not Qualified Institutional Buyers or Retail Individual Investors and who have Applied for Equity Shares for an amount more than Rs. 2,00,000
OCB/ Overseas 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 as defined under the Foreign Exchange Management

Term	Description
	(Deposit) Regulations, 2000, as amended from time to time. OCBs are not allowed to invest in this Issue
Payment through electronic transfer of funds	Payment through NECS, NEFT or Direct Credit, as applicable
Person/ Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Prospectus	The Prospectus, filed with RoC containing, <i>inter-alia</i> , the issue size, the issue opening and closing dates and other information
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Ltd by our Company to receive monies from the Escrow Account and the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date
Qualified Institutional Buyers or QIBs	QIBs, as defined under the SEBI ICDR Regulations, including public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FPI other than Category III FPI registered with SEBI, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with Insurance Regulatory and Development Authority, provident fund with minimum corpus of Rs. 2,500 lakhs, pension fund with minimum corpus of Rs. 2,500 lakhs, NIF, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India
Refund Account (s)	Account(s) to which Application monies to be refunded to the Applicants (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
Refund Bank(s) / Refund Banker(s)	Bank(s) which is / are clearing member(s) and registered with the SEBI as Bankers to the Issue at which the Refund Accounts will be opened, in this case being ICICI Bank Ltd
Refund through electronic transfer of funds	Refund through ECS, Direct Credit, RTGS or the ASBA process, as applicable
Registrar /Registrar to the Issue	Registrar to the Issue, in this case being Link Intime India Private Limited having registered office at C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (West), Mumbai – 400 078
Retail Individual Investor	Individual Applicants, or minors applying through their natural guardians, including HUFs (applying through their <i>Karta</i>) and ASBA Applicants, who apply for an amount less than or equal to Rs 2,00,000

Term	Description
Revision Form	The form used by the Applicants to modify the quantity of Equity Shares in any of their Application Forms or any previous Revision Form(s)
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 Application/s Supported by Blocked Amount including blocking of bank account and a list of which is available on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html or at such other website as may be prescribed by SEBI from time to time
SME Platform of BSE	The SME Platform of BSE for listing of Equity Shares offered under Chapter XB of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011
Underwriters	Pantomath Capital Advisors Private Limited
Underwriting Agreement	The agreement dated February 21, 2014 entered into between the Underwriters and our Company
Working Day	(i) Till Application / Issue closing date: All days other than a Saturday, Sunday or a public holiday; (ii) Post Application / Issue closing date and till the Listing of Equity Shares: All days other than a Sunday or a public holiday, and on which commercial banks in Mumbai are open for business in accordance with the SEBI circular no. CIR/CFD/DIL/3/2010 dated April 22, 2010

Technical and Industry Terms

Term	Description
ASP	Average Selling Price
ASEAN	Association of South East Asian Nations
bn	Billion
C&F	Clearing and Forwarding
EU	European Union
hps	Horsepower
Kws	Kilowatt
R&D	Research & Development
SITP	Scheme for Integrated Textile Parks
sq.fts	square feet
UK	United Kingdom

Conventional and General Terms/ Abbreviations

Term	Description
A/C	Account
AGM	Annual General Meeting
AS	Accounting Standards as issued by the Institute of Chartered Accountants of India
A.Y.	Assessment Year
BIFR	Board for Industrial and Financial Reconstruction
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CIN	Corporate Identification Number
Companies Act	Companies Act, 1956 or such other replaced provisions under the Companies Act, 2013 as may be applicable.
CSO	Central Statistical Organization
Depositories	NSDL and CDSL; Depositories registered with the SEBI under the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996, as amended from time to time
Depositories Act	The Depositories Act, 1996, as amended from time to time.
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
EBIDTA	Earnings before Interest, Depreciation, Tax, Amortization and extraordinary items
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting

Term	Description
ESIC	Employee State Insurance Corporation
ESOP	Employee Stock Option Plan
EPS	Earnings Per Share
FDI	Foreign Direct Investment
FCNR Account	Foreign Currency Non Resident Account
FEMA	Foreign Exchange Management Act 1999, as amended from time to time and the regulations framed there under
FEMA Regulations	FEMA (Transfer or Issue of Security by Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors
FIs	Financial Institutions
FIPB	The Foreign Investment Promotion Board, Ministry of Finance, Government of India
FPI(s)	Foreign Portfolio Investor
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000
F.Y./FY	Financial Year
GAAP	Generally Accepted Accounting Principles
GDP	Gross Domestic Product
GIR Number	General Index Registry number
GoI/ Government	Government of India
HNI	High Networth Individual
HUF	Hindu Undivided Family
ICDR Regulations/ SEBI Regulations/ SEBI (ICDR) Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 as amended from time to time

Term	Description
Indian GAAP	Generally Accepted Accounting Principles in India
ICAI	Institute of Chartered Accountants of India
ICSI	Institute of Company Secretaries of India
IFRS	International Financial Reporting Standards
IPC	Indian Penal Code
IPO	Initial Public Offering
IPR	Intellectual Property Right
IT Act	The Income Tax Act, 1961 as amended from time to time except as stated otherwise
IT Rules	The Income Tax Rules, 1962, as amended from time to time
INR	Indian National Rupee
JV	Joint Venture
Key Managerial Personnel / KMP	The officers declared as a Key Managerial Personnel and as mentioned in the chapter titled “ <i>Our Management</i> ” beginning on page 118 of this Prospectus
Ltd.	Limited
MoU	Memorandum of Understanding
Mtr	Meters
N/A or N.A.	Not Applicable
NAV	Net Asset Value
NECS	National Electronic Clearing Services
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account
NOC	No Objection Certificate
NPV	Net Present Value

Term	Description
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
p.a.	per annum
PAN	Permanent Account Number
PAT	Profit After Tax
Pvt.	Private
PBT	Profit Before Tax
P/E Ratio	Price Earnings Ratio
POA	Power of Attorney
PIO	Persons of Indian Origin
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / INR	Indian Rupees
RTGS	Real Time Gross Settlement
SCRA	Securities Contracts (Regulation) Act, 1956
SCRR	Securities Contracts (Regulation) Rules, 1957
SCSB	Self Certified Syndicate Bank

Term	Description
SEBI	Securities and Exchange Board of India
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended from time to time
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended from time to time, including instructions and clarifications issued by SEBI from time to time
SEBI Takeover Regulations /Takeover Regulations / Takeover Code	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
SME	Small Medium Enterprise
SSI Undertaking	Small Scale Industrial Undertaking
Stock Exchange (s)	SME Platform of BSE Limited
Sq.	Square
Sq. mtr	Square Meter
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
TNW	Total Net Worth
u/s	Under Section
UIN	Unique Identification Number
US/ U.S. / USA	United States of America
USD or US\$	United States Dollar
U.S. GAAP	Generally accepted accounting principles in the United States of America
UOI	Union of India
Venture Capital Fund(s)/	Venture capital funds as defined and registered with SEBI under the Securities and Exchange Board of India (Venture Capital Fund)

Term	Description
VCF(s)	Regulations, 1996, as amended from time to time
WDV	Written Down Value
w.e.f.	With effect from
YoY	Year over year

Notwithstanding the following: -

- (i) In the section titled '*Main Provisions of the Articles of Association*' beginning on page 217 of the Prospectus, defined terms shall have the meaning given to such terms in that section;
- (ii) In the section titled '*Financial Statements*' beginning on page 137 of the Prospectus, defined terms shall have the meaning given to such terms in that section; and
- (iii) In the chapter titled "*Statement of Possible Tax Benefits*" beginning on page 80 of the Prospectus, defined terms shall have the meaning given to such terms in that chapter.

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

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

FINANCIAL DATA

Unless stated otherwise, the financial data included in this Prospectus are extracted from the restated financial statements of our Company, prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditors, set out in the section titled ‘Financial Statements’ beginning on page 137 this Prospectus. Our restated financial statements are derived from our audited financial statements prepared in accordance with Indian GAAP and the Companies Act, and have been restated in accordance with the SEBI (ICDR) Regulations.

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

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

Any percentage amounts, as set forth in “Risk Factors”, “Our Business”, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and elsewhere in this Prospectus unless otherwise indicated, have been calculated on the basis of the Company’s restated financial statements prepared in accordance with the applicable provisions of the Companies Act, Indian GAAP and restated in accordance with SEBI (ICDR) Regulations, as stated in the report of our Peer Reviewed Auditor, set out in the section titled ‘Financial Statements’ beginning on page 137 of this Prospectus.

CURRENCY 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 / Lac’ means ‘one hundred thousand’ and ‘Crore’ means ‘ten million’ and ‘billion / bn./ Billions’ means ‘one hundred crores’.

INDUSTRY & MARKET DATA

Unless otherwise stated, Industry & Market data used throughout this Prospectus have been obtained from internal Company reports and Industry publications inter alia Planning Commission of India, Economic Survey, Industry Chambers and Associations etc. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although we believe that industry data used in this Prospectus is reliable, it has not been independently verified.

Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

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

FORWARD LOOKING STATEMENTS

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

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

- General economic and business conditions in the markets in which we operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which we operate;
- Increased competition in Apparels Industry specifically Lingerie Industry;
- Factors affecting Textile and Apparels Industry
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India, the monetary and interest rate policies of India and other countries;
- Inflation, deflation, unanticipated turbulence in interest rates, equity prices or other rates or prices;
- The performance of the financial markets in India and globally;
- Any adverse outcome in the legal proceedings in which we are involved;
- Our failure to keep pace with rapid changes in technology;
- The occurrence of natural disasters or calamities;
- Other factors beyond our control;
- Our ability to manage risks that arise from these factors;
- Conflict of Interest with affiliated companies, the promoter group and other related parties; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For a further discussion of factors that could cause our actual results to differ, refer to section titled “Risk Factors” and chapter titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on pages 21 and 157 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

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

SECTION II – RISK FACTORS

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

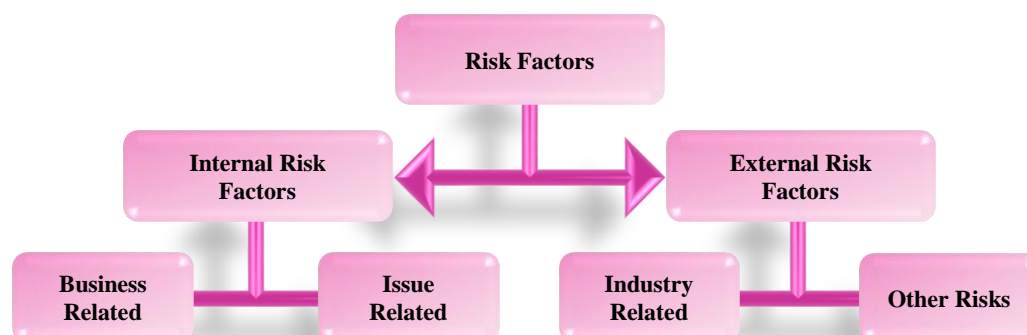
Unless otherwise stated in the relevant risk factors set forth below, we are not in a position to specify or quantify the financial or other implications of any of the risks mentioned herein. To obtain a complete understanding, you should read this section in conjunction with the chapters titled “Our Business” beginning on page 102, “Our Industry” beginning on page 90 and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” beginning on page 157 respectively, of this Prospectus as well as other financial information contained herein.

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

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

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the impact may not be quantifiable and hence the same has not been disclosed in such risk factors. Unless otherwise stated, the financial information of the Company used in this section is derived from our financial statements under Indian GAAP, as restated in this Prospectus. Unless otherwise stated, we are not in a position to specify or quantify the financial or other risks mentioned herein. For capitalized terms used but not defined in this chapter, refer to the chapter titled “Definitions and Abbreviations” beginning on page 4 of this Prospectus. The numbering of the risk factors has been done to facilitate ease of reading and reference and does not in any manner indicate the importance of one risk factor over another.

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



INTERNAL RISK FACTORS

A. Business Risks / Company specific Risk


- 1. We have not applied for certain statutory and regulatory approvals, registrations and licenses and also application for certain statutory and regulatory approvals, registrations and licenses are still pending with the relevant governmental or regulatory authorities. Further, our inability to renew or maintain our statutory and regulatory permits and approvals required to operate our business would adversely affect our operations and profitability.***

Our Company requires several statutory and regulatory permits, licenses and approvals to operate the business. Many of these approvals are granted for fixed periods of time and need renewal from time to time. Our Company is required to renew such permits, licenses and approvals. There can be no assurance that the relevant authorities will issue any of such permits or approvals in time or at all. Further, these permits, licenses and approvals are subject to several conditions, and our Company cannot assure that it shall be able to continuously meet such conditions or be able to prove compliance with such conditions to statutory authorities, and this may lead to cancellation, revocation or suspension of relevant permits/ licenses/ approvals.

Our Company has, not obtained certain statutory and regulatory approvals, registrations and licenses. Further, certain applications seeking such statutory and regulatory approvals, registrations and licenses are pending with relevant authorities such as registration under Factories Act, Professional Tax, Employees' State Insurance Act, Employee Provident Fund Act, etc. such non compliance may result in proceedings against our Company and the Directors and such actions may directly and immediately affect our operations

For details please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 170 of this Prospectus.

- 2. We have applied for registration of our Logo / Trademark but do not own the same as on the date of this Prospectus.***

We have made an application for registration of our Logo/trademark  on August 21, 2013 under the Trademarks Act, 1999 and are in the process of getting the same registered. If our Company is unable to obtain registration of trademark, it may not be able to successfully enforce or protect our intellectual property rights and obtain statutory protections available under the Trademarks Act, 1999, as otherwise available for registered trademarks. This could have a material adverse effect on our business, which in turn could adversely affect our results of operations.

- 3. We do not own the trademark under which we market***

Our company has entered into a License Agreement dated August 01, 2013 with Ashapura Intimates Fashion Limited for obtaining a license to manufacture and sell certain merchandise articles under the trademark "Valentine Pink". The Company sells the products under the brand "Valentine Pink" of Ashapura Intimates Fashion Limited for License Fee. The Company has since applied for registration of its trademark "Women's Next" and may in future market the products under its own brand.

- 4. We have a very limited operating history, which may make it difficult for investors to evaluate our historical performance or future prospects.***

Our Company was incorporated on December 22, 2010 and commenced operations immediately thereafter. Thus we have a very limited operating history from which you can evaluate our business, future prospects and viability. As a result, our future revenue and profitability are difficult to estimate and could fluctuate significantly and, as a result, the price of our Equity Shares may be volatile.

5. ***Our top five customers contribute approximately 95% of our revenues for the financial year ended March 31, 2013. Any loss of business from one or more of them may adversely affect our revenues and profitability.***

Our top five customers contribute approximately 95% of our revenues and our topmost single customer contributes approximately 90% of our revenues for the financial year ended March 31, 2013. Any decline in our quality standards, growing competition and any change in the demand for our products by the consumers may adversely affect our ability to retain them. We cannot assure that we shall generate the same quantum of business, or any business at all, from these customers, and loss of business from one or more of them may adversely affect our revenues and profitability. However, the composition and revenue generated from these customers might change as we continue to add new customers in normal course of business. We intend to retain our customers by offering innovative products to end consumers. This helps us in providing better value to each customer thereby increasing our engagement with our new and existing customer base that presents a substantial opportunity for growth.

6. ***Our Company has negative cash flow in the past 3 years details of which are given below; Sustained negative cash flow could impact our growth and business.***

Cash flow of a company is a key indicator to show the extent of cash generated from operations to meet capital expenditure, pay dividends, repay loans and make new investments without raising finance from external resources.

(Rs in Lakhs)

Particulars	March 31, 2011	March 31, 2012	March 31, 2013	September 30, 2013
Cash Flow from / (used in) Operating Activities	(161.19)	(179.65)	(588.17)	306.36
Cash Flow from / (used in) Investing Activities	(17.12)	(13.20)	(80.89)	(7.69)
Cash Flow from / (used in) Financing Activities	178.94	192.59	669.26	(294.99)

Any operating losses or negative cash flows could adversely affect our results of operations and financial conditions. Our Company is a new company and is in initial phase of its life cycle where the cash flows are generally negative as lot of investments are required to be made initially in setting up business.

7. ***Our Company outsources the manufacturing of some portion of its products and is therefore dependent on third parties for production.***

Our Company outsources the manufacturing of some portion of its products and is therefore dependent on third parties for production of its few products. Our Company depends partly on third party fabricators for performance of the stitching operations although the final assembling and labeling of products is carried out at our manufacturing units. As on 31st March 2013, the outsourcing manufacturing portion of the total revenue consisted of 40%. Currently, our Company has arrangements with various fabricators. Any delay or failure on the part of these fabricators to deliver the products in a timely manner or to meet our quality standards or unilateral termination of relationship by them may cause a material adverse affect on our business.

8. ***Our Company has proposed upgradation of its units/facility The Company is yet to identify the supplier for all the machinery/spare parts required for upgradation of unit and as a result, we may face time and cost overruns.***

Our Company proposes to carry out upgradation of its manufacturing facility out of the proceeds of this Issue. However, our Company is yet to enter into definitive agreements, arrangements or is yet to identify suppliers for all the machinery, equipment, spares and other products & services required for upgradation of our manufacturing facilities at Bhiwandi (the “**Manufacturing Facilities**”). The total cost of plant and machinery proposed to be upgraded at our Manufacturing Facilities are estimated at Rs.100 lakhs. As on date of the Prospectus, we are yet to place orders for upgradation of our facility at Rs.100 lakhs comprising 100.00% of the total estimated upgradation of machinery at our Manufacturing Facilities. These factors may increase the overall cost of upgradation of our Manufacturing Facilities, and subsequently, we may have to raise additional funds by way of additional debt or equity placement to for upgradation of our Manufacturing Facilities, which may have an adverse effect on our business and results of operations

9. ***Our Company has not been making the required filings with the Registrar of Companies in a timely manner.***

Our Company is required under the Companies Act to make filings with the RoC which has not been done within the stipulated time period. Due to these delays in filings, our Company had on several occasions paid the requisite late fees. Also Our Company has filed various forms incorrectly. Our Company is in the process of setting up a system to ensure that requisite filings are done with the requisite timeline.

10. ***One of the agreements entered into by us with respect to our leasehold/leave and license premises for factory is not adequately stamped and registered, resulting in making them inadmissible as evidence in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.***

One of the agreements entered into by us with respect to our leasehold/leave and license premises for factory use is not adequately stamped and registered. The effect of inadequate stamping is that the document is not admissible as evidence in legal proceedings and parties to that agreement may not be able to legally enforce the same, except after paying a penalty for inadequate stamping. The effect of non-registration, in certain cases, is to make the document inadmissible in legal proceedings. Any potential dispute vis-à-vis the said premises and our non-compliance of local laws relating to stamp duty and registration may adversely impact the continuance of our activity from such premises.

11. ***A few of our properties are not owned by us. In the event, we are unable to renew the lease/rent agreements, or if such agreements are terminated, we may suffer a disruption in our operations.***

Our Manufacturing unit at 108-109, Bldg no. D/5, Harihar Compound, Dapode Village, Bhiwandi - 421329, Dist – Thane has been taken by us on lease. This lease is renewable on mutually agreed terms. Upon termination of the lease, we are required to return the said business premises to the Lessor/Licensor, unless renewed. There can be no assurance that the term of the agreements will be renewed and in the event the Lessor/Licensor terminates or does not renew the agreements on commercially acceptable terms, or at all, and we are required to vacate our offices, we may be required to identify alternative premises and enter into fresh lease or leave and license agreement. Such a situation could result in loss of business, time overruns and may adversely affect our operations and profitability.

For details on properties taken on lease/rent by us please refer to the heading titled “Property” in chapter titled “Our Business” beginning on page 102 of this Prospectus.

12. Credit Rating of the Company.

The cost and availability of capital, amongst other factors, is also dependent on our credit ratings. We had been rated by CARE through letter dated January 30, 2014. Our rating is Double B Minus for long term bank facilities. Ratings reflect a rating agency's opinion of our financial strength, operating performance, strategic position, and ability to meet our obligations. Any downgrade of our credit ratings would increase borrowing costs and constrain our access to capital and lending markets and, as a result, could adversely affect our business. In addition, downgrades of our credit ratings could increase the possibility of additional terms and conditions being added to any new or replacement financing arrangements.

13. Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 71 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the Objects of this Issue have not been appraised by any bank or financial institution.

We intend to use entire fresh Issue proceeds towards upgradation of Machinery, repayment of loans, working capital needs, to meet the issue expenses and general corporate purposes. We intend to deploy the Net Issue Proceeds in FY 2013-2014 to FY 2014-2015 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 71 of this Prospectus.

The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 71 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. Our Board of Directors will monitor the utilization of the proceeds of this Issue.

14. Our Promoter and members of the Promoter Group will continue jointly to retain majority control over our Company after the Issue, which will allow them to determine the outcome of matters submitted to shareholders for approval.

Post this Issue, our Promoter and Promoter Group will collectively own substantial portion of our equity share capital. As a result, our Promoter, together with the members of the Promoter Group, will continue to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoter will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or other shareholders, and we cannot assure you that such actions will not have an adverse effect on our future financial performance or the price of our Equity Shares.

15. Our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and workmen's compensation etc. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.

While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like product defect/liability risk, loss of profits and workmen's compensation, and are subject to exclusions and deductibles. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured

loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

16. Our inability to compete effectively in the present market may lead to lower market share or reduced operating margins. This may adversely affect our operations.

Creativity is one of the key attributes for success in this industry. With the upcoming trends and increase in demand, the competition is also increasing. We need to make continuous efforts to market our products effectively, any failure to do so which might adversely affect our profitability.

17. The availability and quality of raw material is an important factor for our business, any fluctuation, delay or increase in cost in same may affect our business and prices.

The availability of raw materials such as cotton fabrics, polyesters etc. may fluctuate significantly, depending on many factors, including crop yields and weather patterns. Any material shortage or interruption in the supply or decrease in the quality of raw materials due to natural causes or other factors could result in increased production costs that we may not be able to pass on to our customers, which in turn would have a material adverse effect on our margins and results of operations. We procure these raw materials from domestic at the existing market rates. However, the prices of these materials are subject to rapid fluctuations owing to changes in demand-supply forces which are not within our control. Increase in prices shall lead to an increase in cost of production, thereby increasing the price of our final product. This would have an adverse impact on our business, financial conditions and results of operations. Further, our suppliers of fabrics and other raw materials may allocate their resources to service other clients ahead of us. While we believe that we could find additional vendors to produce these fabrics and other raw materials, any failure of our suppliers to deliver these fabrics and raw materials in the necessary quantities or to adhere to delivery schedules or specified quality standards and technical specifications would adversely affect our production processes and our ability to deliver orders on time and at the desired level of quality. As a result, we may lose a customer or incur contractual penalties or liabilities for failure to perform contracts, which could have a material adverse effect on our business, financial condition and results of operations.

18. Our Company does not have any long-term contracts with our Dealers/Customers and suppliers which may adversely affect our results of operations.

Our Company neither has any long-term contract with any of dealers/Customers and suppliers nor any marketing tie up for our Products. As a result, our customers can terminate their relationships with us due to a change in vendor preference or any other reason upon relatively short notice, which could materially and adversely impact our business.

19. Delays or defaults in customer payments could result in a reduction of our profits.

We may be subject to working capital shortages due to delays or defaults in payment by customers. If customers default in their payments to which we have devoted significant resources it could have a material adverse effect on our business, financial condition and results of operations.

20. Our lenders have imposed certain restrictive conditions on us under our financing arrangements. Under our financing arrangements, we are required to obtain the prior, written lender consent for, among other matters, changes in our capital structure, formulate a scheme of amalgamation or reconstruction and entering into any other borrowing arrangement. Further, we are required to maintain certain financial ratios.

There can be no assurance that we will be able to comply with these financial or other covenants or that we will be able to obtain the consents necessary to take the actions we believe are necessary to operate and grow our business. Our level of existing debt and any new debt that we incur in the future has important consequences. Any failure to comply with these requirements or other conditions or covenants under our financing agreements that is not waived by our lenders or

is not otherwise cured by us, may require us to repay the borrowing in whole or part and may include other related costs. Our Company may be forced to sell some or all of its assets or limit our operations. This may adversely affect our ability to conduct our business and impair our future growth plans. For further information, see the chapter titled “Financial Indebtedness” on page 165 of the Prospectus

21. *Our Company has availed unsecured loans in past and may avail in future loans from related parties which are repayable on demand.*

We have availed in past unsecured loans from related parties. For further details in relation to the unsecured loans, please refer the chapter “Financial Statements” beginning on page 137 of the Prospectus. Unsecured loans may be called at any time by these Parties. In the event that these loans are required to be re-paid on a short notice, our Company may have to arrange for additional funds which may impact our financials

22. *We have taken personal guarantees from promoter as well as others in relation to debt facilities provided to us.*

We have taken personal guarantees from promoters as well as others in relation to all our secured debt facilities availed from our Bankers. In an event our Promoter or other withdraws or terminates his/their guarantee/s, the lender for such facilities may ask for alternate guarantee/s, repayment of amounts outstanding under such facilities, or even terminate such facilities. We may not be successful in procuring guarantee/s satisfactory to the lender and as a result may need to repay outstanding amounts under such facilities or seek additional sources of capital, which could adversely affect our financial condition. For more information please see the chapter titled "Financial Indebtedness" beginning on page 165 of this Prospectus.

23. *We have in the past entered into related party transactions and may continue to do so in the future.*

Our Company has entered into certain transactions with our related parties including our Promoter, the Promoter Group, our Directors and their relatives. While we believe that all such transactions have been conducted on the arms length basis, there can be no assurance that we could not have achieved more favorable terms had such transactions not been entered into with related parties. Furthermore, it is likely that we will enter into related party transactions in the future. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our financial condition and results of operation.

For details on the transactions entered by us, please refer to section “Related Party Transactions” in Section “Financial Statements” beginning on page 137 of this Prospectus.

24. *Our Promoter and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.*

Our Promoter and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entity, and benefits deriving from their directorship in our Company. Our Promoter is interested in the transactions entered into between our Company and themselves as well as between our Company and our Group Entity. For further details, please refer to the chapters titled “Our Business” and “Our Promoter”, beginning on page 102 and 130, respectively and “Related Party Transactions” beginning on page 135 of this Prospectus.

25. *We propose to use the entire fresh Issue Proceeds towards upgradation of units, repayment of loan working capital, general corporate purpose and to meet the issue expenses and will use the same according to our deployment schedule. In which case, funds may remain idle for some time as and when not required.*

We intend to use entire fresh Issue Proceeds towards upgradation of machinery, repayment of loan, working capital needs, general corporate purpose and to meet the issue expenses. We intend to deploy the Net Issue Proceeds in FY 2013 and 2014 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised

from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc. For further details on the use of the Issue Proceeds, please refer the section "Objects of the Issue" beginning on page 71 of the Prospectus.

26. Our Company is dependent on third party transportation providers for the delivery of raw materials/ finished Products and any disruption in their operations or a decrease in the quality of their services could affect our Company's reputation and results of operations

Our Company uses third party transportation providers for delivery of our raw materials and finished products. Though our business has not experienced any disruptions due to transportation strikes in the past, any future transportation strikes may have an adverse effect on our business. These transportation facilities may not be adequate to support our existing and future operations. In addition raw materials/ finished products may be lost or damaged in transit for various reasons including occurrence of accidents or natural disasters. There may also be delay in delivery products which may also affect our business and results of operation negatively. An increase in the freight costs or unavailability of freight for transportation of our raw materials may have an adverse effect on our business and results of operations.

Further, disruptions of transportation services due to weather-related problems, strikes, lock-outs, inadequacies in the road infrastructure and port facilities, or other events could impair ability to procure raw materials on time. Any such disruptions could materially and adversely affect our business, financial condition and results of operations.

In order to mitigate the above risks we choose to work with contractors who have adequate resources and have demonstrated consistent track record for given work.

27. Our Group Entity has objects similar to that of our Company's business and this could lead to a potential conflict of interest between Group Entities.

Our Group Entity i.e. Shiv Apparels, Proprietary concern of our Promoter Mr. Bhavesh Bhanushali, has some of the objects similar to that of our Company's business. Currently we do not have any non-compete agreement/arrangement with our Group Entity. Such a conflict of interest may have adverse effect on our business and growth.

28. Our future funds requirements, in the form of fresh issue of capital or securities and/or loans taken by us, may be prejudicial to the interest of the shareholders depending upon the terms on which they are eventually raised.

We may require additional capital from time to time depending on our business needs. Any fresh issue of shares or convertible securities would dilute the shareholding of the existing shareholders and such issuance may be done on terms and conditions, which may not be favorable to the then existing shareholders. If such funds are raised in the form of loans or debt, then it may substantially increase our interest burden and decrease our cash flows, thus prejudicially affecting our profitability and ability to pay dividends to our shareholders.

29. Any future equity offerings may lead to dilution of your shareholding in our Company.

Investors in this Issue may experience dilution of their shareholding to the extent that our Company makes future equity or convertible offerings. Further, any perception or belief that further issues might occur may adversely affect the trading price of our Equity Shares.

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

Our Company and our Promoter have over a few years built relations with suppliers, clients and other persons who are connected with our business. Further, our Key Managerial Personal also possesses the requisite domain knowledge to provide efficient services to our customers. Accordingly, our Company's performance is dependent upon the services of our Promoter and other Key Managerial Personnel. Our future performance will, therefore, depend upon the continued services of these persons. It is possible that we may lose our skilled and trained staff to

our competitors and high attrition rates in particular, could result in a loss of domain and process knowledge. Demand for key managerial personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.

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

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

32. *Changes in technology may render our current technologies obsolete or require us to make substantial capital investments.*

Modernization and technology upgradation is essential to provide better services. Although we strive to keep our technology in line with the latest standards, we may be required to implement new technology or upgrade the existing employed by us. Further, the costs in upgrading our technology could be significant which could substantially affect our finances and operations.

33. *Our ability to pay dividends will depend upon future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors.*

Till date our Company has not paid any dividend. The amount of our future dividend payments, if any, will depend upon various factors such as our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and other factors. There can be no assurance that we shall have distributable funds or that we will declare dividends in the future. Additionally, the terms of any financing we obtain in the future, may contain restrictive covenants which may also affect some of the rights of our shareholders, including the payment of the dividend.

B. Risk relating to the Issue

34. *Sale of Equity Shares by our Promoter or other significant shareholder(s) may adversely affect the trading price of the Equity Shares.*

Any instance of disinvestments of equity shares by our Promoter or by other significant shareholder(s) may significantly affect the trading price of our Equity Shares. Further, our market price may also be adversely affected even if there is a perception or belief that such sales of Equity Shares might occur.

35. *There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.*

Once listed, we would be subject to circuit breakers imposed by all stock exchanges in India, which does not allow transactions beyond specified increases or decreases in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on circuit breakers is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges do not inform us of the percentage limit of the circuit breaker in effect from time to time, and may change it without our knowledge. This circuit breaker limits the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance may be given regarding your ability to sell your Equity Shares or the price at which you may be able to sell your Equity Shares at any particular time.

36. *After this Issue, the price of the Equity Shares may be highly volatile, or an active trading market for the Equity Shares may not develop.*

The price of the Equity Shares on the Stock Exchanges may fluctuate as a result of the factors, including:

- a. Volatility in the Indian and global capital market;
- b. Company's results of operations and financial performance;
- c. Performance of Company's competitors;
- d. Adverse media reports on the Company or pertaining to the Apparel Industry including Women Innerwear Industry;
- e. Changes in our estimates of performance or recommendations by financial analysts;
- f. Significant developments in India's economic and fiscal policies;
- g. Significant developments in India's environmental regulations.

Current valuations may not be sustainable in the future and may also not be reflective of future valuations for our industry and our Company. There has been no public market for the Equity Shares and the prices of the Equity Shares may fluctuate after this Issue. There can be no assurance that an active trading market for the Equity Shares will develop or be sustained after this Issue or that the price at which the Equity Shares are initially traded will correspond to the price at which the Equity Shares will trade in the market subsequent to this Issue.

37. *The Issue price of our Equity Shares may not be indicative of the market price of our Equity Shares after the Issue and the market price of our Equity Shares may decline below the issue price and you may not be able to sell your Equity Shares at or above the Issue Price.*

The Issue Price of our Equity Shares has been determined by fixed price method. This price is based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 77 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

- Half yearly variations in the rate of growth of our financial indicators, such as earnings per share, net income and revenues;
- Changes in revenue or earnings estimates or publication of research reports by analysts;
- Speculation in the press or investment community;
- General market conditions; and
- Domestic and international economic, legal and regulatory factors unrelated to our performance.

38. *You will not be able to sell immediately on Indian Stock Exchanges any of the Equity Shares you purchase in the Issue until the Issue receives appropriate trading permissions.*

The Equity Shares will be listed on the Stock Exchange. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. We cannot assure you that the Equity Shares will be credited to investor's demat accounts, or that trading in the Equity Shares will commence, within the time periods specified in this Prospectus. Any failure or delay in obtaining the approval would restrict your ability to dispose of the Equity Shares. In accordance with section 40 of the Companies Act, 2013, in the event that the permission of listing the Equity Shares is denied by the stock exchanges, we are required to refund all monies collected to investors.

EXTERNAL RISK FACTORS

A. Industry Risks

- 39. *We need to understand changing customer requirements and tastes, our inability to comply with such needs or preferences may affect our business.***

Our management expertise lies in designing and styling of our products after identifying fashion trends and customer requirements derived through valuable customer feedback and interaction. It is our endeavour to keep ourselves abreast with the latest fashion trends and to introduce the designs accordingly to broad base our product portfolio and augment our business. Any inability on our part to understand the prevailing global trends or our inability to forecast changes as per latest global trends or understand the needs of our customers in this industry well in time may affect our growth prospects

- 40. *Changes in government regulations or their implementation could disrupt our operations and adversely affect our business and results of operations.***

Our business and industry is regulated by different laws, rules and regulations framed by the Central and State Government. These regulations can be amended/ changed on a short notice at the discretion of the Government. If we fail to comply with all applicable regulations or if the regulations governing our business or their implementation change adversely, we may incur increased costs or be subject to penalties, which could disrupt our operations and adversely affect our business and results of operations.

B. Other Risks

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

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

- 42. *Any downgrading of India's sovereign rating by an independent agency may harm our ability to raise financing.***

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

- 43. *Financial instability in Indian financial markets could adversely affect Our Company's results of operations and financial condition.***

In this globalized world, the Indian economy and financial markets are significantly influenced by worldwide economic, financial and market conditions. Any financial turmoil, say in the United States of America, Europe, China or other emerging economies, may have a negative impact on the Indian economy. Although economic conditions differ in each country, investors' reactions to any significant developments in one country can have adverse effects on the financial and market conditions in other countries. A loss in investor confidence in the financial systems, particularly in other emerging markets, may cause increased volatility in Indian financial

markets. Indian financial markets have also experienced the contagion effect of the global financial turmoil. Any prolonged financial crisis may have an adverse impact on the Indian economy, thereby resulting in a material and adverse effect on our Company's business, operations, financial condition, profitability and price of its Shares. Stock exchanges in India have in the past experienced substantial fluctuations in the prices of listed securities.

44. *Political, economic and social changes in India could adversely affect economic conditions generally and our business in particular.*

Our business, and the market price and liquidity of our Equity Shares, may be affected by interest rates, changes in Government policy, taxation, social and civil unrest and other political, economic or other developments in or affecting India. Elimination or substantial change of policies or the introduction of policies that negatively affect the Company's business could cause its results of operations to suffer. Any significant change in India's economic policies could disrupt business and economic conditions in India generally and the Company's business in particular.

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

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

46. *Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.*

Our Company may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for the adoption of, and convergence with, the IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 ("IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 32 Indian Accounting Standards are to be converged with IFRS. The date of implementation of such converged Indian accounting standards has not yet been determined and will be notified by the Ministry of Corporate Affairs after various tax related issues are resolved. We have not yet determined with certainty what impact the adoption of IFRS will have on our financial reporting. Our financial condition, results of operations, cash flows or changes in the shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of IFRS may adversely affect our reported results of operations or financial condition. This may have a material adverse effect on the amount of income recognized during that period.

47. *Taxes and other levies imposed by the Government of India or other State Governments, as well as other financial policies and regulations, may have a material adverse effect on our business, financial condition and results of operations.*

Taxes and other levies imposed by the central or state governments in India that affect our industry include:

- custom duties on imports of raw materials and components;
- excise duty on certain raw materials and components;
- central and state sales tax, value added tax and other levies; and
- Other new or special taxes and surcharges introduced on a permanent or temporary basis from time to time.

These taxes and levies affect the cost and prices of our products and therefore demand for our product. An increase in any of these taxes or levies, or the imposition of new taxes or levies in the future, may have a material adverse effect on our business, profitability and financial condition.

48. Our Company's Equity Shares are proposed to be listed and traded on BSE SME Platform, which is of recent origin and may take time to mature

BSE SME Platform was launched by BSE on March 13, 2012. Such an SME platform is of recent origin and may take time to get matured in markets. Since its launch till the date of this Prospectus, 50 (Fifty) companies have been listed on BSE SME Platform and another 5 (Five) companies listed on NSE SME Platform – Emerge. Investors may still not have strong confidence for initial subscription and / or secondary market trading in SME scrip. Moreover, it is proposed to list the Equity Shares of our Company only on BSE SME Platform. Investment in this Issue, thus, could be riskier.

49. The extent and reliability of Indian infrastructure could adversely affect our Company's results of operations and financial condition.

India's physical infrastructure is in developing phase compared to that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our Company's normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our Company's business operations, which could have an adverse effect on its results of operations and financial condition.

50. The occurrence of natural disasters may adversely affect our business, financial condition and results of operations.

The occurrence of natural disasters, including hurricanes, floods, earthquakes, tornadoes, fires and pandemic disease may adversely affect our financial condition or results of operations. The potential impact of a natural disaster on our results of operations and financial position is speculative, and would depend on numerous factor The extent and severity of these natural disasters determines their effect on the Indian economy. Although the long term effect of diseases such as the H5N1 “avian flu” virus, or H1N1, the swine flu virus, cannot currently be predicted, previous occurrences of avian flu and swine flu had an adverse effect on the economies of those countries in which they were most prevalent. An outbreak of a communicable disease in India would adversely affect our business and financial conditions and results of operations. We cannot assure you that such events will not occur in the future or that our business, financial condition and results of operations will not be adversely affected.

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

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

PROMINENT NOTES:

- a) The Public Issue of 10,00,000 Equity Shares of face value of Rs. 10/- each fully paid for cash at a price of Rs. 65/- per Equity Share (including a premium of Rs. 55/- per Equity Share) aggregating Rs. 650.00 Lakhs (“the Issue”). Issue of Equity Shares will constitute 40.00% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled “The Issue” on page 50 of this Prospectus.
- b) The net worth of our Company was Rs. 201.92 Lakhs, Rs. 153.49 Lakhs, Rs.85.21 Lakhs and Rs. 42.71 Lakhs as of September 30, 2013, March 31, 2013, March 31, 2012 and March 31, 2011 respectively. The book value of each Equity Share was Rs. 40.38, Rs. 30.70, Rs. 17.04 and Rs.8.54 as of September 30, 2013, March 31, 2013, March 31, 2012 and March 31, 2011 respectively as per the restated financial statements of our Company. For more information, please refer to section titled “Financial Statements” beginning on page 137 of this Prospectus.
- c) The average cost of acquisition of per Equity Shares by our Promoter, which has been calculated by taking the average amount paid by them to acquire our Equity Shares, is as follows:

Name of the Promoter	No. of Shares held	Average cost of Acquisition (in Rs.)
Mr. Bhavesh Bhanushali	14,83,497	3.33

- d) For details of Related Party Transactions entered into by our Company, please refer to the chapter titled “*Related Party Transactions*” beginning on page 135 of this Prospectus.
- e) Except as disclosed in the chapter titled “*Capital Structure*”, “*Our Promoter and Promoter Group*” and “*Our Management*” beginning on pages 58, 130 and 118 respectively, of this Prospectus, none of our Promoter, Directors or Key Management Personnel has any interest in our Company.
- f) Except as disclosed in the chapter titled “*Capital Structure*” beginning on page 58 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.
- g) Investors may contact the LM or the Company Secretary and Compliance Officer for any clarification / complaint or information relating to the Issue, which shall be made available by the LM and our Company to the investors at large. No selective or additional information will be available for a section of investors in any manner whatsoever. For contact details of the LM and the Company Secretary and Compliance Officer, please refer to the chapter titled “*General Information*” beginning on page 51 of this Prospectus.
- h) Investors are advised to refer to chapter titled “*Basis for Issue Price*” on page 77 of this Prospectus.
- i) Trading in Equity Shares for all investors shall be in dematerialized form only.
- j) There are no financing arrangements whereby the Promoter Group, the Directors of our Company who are the Promoter of our Company, the Independent Directors of our Company and their relatives have financed the purchase by any other person of securities of our Company during the period of six months immediately preceding the date of filing of this Prospectus.
- k) Except as stated in the chapter titled “*Our Group Entities*” beginning on page 133 and chapter titled “*Related Party Transactions*” beginning on page 135 of this Prospectus, our Group Entities have no business interest or other interest in our Company.
- l) Investors may note that in case of over-subscription in the Issue, allotment to Retail applicants and other applicants shall be on a proportionate basis. For more information, please refer to the chapter titled “*Issue Structure*” beginning on page 191 of this Prospectus
- m) Our Company was incorporated as “Shree Shiv Lingeries Private Limited” under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 22, 2010 bearing

registration no. 211237, in Mumbai, Maharashtra. Subsequently, the name of Our Company was changed to “Women's Next Loungeries Private Limited” vide fresh certificate of incorporation dated September 10, 2013. Later Our Company was converted into a public limited company vide fresh certificate of incorporation dated December 12, 2013 and consequently the name of our Company was changed to “Women's Next Loungeries Limited”. However, the new name does not suggest any change of activity and company continues to carry on the same activity. For further details of changes in the name of our Company, please refer to the chapter titled “Our History and Certain Other Corporate Matters” beginning on page 115 of this Prospectus.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

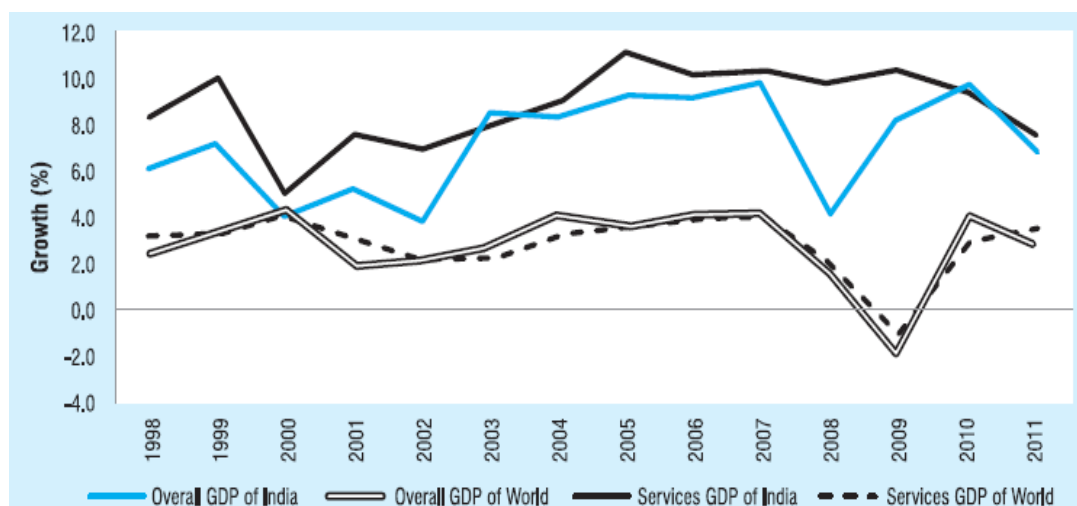
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified 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 Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 137 respectively of this Prospectus before deciding to invest in our Equity Shares.

OVERVIEW OF INDIAN ECONOMY

Slowdown in 2008-09 induced by the global financial crisis did not cripple the Indian economy which responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 per cent and 9.3 per cent respectively in 2009-10 and 2010-11. However, with the economy exhibiting inflationary tendencies, the Reserve Bank of India (RBI) started raising policy rates in March 2010. High rates as well as policy constraints adversely impacted investment, and in the subsequent two years viz. 2011-12 and 2012-13, the growth rate slowed to 6.2 per cent and 5.0 per cent respectively. Nevertheless, despite this slowdown, the compound annual growth rate (CAGR) for gross domestic product (GDP) at factor cost, over the decade ending 2012-13 is 7.9 per cent.

In the last decade, growth has increasingly come from the services sector, whose contribution to overall growth of the economy has been 65 percent, while that of the industry and agriculture sectors has been 27 per cent and 8 per cent respectively. The figure below shows the contributions of these sectors to the overall growth of the economy.

Growth rate of service GDP and Overall GDP – India and World



Source – Economic Survey 2012-2013

The above figure suggests that for achieving an annual growth rate of 9 per cent or higher; all the three major sectors (Agriculture, Industry and Service) of the economy have to perform well. The two larger sectors are, of course, important to overall growth. In the high growth years of 2005-06 to 2007-08 as well as in 2009-10 and 2010-11, the rate of growth of both the industry and services sectors was over 9 percent. Within the industry sector, the manufacturing sector in particular, outperformed most other sectors of the economy in these years. Its growth averaged 11.6 per cent between 2005-06 and 2007-08 and 10.5 per cent for the years 2009-10 and 2010-11.

The services sector is the dominant sector in most developed economies of the world and in some developing economies such as India. The CAGR of the services sector GDP was 10 per cent for the period 2004-05 to 2011-12. It has clearly outgrown both the industry and agriculture sectors. In 2011-12 and 2012-13, in tune with the general moderation in the economy, the growth rate of the services sector also declined. The slowdown in the rate of growth of services in 2011-12, and particularly in 2012-13, from the double-digit growth of the previous six years, contributed significantly to slowdown in the overall growth of the economy. While some slowdown could be attributed to the lower growth in agriculture and industrial activities, given the backward and forward linkages with services, lower demand from the rest of the world could also have played a part.

Source: Economic Survey 2012-13

INDIAN TEXTILE INDUSTRY

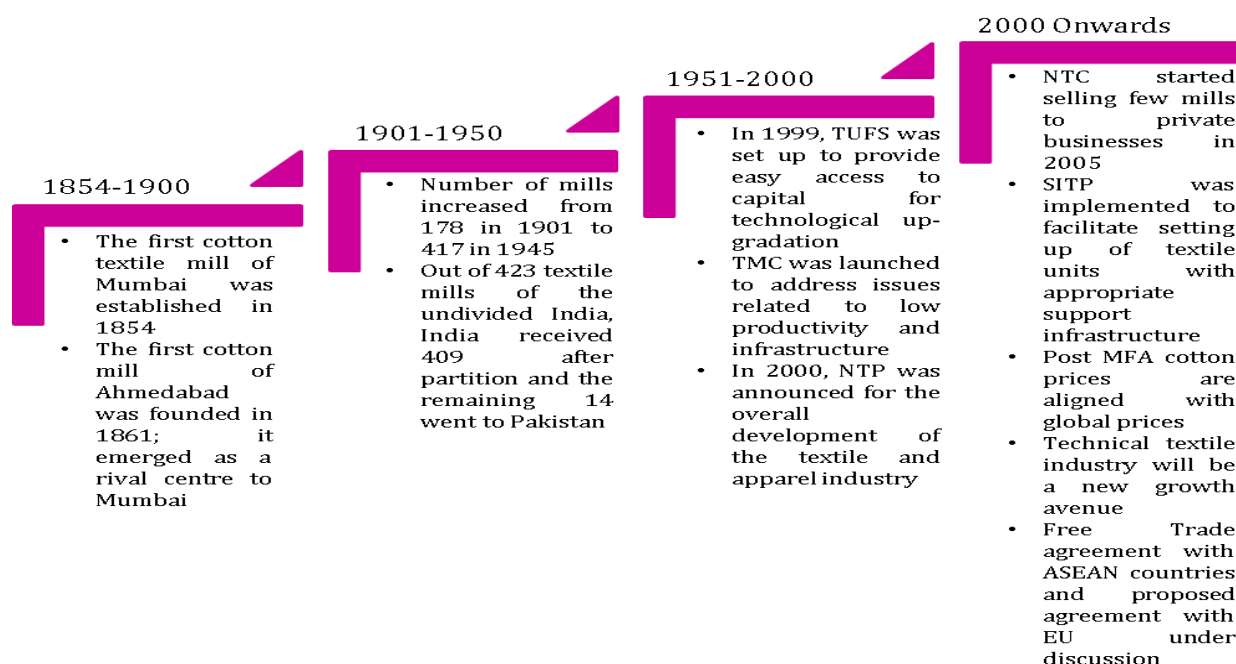
Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms/ hosiery and knitting sector form the largest section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

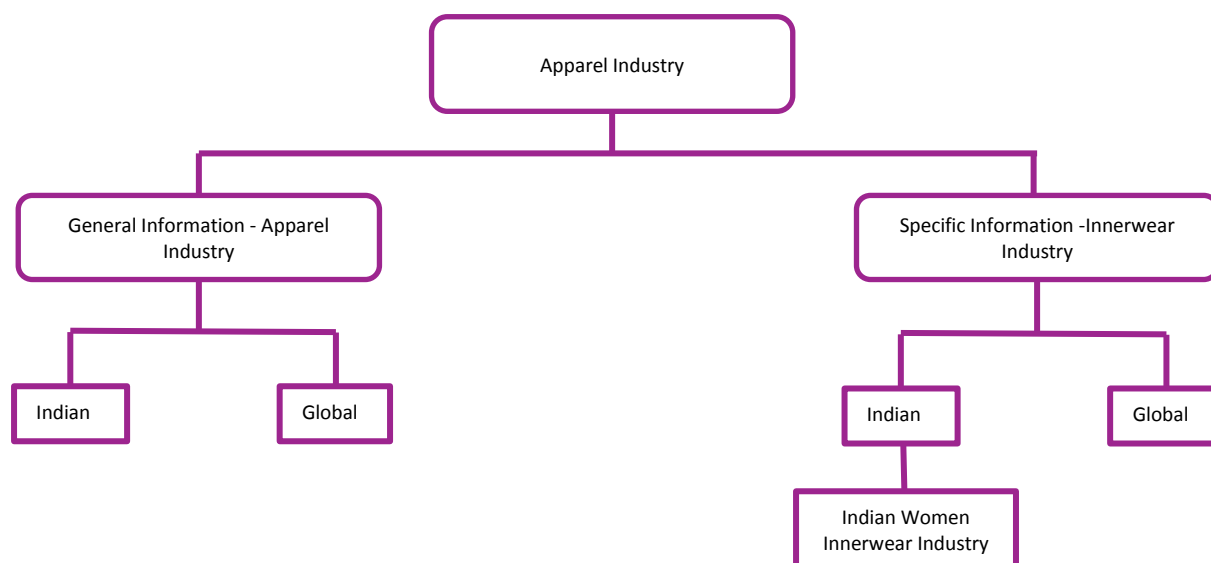
The major sub-sectors that comprise the textiles sector include the organized Cotton/Man-Made Fibre Textiles Mill Industry, the Man-Made Fibre/Filament Yarn Industry, the Wool and woolen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

Source: Annual Return 2012-2013, Ministry of Textiles.

Evolution of Indian Textile Industry



Source: Textile and Apparel, August 2013, ibef.org



APPAREL INDUSTRY

The market has shown signals of significant recovery from the 2008-2009 slowdown, with robust growth in emerging markets outshining persistent developed market weakness. Apparel remains largely a discretionary purchase compared to other consumer goods, making it more prone to economic shocks.

Clothing is essential to consumers who are individuals. There is a growing demand for apparel with stores providing low cost prolific-output fashion. Fashion, by its very nature, is unpredictable. The products are determined by designers, sub-cultures and creative industries and are subject to sharp and unpredictable changes. Key suppliers in this industry are clothing manufacturers and wholesalers, with retailers able to source from both.

Global Apparel Industry

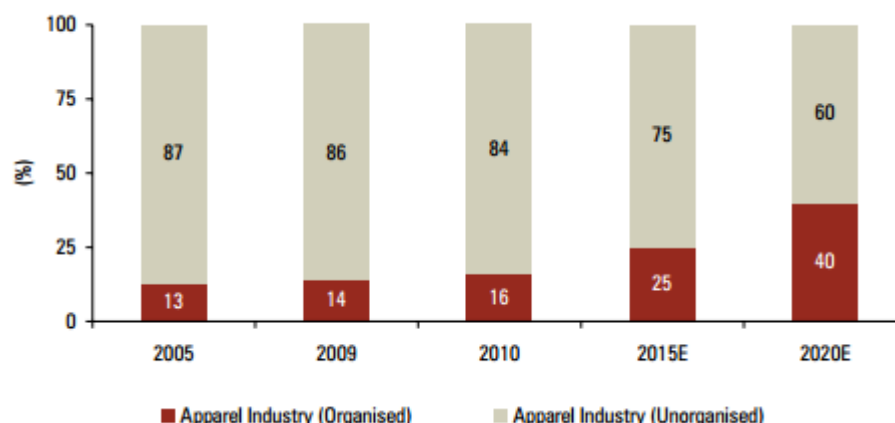
Despite the current global economic downturn, the global apparel industry continues to grow at a healthy rate and this, coupled with the absence of switching costs for consumers and great product differentiation, means that rivalry within the industry is no more than moderate. The apparel industry is of great importance to the economy in terms of trade, employment, investment and revenue all over the world. This particular industry has short product life cycles, vast product differentiation and is characterised by great pace of demand change coupled with rather long and inflexible supply processes.

Indian Apparel Industry

The Indian Apparel Industry has an overwhelming presence in economic life of the country. It is one of the earliest industries to come into existence in the country. The sector has a unique position as a self-reliant industry, from the production of raw materials to the delivery of end products, with considerable value-addition at every stage of processing apart from providing one of the basic necessities of life, the apparel industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes approximately about 14 percent to industrial production, 4 per cent to the GDP, and 17 per cent to the country's export earnings. It provides direct employment to over 35 million people.

Market Size - The Indian Apparel Industry is estimated to be worth Rs. 3,270 billion in 2011-12 and is expected to grow at a compounded annual growth rate of 8.7 per cent till 2016. The growth would primarily be driven by the surge in demand for readymade apparels in semi-urban areas, rising income levels and youth population and increasing preference for branded apparel.

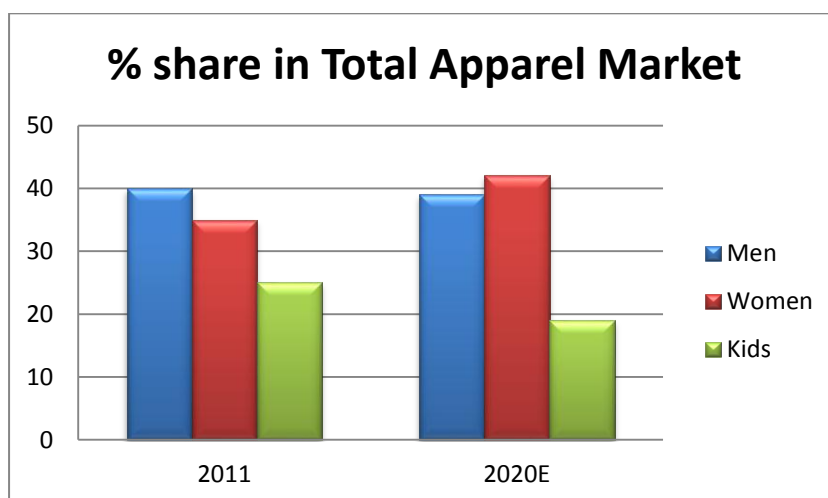
In India, apparel is the second largest retail category (behind food and groceries), representing approximately 10 per cent of the total market. The Indian Apparel Industry is expected to grow at a CAGR of 11 per cent during 2010-2020E



Source: Images ICICI Direct and F&R Research

Market Structure - The domestic apparel industry has following 3 segments :

- Men's wear:** Men's wear market in India is the fastest growing apparel segment. The entire Apparel Industry (2011-12 estimates), including domestic and exports, is pegged at Rs 3,270 billion and is expected to grow by 11 per cent to Rs 10,320 billion by 2020. Currently menswear is the major segment of the market (Rs 720 billion) and is growing at a compounded annual growth rate (CAGR) of 9 per cent. Gucci, Hugo Boss, Salvatore Ferragamo, Armani, Versace, Brioni, Ermenegildo Zegna, Canali, Corneliani, Alfred Dunhill and Cadini are all present in India men's wear market.
- Women's wear:** Women's formal wear and ethnic wear markets are still ruled by unorganized players. With more women expected to enter corporate world, both these segments are good opportunities because of the market size. Historically, the men's apparel market in India has been significantly larger than the women's apparel market. With only 20 per cent of India's urban women in the workforce, women's wardrobes have traditionally been limited to home wear and items for special occasions. Now, women are more willing to dress differently when they venture beyond the home—to shop, for example, or visit a school or office.
- Kids wear:** Kids wear is a major category with few established players – viz., Lilliput, Gini and Jony, Catmoss, Benetton, Disney, Barbie etc. It still holds a large opportunity which is clearly untapped. The Indian kids wear retail market is expected to touch Rs 580 billion by 2014. At present, the size of kids wear market in India is estimated at about Rs 380 billion.



INDIAN INNERWEAR INDUSTRY

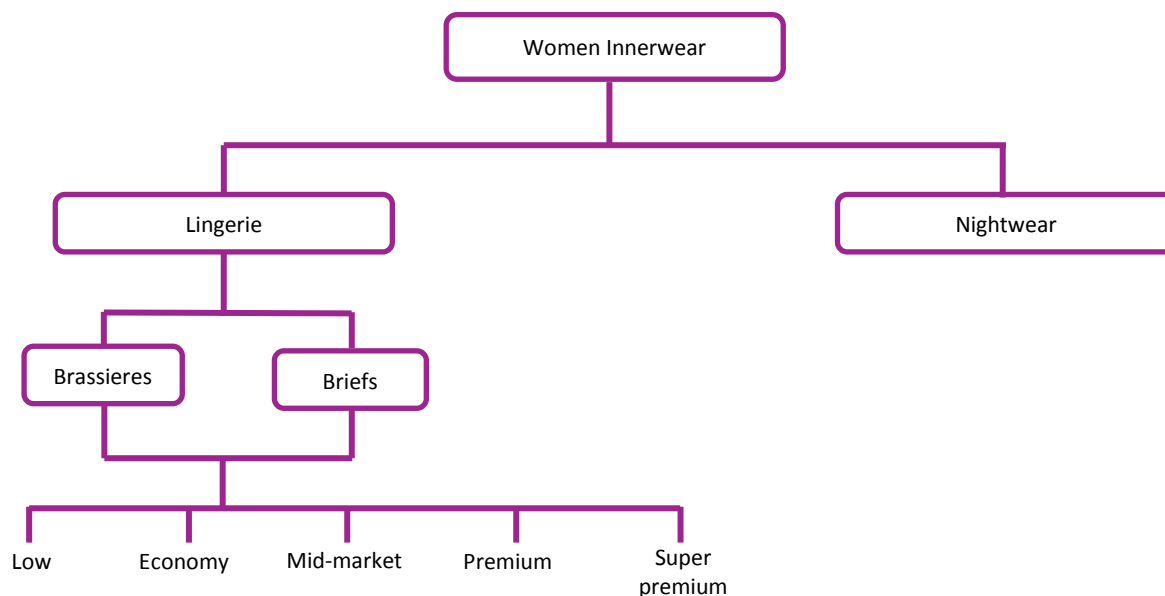
The Indian innerwear market is still at a very emerging stage and has significant growth potential. It is expected that the share of the innerwear segment will reach 10 per cent by 2020E (from 7 per cent in 2010). The increasing purchasing power of consumers and growing number of working women, along with increased awareness about better fits, quality, colors and styling as well as an openness to indulge in innerwear apparel have led to a significant growth of the segment. Also, the growth in organised retail is offering better buying space to the consumer and pushing the brands to upgrade their retail imagery by increased marketing spends.

The innerwear industry is expected to grow at a CAGR of 10-12 per cent CAGR until FY20; it would grow faster than overall clothing market. All the major international innerwear brands have commenced operations in India realizing that Indian market is likely to emerge as one of the largest market in the world in the next few decades. This suggests that there is significant room for growth driven by rising per capita spending on such products.

WOMEN INNERWEAR INDUSTRY

Introduction

The women innerwear market is divided into two segments: lingerie (further divided into Brasseries and Brief) and nightwear .The lingerie market has been further classified into 5 product class: low, economy, mid-market, premium and super premium .Some of the prominent players in Indian women innerwear market are Bodycare ,Enamor, Groversons, Jockey, Lovable, and Triumph.



Lingerie is a type of innerwear that typically is constructed of one or more flexible fabrics such as nylon, polyester, satin, lace, sheer fabrics, Lycra, or silk. These materials are not usually incorporated into the more practical and basic innerwear, which are usually constructed of cotton. The lingerie market has grown over the years as the fashion market has promoted it, and thus created more demand for lingerie. Lingerie designers are putting more significance into creating lingerie with lace, embroidery, luxurious materials, and brighter hues.

Lingerie is purchased from manufacturers and wholesalers and then sold to the general population. As lingerie has become an asset in apparel sales, many retailers in catalogs, stores, and e-companies are offering bigger lingerie selections. These merchants realize that lingerie has higher profit margins than regular apparel, and as such are investing more time and money in the market. They are showcasing new

lines of lingerie, and also revamping their older lingerie items. Competition within the lingerie industry is rising, and as such manufacturers and retailers will begin to focus on specific niche lingerie items.

Among the common set of features that women in the urban centers look for in a lingerie shop include:

- ✓ Availability of multiple brands under one roof
- ✓ Convenience of shopping for female consumers
- ✓ Trial rooms
- ✓ Comparison of different brands in terms of price, quality and fitting
- ✓ More choices of colors, fits and prices
- ✓ Personalized shopping experience

With technology driving each industry today, a category like lingerie can not be far behind in delivering the latest trends and innovations that meet the needs and desire of a woman.

Size and Growth of Indian Lingerie Industry

The Indian Lingerie industry is witnessing robust growth, which is evident from the entry of large international brands in India and available choices for the Indian women. As per the estimate carried out in the latest research report Indian Women Innerwear Market Forecast to 2015, the women's innerwear market will post a CAGR growth of around 14 per cent during 2013-2015.

The current situation of the Indian market signals towards the premium and super-premium segments of the industry as the major growth segments. The low and economy segment, however, is growing in terms of volume and value from the industry being more organized. The premium segment is characterized either by international brands or joint venture of Indian manufacturers with international companies. Brands like Lovable, Enamor and Triumph have successfully made place for themselves in the premium lingerie segments, while other premium lingerie brands like Etam, Benetton, La Perla and About U are on an expansion spree.

Besides a strong preference for the premium lingerie brands, especially by the upper middle class and higher class women, the majority of women look for specific features in an outlet where they can comfortably shop for their innerwear.

Advancement in Indian Lingerie Industry

- 1. Innovative fabrics providing comfort and fit**
- 2. Accessories gaining significance**
- 3. Embroideries adding glamour quotient and upgradation of Technology**

GLOBAL INNERWEAR INDUSTRY

The global innerwear industry is estimated to be worth over \$30 billion. The market encompasses a range of lingerie and intimate clothing, with bras representing over 50% of the overall market, briefs around 33%, and corsetry more than 10%.

Aging populations in developed nations such as the US are slowing market growth. Growth potential, therefore, lays more in developing countries due to increasing income levels, trends toward Western fashion, a larger young population and rising standards of living. Lingerie consumers tend to make impulse buys, favoring factors other than necessity such as style.

Key Market Segments

The nightwear and knit innerwear market is expected to exceed \$70 billion by 2015. Nightwear and knit innerwear fared the economic recession better than other market segments as they are more necessary than other segments. The EU is the leading region for these products, followed by the US and Asia-Pacific. (Source : [Global Industry Analysts](#))

Industry Leaders

Key players in the global innerwear industry include Calvin Klein, LaSenza, DKNY, Princess Tam Tam, Enamor, Embry Form, Jockey, Victoria's Secret, Maniform, Wacoal Holdings, Gujin, La Perla, Armani, Wolford, Hanes, Fruit of the Loom, Etam, Chantelle, Triumph, AB Underwear and Lovable.

Market Outlook

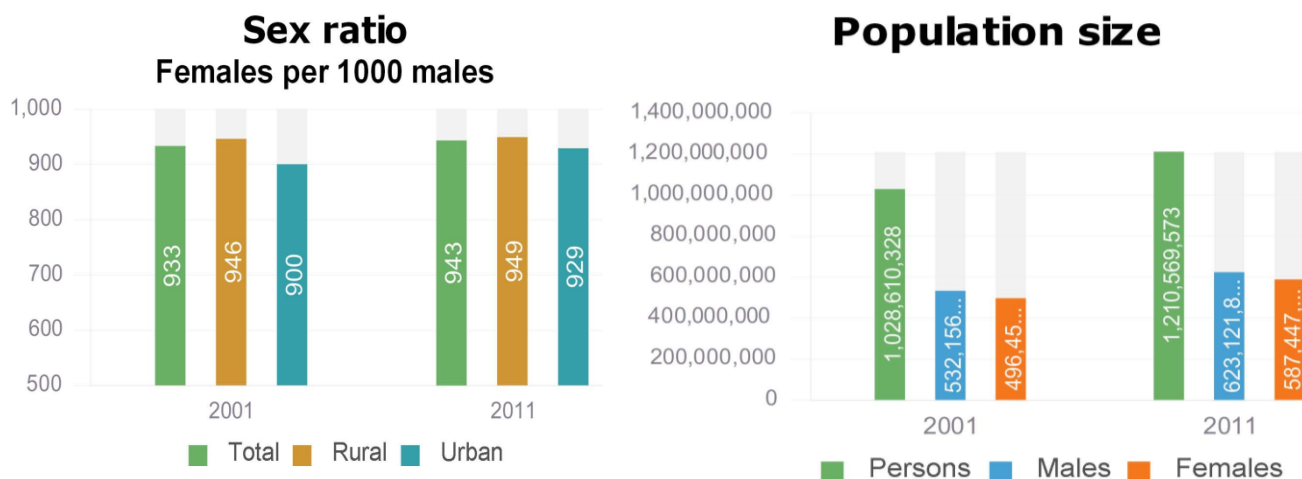
Competition in the global innerwear market is intensifying as outlets carry ever-increasing brands and products to attract customers, not exclusively supplying any one brand. Value retailers are also using downward pricing pressure to encroach on market share held by midmarket players. The number of non-specialized retailers carrying innerwear will continue to increase as stores diversify to attract shoppers and increase footfall and average time spend in retail outlets.

FUTURE OUTLOOK

The Indian innerwear market is still at a very nascent stage and has significant growth potential. It is expected that the share of the innerwear segment will reach 10% by 2020E (from 7% in 2010). The Indian innerwear market is currently valued approximately at 14,000 crore and is expected to grow at a CAGR of 13% during 2010-2020E. Of this, the men's and innerwear market accounts for approximately Rs. 5,800 crore and Rs. 8,500 crore respectively. The estimated value of the Indian innerwear market is expected to touch around Rs. 44,000 crore by 2020E.

Research and analysis also estimate that at 15.0% CAGR during 2010-2020E, the women's segment will not only grow faster than the innerwear segment but will also grow significantly faster than the men's segment, which is expected to grow at a CAGR of 10.0% during the same period. The women's segment is expected to be worth Rs. 30,000 crore significantly outstripping the men's segment, which is likely to touch Rs. 13,700 crore by 2020E.

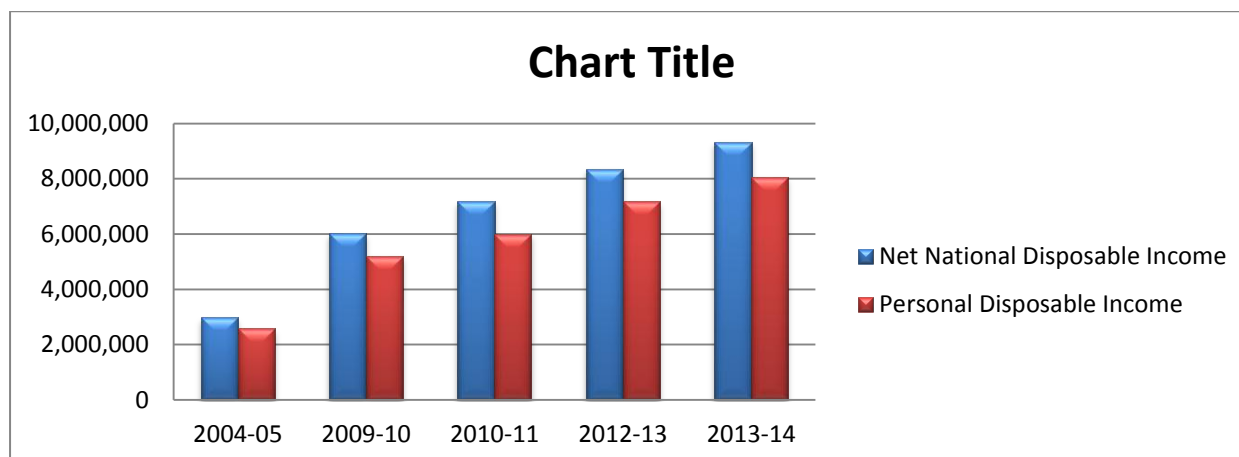
- 1. Increasing female population-** India is witnessing the increase in female population. The sex ratio has increased from 933 females per 1000 males to 943 females per 1000 males. Considering the increasing size of the Indian women population, there is a very large market opportunity for branded and lifestyle lingerie, as the women are more brand conscious and have the eagerness to spend on the lifestyle products



Source : Census Info India 2011

- 2. Rising levels of disposable income-** Disposable income is the income remaining after deduction of taxes and social security charges, available to be spent or saved as one wishes. The increase in disposable income will indirectly mean that spending on products that cater to personal needs will increase and thus a part of that increased income shall make a contribution to this industry too. Thus the

disposable income is expected to grow by similar rates over the next five years thereby driving growth in the demand for clothing in general and lingerie in particular.



Source : Ministry of Statistics and Programme Implementation

3. **Fabric innovation and new, more varied styles**-Changes in machinery used have now brought into innovation in fabric and styles. The electronic knitting machines have replaced mechanical knitting machines. All this has resulted into increased productivity. More and more women are becoming fashion conscious and trendy. The continuous thirst for innovation has driven the industry to discover more; do the unimaginable and invest heavily in research and development. As a matter of fact, if successful, the technology receives grand welcome from the entire industry.
4. **Increase in number of working women**- With the increase in class of working women, their desire to spend a part of their hard earned money on themselves is also increasing and thus a large contribution of the disposable income at the hands of women goes into innerwear industry. This buying group is more demanding in their choice of inner-wear looking for quality products that satisfy comfort, fitting, styling needs etc. This has resulted in a qualitative shift of consumers from low and economy segment to premium and super-premium segment. This segment is now considered as the major growth segment.
5. **Increasing awareness and easy availability of products**- As a result of advertising, the Indian population becomes aware of products that are available in market. With the increase in awareness comes the increase in demand. Increase in mall culture where products of all kinds, brands, styles are available, various small shopping outlets has led to easy availability. Thus due to proper awareness and easy availability of products the demand for products also increases.

SUMMARY OF BUSINESS

Our Company incorporated in 2010, is a women's lingerie manufacturer. Our Company is founded by Mr. Bhavesh Bhanushali who has over 15 years of expertise in core areas of our business.

We specialize in women's inner wear segment and are engaged in the business of designing, manufacturing, branding and marketing of lingerie wear, honeymoon set, intimate wear etc. We market the products through brands "Valentine Pink" and "Women's Next".

We have set out footing in domestic market and have strong retail presence through malls and grade A retail outlets across Tier I and II cities such as Mumbai, Delhi, Ahmedabad and the like. Our manufacturing plant is situated at Bhiwandi, Thane over 15000 square feet. We market our products through a chain of distributors and retail outlets.

BUSINESS PROCESS

Our entire business process can be divided into three major sections as follows:

- Pre-manufacturing Process
- Manufacturing Process
- Post-manufacturing Process

These three sections further consist of 3-4 step process finally leading to the product that actually reaches the customers. Below given is the entire process described in brief for basic understanding of our business model.



Pre-Manufacturing Process

1. Pre –manufacturing Process

- Conceptualizing and Designing
- Procurement of Raw Material
- Inspection of Raw material

2. Manufacturing Process

- Making of Moulds
- Cutting
- Stitching
- Giving of Finishing Touch



Manufacturing Process



Post- Manufacturing Process

3. Post-manufacturing Process

- Inspection of Final Products
- Tagging
- Packing
- Dispatch

OUR SPECTRUM OF PRODUCTS

Our product range tries to capture the changing and evolving demographics of women in our society, the change in fashion trends and tilt of women towards more mature and trendy taste. Our product ranges from:

- **Brassieres and Panties**
- **Intimate Wear**
- **Exclusive Segment**

Brassieres and Panties

Our Company designs, manufactures and markets an extensive range of brassieres and panties viz. teenage wear, women wear and ladies wear etc. Our products in this range are marketed under the brands Valentine Pink and Women's Next.

Intimate Wear

Our Company designs, manufactures and markets an exclusive range of intimate wear which is categorized as honeymoon sets, to be bride wear, strapless bras etc. Special attention to customer requirements, quality fabrics and unique designs makes us stand out of the ordinary.

Exclusive Segment

Our product range in exclusive segment includes maternity wear, sport wear, etc. Our Company has appointed a design team of professionals who study the market trend and design the products to comfort varied segments of society.

OUR STRENGTHS

Our Company focuses on serving the changing and evolving demographics of women in our society. Customer focus, Creativity, Quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy.

1. **Business is Customer Centric:** Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The Promoter and Key Managerial Persons of the Company have years of expertise and are well acquainted with domestic markets. This helps to us to understand the needs of customers better and design the products to not only meet but beat their expectations.

2. **Creativity:** For survival of any business, constant improvement and creativity evolving and change is necessary. Our design team has always been driven by the quest to develop new and innovative products and constantly strives to develop better products which appeal to our constantly growing customer base.
3. **Leveraging the experience of our Promoter:** Our Promoter Mr. Bhavesh Bhanushali has more than 15 years of experience in the field of apparels, garments and textile which contributes significantly to the growth of our Company
4. **State of Art Infrastructure:** Our Company has invested significant resources in technological capabilities and has developed a scalable technology system. We have installed Opta Mould i.e. Moulding Machine and have state-of-art infrastructure in our Manufacturing plants located at Thane.
5. **Product Quality:** Our Company focuses on providing high quality products with zero defect policy to retain existing customers and develop new customer base.

UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Bhiwandi, Thane, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Existing Utilities

Power

In our unit in Bhiwandi, Indian Complex, the sanctioned load is 17 Kws from Torrent Power Limited and in our unit in Bhiwandi, Krishna Complex, the sanctioned load is 27.

Water

We have regular supply of water from Gram Panchayat to meet the drinking water and sanitary requirements.

Fuel

No Fuel is being used at either of our Plants in Bhiwandi.

HUMAN RESOURCE

As on February 28, 2014 our Company has 15 Employees on Payroll. However we do employ contract Labour for doing various activities in our process including stitching, Packing, Finishing etc. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans.

SUMMARY FINANCIAL STATEMENTS

The following summary of financial data has been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations and restated as described in the Auditor's Report in the section titled "Financial Statements." You should read this financial data in conjunction with our financial statements for Financial Year 2011, 2012, 2013 and period ended on 30th September, 2013 including the notes thereto and the reports thereon, which appears under the chapter titled "Financial Statements" and chapter titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 137 and 157 of this Prospectus.

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs.in Lakhs)

Sr. No.	Particulars	AS AT MARCH 31,			As At
		2011	2012	2013	Sept 30, 2013
1)	Equity & Liabilities				
	Shareholders Funds				
	a)Share Capital	50.00	50.00	50.00	50.00
	b)Reserves & Surplus	(5.33)	36.77	104.67	152.90
2)	Non Current Liabilities				
	a. Long Term Borrowings	15.18	6.75	570.00	2.91
	b. Deferred Tax Liabilities	0.30	0.41	0.34	0.52
3)	Current Liabilities				
	a. Short Term Borrowings	133.36	361.32	551.03	879.14
	b. Trade Payables	23.89	134.31	1,247.72	653.52
	c. Other Current Liabilities	10.19	38.31	43.65	52.54
	d. Short Term Provisions	-	8.50	30.00	26.70
	T O T A L (1+2+3)	227.59	636.37	2,597.41	1,818.23
4)	Non Current Assets				
	a. Fixed Assets				
	i. Tangible Assets	17.11	30.32	32.51	37.89
	Less: Depreciation	(0.20)	(3.91)	(8.14)	(10.18)
	<i>Net Block</i>	16.91	26.41	24.37	27.71
	ii.Capital Work In Progress	-	-	78.69	81.00
	b. Long Term Loans & Advances	-	3.45	3.45	3.85
	c. Other Non Current Assets	1.96	1.57	1.18	0.98
5)	Current Assets				
	a. Inventories	190.53	503.36	1,075.44	1,550.99
	b. Trade Receivables	-	79.63	1,401.10	88.12
	c. Cash and Cash Equivalents	0.63	0.37	0.58	4.25
	d. Short Term Loans & Advances	-	20.46	9.17	61.33
	e. Other Current Assets	17.56	1.12	3.43	-
	T O T A L (4+5)	227.59	636.37	2,597.41	1,818.23

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs.in Lakhs)

Sr. No.	Particulars	FOR THE YEAR ENDED MARCH 31,			For the period ended Sept 30,
		2011	2012	2013	2013
A	INCOME				
	Revenue from Operations	-	2,235.41	3,223.29	1,939.45
	Other Income	-	0.70	-	1.07
	Total Income	-	2,236.11	3,223.29	1,940.52
B	EXPENDITURE				
	Cost of materials consumed	21.25	2,370.12	3,261.69	2,024.09
	Changes in inventories of finished goods, traded goods and work-in-progress	(24.52)	(348.18)	(382.31)	(293.60)
	Employee benefit expenses	0.91	27.46	38.40	19.87
	Finance costs	3.10	43.45	83.70	56.01
	Depreciation and amortisation expense	0.20	3.70	4.24	2.03
	Other Expenses	4.09	78.85	120.18	53.57
	Total Expenses	5.03	2,175.40	3,125.90	1,861.97
	Profit before prior period items	(5.03)	60.71	97.39	78.55
	Prior period items (Net)	-	-	-	-
	Profit before exceptional, extraordinary items and tax	(5.03)	60.71	97.39	78.55
	Exceptional items	-	-	-	-
	Profit before extraordinary items & tax	(5.03)	60.71	97.39	78.55
	Extraordinary items	-	-	-	-
	Profit before tax	(5.03)	60.71	97.39	78.55
	Tax expense :				
	(i) Current tax	-	(18.50)	(30.00)	(26.70)
	(ii) Deferred tax	(0.30)	(0.11)	0.07	(0.18)
	(iv) Short/(Excess) provision for earlier years	-	-	0.44	(3.44)
		(0.30)	(18.61)	(29.49)	(30.32)
	Profit/Loss for the year	(5.33)	42.10	67.90	48.23

STATEMENT OF CASH FLOW AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
A. Cash flow from operating activities				
Net Profit before tax as per Profit And Loss A/c	(5.03)	60.71	97.40	78.54
Adjusted for:	-	-	-	-
Depreciation & Amortisation	0.20	4.09	4.63	2.23
Interest & Finance Cost	3.10	43.45	83.70	56.01
Operating Profit Before Working Capital Changes	(1.73)	108.25	185.73	136.78
Adjusted for (Increase)/ Decrease:	-	-	-	-
Inventories	(190.53)	(312.84)	(572.09)	(475.54)
Trade Receivables	-	(79.63)	(1,321.47)	1,312.98
Loans and advances and other assets	(1.06)	(7.47)	0.92	(49.13)
Other non-current assets	(1.96)	(16.50)	-	-
Liabilities & Provisions	34.08	138.54	1,126.82	(585.30)
Cash Generated From Operations	(161.19)	(169.65)	(580.10)	339.79
Direct Tax Paid	-	(10.00)	(8.07)	(33.44)
Net Cash Flow from/(used in) Operating Activities:	(161.19)	(179.65)	(588.17)	306.36
B. Cash Flow From Investing Activities				
Purchase of Fixed Assets	(17.12)	(13.20)	(80.89)	(7.69)
Net Cash flow from /(Used in) Investing Activities	(17.12)	(13.20)	(80.89)	(7.69)
C. Cash Flow from Financing Activities				
Proceeds From Share Capital & Securities Premium	33.50	16.50	-	-
Proceeds from Long Term Borrowing (Net)	15.18	(8.43)	563.25	(567.09)
Proceeds from Short-term borrowings	133.36	227.97	189.71	328.11
Interest & Financial Charges	(3.10)	(43.45)	(83.70)	(56.01)
Net Cash Flow from/(used in) Financing Activities	178.94	192.59	669.26	(294.99)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.63	(0.26)	0.20	3.68
Cash & Cash Equivalents As At Beginning of the Year	-	0.63	0.37	0.58
Cash & Cash Equivalents As At End of the Year	0.63	0.37	0.58	4.25

THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	10,00,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 65 per Equity Share aggregating Rs. 650.00 Lakhs
Of which	
Issue Reserved for Market Makers	52,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 65 per Equity Share aggregating Rs. 33.80 Lakhs
Net Issue to the Public	9,48,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 65 per Equity Share aggregating Rs. 616.20 Lakhs
	of which
	4,74,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 65 per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	4,74,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 65 per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	15,00,000 Equity Shares
Equity Shares outstanding after the Issue	25,00,000 Equity Shares
Objects of the Issue	Refer to the chapter titled “Objects of the Issue” beginning on page 71

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price method and hence, as per regulation 43, sub regulation (4) of SEBI (ICDR) Regulations, at least 50% of the Net Issue to Public will be available for allocation on a proportionate basis to Retail Individual Applicants, subject to valid Applications being received at the Issue Price.

For further details please refer to chapter titled “Issue Structure” beginning on page 191 of this Prospectus.

GENERAL INFORMATION

Our Company was originally incorporated as Shree Shiv Lingerie Private Limited under the provisions of the Companies Act, 1956 on December 22, 2010 in Mumbai, Maharashtra. Subsequently, the name of Our Company was changed to “Women's Next Loungeries Private Limited” vide fresh certificate of incorporation dated September 10, 2013. Later, our Company was converted from private limited company to a public limited company vide fresh Certificate of Incorporation dated December 12, 2013. For further details please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 115 of this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

Women's Next Loungeries Limited

101-105, Indian Complex,
Building No.28, 1st Floor, Dapode Village
Bhiwandi, Thane, Maharashtra– 421329, India

Tel: (91) 02522-344073

Fax: (91) 02522-344073

Email: info@womensnext.in

Website: www.womensnext.in

Registration Number: 211237

Corporate Identification Number: U18204MH2010PLC211237

REGISTRAR OF COMPANIES

Registrar of Companies Mumbai

100, Everest, Marine Drive
Mumbai- 400002

Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE:

SME Platform of BSE Limited

P. J Towers, Dalal Street
Mumbai, Maharashtra, 400001

For details in relation to the changes to the name of our Company, please refer to the chapter titled, “*Our History and Certain Other Corporate Matters*” beginning on page 115 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No.	Name	Age	DIN	Address	Designation
1	Mr. Bhavesh Tulsidas Bhanushali	37 years	03324077	C-9/11, Gayatri CHS, Plot No.5 Sector 7, Sanpada, Navi Mumbai – 400705 Maharashtra	Managing Director
2	Mrs. Premila Bhavesh Bhanushali	36 years	05238716	C-9/11, Gayatri CHS, Plot No.5 Sector 7, Sanpada, Navi Mumbai – 400705 Maharashtra	Executive Director
3	Mr. Anand Khimji Bhai Bhanushali	23 years	06733252	Flat no. C-9/1,1, First Floor, Gayatri Co-Op. Hsg. Soc, Plot No. 5, Sector No.7, Sanpada, Navi Mumbai - 400705	Executive Director

Sr. No.	Name	Age	DIN	Address	Designation
4	Mr. Pawan Puri	56 years	00528278	245-G, B.R.S. Nagar, Ludhiana - 141001, Punjab	Non Executive Independent Director
5	Mr. Jaiprakash Singh	50 years	06818976	501 Bldng No.31, Hansgeet CHS Ltd, Dr. Gawde Marg, Pant Nagar, Ghatkopar East Mumbai - 400075	Non Executive Independent Director
6	Mr. Gaurav Arora	32 years	05247370	FA-222, Tagore Garden, Rajouri Garden, New Delhi - 110027	Non Executive Independent Director

For further details of our Directors, please refer to the chapter titled “Our Management” beginning on page 118 of this Prospectus.

COMPANY SECRETARY & COMPLIANCE OFFICER

Mrs. Reena Bajaj

Women's Next Loungeries Limited

101-105, Indian Complex
Building No.28, 1st Floor Dapode Village
Bhiwandi, Thane
Maharashtra– 421329, India
Tel: (91) 02522-344073
Fax: (91) 02522-344073
Email: investors@womensnext.in

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

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the concerned SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount blocked, ASBA Account number and the Designated Branch of the SCSB where the ASBA Application Form was submitted by the ASBA Applicant.

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

STATUTORY AUDITOR

Santosh Gupta & Co

B / 2101, Lakshachandi Height
Krishna Vatika Marg, Gokuldham
Goregaon – (E) Mumbai – 400 063
Tel: +91 22 28411115
E-mail: mtgupta@rediffmail.com
Contact Person: CA Manoj Kumar Gupta
Firm Registration No: 009713N
Membership No: 108603

PEER REVIEWED AUDITOR

R.T. Jain & Co.

2nd Floor, Lotus Bldg,
59, Mohammed Ali Road,
Mumbai – 400 003

Tel: +91 22 23465218

Fax: + 91 22 23464955

E-Mail: rtjain_ca@yahoo.co.in

Contact Person: Mr. R. T. Jain

Firm Registration No: 103961W

R.T Jain & Co holds a peer reviewed certificate dated September 20, 2011 issued by the Institute of Chartered Accountants of India.

LEAD MANAGER

Pantomath Capital Advisors Private Limited

108, Madhava Premises Co-Op Soc Ltd.
Bandra Kurla Complex, Bandra East
Mumbai 400 051

Tel: +91 22 26598687

Fax: + 91 22 26598690

Contact Person: Mr. Mahavir Lunawat

Email: ipo@pantomathgroup.com

SEBI Registration No: INM000012110

REGISTRAR TO THE ISSUE

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound, L.B.S. Marg
Bhandup (West), Mumbai – 400 078

Tel: +91 22 2596 7878

Fax: +91 22 2596 0329

Email: wnll.ipo@linkintime.co.in

Contact Person: Mr. Sachin Achar

Website: www.linkintime.co.in

SEBI Registration No.: INR000004058

BANKER TO THE COMPANY

Punjab National Bank

Seepz, Andheri – East, Mumbai – 400 096

Tel: 022 32525106/28291267

Fax: 022 28290942

Email: b01253@pnb.co.in

Contact Person: Ms. Naina Vakde

BANKER TO THE ISSUE / ESCROW COLLECTION BANK

ICICI Bank Limited

Capital Market Division,
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road
Mumbai - 400020

Tel: -(91) 022 22859905

Fax: (91) 022 22611138

Email: anil.gadoo@icicibank.com

Contact Person: Mr. Anil Gadoo

SEBI Registration No.: INBI000000004

Punjab National Bank

Capital Market Service Branch
PNB Pragati Tower, Plot No. C-9
G Block, Bandra Kurla Complex,
Bandra (East), Mumbai-400051

Tel: (91) 022 26532742

Fax: (91) 022 26532751

Email: bo4776@pnb.co.in

Contact Person: Mr A R Nagar

SEBI Registration No.: INBI000000084

REFUND BANKER

ICICI Bank Limited

Capital Market Division,
1st Floor, 122, Mistry Bhavan
Dinshaw Vachha Road
Mumbai - 400020

Tel: (91) 022 22859905

Fax: (91) 022 22611138

Email: anil.gadoo@icicibank.com

Contact Person: Mr. Anil Gadoo

SEBI Registration No.: INBI000000004

SELF CERTIFIED SYNDICATE BANKS

The lists of banks that have been notified by SEBI to act as SCSB for the Applications Supported by Blocked Amount (ASBA) Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1366178697250.html. For details on Designated Branches of SCSBs collecting the ASBA Application Form, please refer to the above-mentioned SEBI link.

CREDIT RATING

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

IPO GRADING

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

APPRAISAL AND MONITORING AGENCY

As per Regulation 16(1) of the SEBI (ICDR) Regulations, the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000 Lakhs. Since the Issue size is only of Rs. 650.00 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per the Clause 52 of the SME Listing Agreement to be entered into with BSE upon listing of the Equity Shares and the corporate governance requirements, *inter-alia*, the Audit Committee of our Company, would be monitoring the utilization of the proceeds of the Issue.

INTER-SE ALLOCATION OF RESPONSIBILITIES

Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation of responsibilities among Lead Managers is not applicable.

EXPERT OPINION

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

DEBENTURE TRUSTEE

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

UNDERWRITER

Our Company and LM to the Issue hereby confirm that the Issue is 100% Underwritten. The underwriting agreement is dated February 21, 2014, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter have indicated its intention to underwrite the following number of specified securities being offered through this Issue

Name and Address of the Underwriters	Indicative Number of Equity shares to be Underwritten	Amount Underwritten (Rupees In Lakhs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 108, Madhava Premises Co-Op Soc Ltd. Bandra Kurla Complex, Bandra East, Mumbai 400051 Tel: (022) 26598687 Fax: (022) 26598690 Contact Person: Mr. Mahavir Lunawat Email: ipo@pantomathgroup.com SEBI Registration No: INM000012110	10,00,000	650.00	100%
Total	10,00,000	650.00	100%

In the opinion of the Board of Directors of the Company, the resources of the above mentioned underwriter are sufficient to enable them to discharge their respective underwriting obligations in full.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company and the Lead Manager have entered into a tripartite agreement dated February 21, 2014 with the following Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making:

Choice Equity Broking Private Limited

Shree Shakambhari Corporate Park
 Plot No. 156 – 158, Near Cambridge School
 Chakravarti Ashok Society, J. B. Nagar
 Andheri (E), Mumbai – 400099
Tel: +91 22 67079999
E-mail: mahavir.toshniwal@choiceindia.com
Contact Person: Mr. Mahavir Toshniwal
SEBI Registration No.: INB011377331
Market Maker Registration No. (SME Segment of BSE): SMEMM0329931012012

Choice Equity Broking Private Limited, registered with SME segment of BSE will act as the Market Maker and has agreed to receive or deliver the specified securities in the market making process for a

period of three years from the date of listing of our Equity Shares or for a period as may be notified by amendment to SEBI (ICDR) Regulations.

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

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

1. The Market Maker(s) (individually or jointly) shall be required to provide a 2-way quote for 75% of the time in a day. The same shall be monitored by the Stock Exchange. Further, the Market Maker(s) shall inform the Exchange in advance for each and every black out period when the quotes are not being offered by the Market Maker(s).
2. The minimum depth of the quote shall be Rs. 1,00,000/-. However, the investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker. Based on the IPO price of Rs 65, the minimum lot size is 2000 Equity shares thus minimum depth of the quote shall be Rs 1,30,000/- until the same would be revised by BSE.
3. 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 (Including the 52,000 Equity Shares out to be allotted under this Issue.) Any Equity Shares allotted to Market Maker under this Issue over and above 52,000 Equity Shares would not be taken in to consideration of computing the threshold of 25% of Issue Size. As soon as the Shares of Market Maker in our Company reduce to 24% of Issue Size, the Market Maker will resume providing 2-way quotes.
4. There shall be no exemption/threshold on downside. However, in the event the Market Maker exhausts his inventory through market making process, BSE may intimate the same to SEBI after due verification.
5. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
6. There would not be more than five Market Makers for the Company's Equity Shares at any point of time and the Market Makers may compete with other Market Makers for better quotes to the investors. At this stage, Choice Equity Broking Private Limited is acting as the sole Market Maker.
7. 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.
8. The Market Maker may also be present in the opening call auction, but there is no obligation on him to do so.
9. 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.
10. The Market Maker(s) shall have the right to terminate said arrangement by giving one month notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).

In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker(s) in replacement during the term of the notice period being served by the Market Maker but prior to the date of releasing the existing Market Maker from its duties in order to ensure compliance with the requirements of regulation 106V of the SEBI (ICDR) Regulations.

Further the Company and the Lead Manager reserve the right to appoint other Market Maker(s) either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers does not exceed 5 (five) or as specified by the relevant laws and regulations applicable at that particular point of time. The Market Making Agreement is available for inspection at our Registered Office from 11.00 a.m. to 5.00 p.m. on working days.

11. BSE SME Exchange will have all margins which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
12. BSE SME 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(s) in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

13. SEBI Circular bearing reference no: CIR/MRD/DP/ 02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 25,000 Lakhs, the applicable price bands for the first day shall be:
 - i. In case equilibrium price is discovered in the Call Auction, the price band in the normal trading session shall be 5% of the equilibrium price.
 - ii. In case equilibrium price is not discovered in the Call Auction, the price band in the normal trading session shall be 5% of the issue price.

Additionally, the trading shall take place in TFT (Trade for Trade) segment for first 10 days from commencement of trading. The following spread will be applicable on the BSE SME Platform:

Sr. No.	Market Price Slab (in Rs.)	Proposed spread (in % to sale price)
1	Up to 50	9%
2	50 to 75	8%
3	75 to 100	6%
4	Above 100	5%

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

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

CAPITAL STRUCTURE

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

(Rs. In Lakhs except share data)

Sr. No	Particulars	Aggregate Value	
		Face Value	Issue Price
A	AUTHORISED SHARE CAPITAL		
	40,00,000 Equity Shares of face value of Rs. 10/- each	400.00	
B	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL		
	15,00,000 fully paid up Equity Shares of face value of Rs. 10/- each	150.00	
C	PRESENT ISSUE IN TERMS OF PROSPECTUS*		
	10,00,000 Equity Shares of face value of Rs. 10/- each	100.00	650.00
	Which comprises		
	52,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 55/- per Equity Share reserved as Market Maker Portion	5.20	33.80
	Net Issue to Public of 9,48,000 Equity Shares of face value of Rs. 10/- each at a premium of Rs. 55/- per Equity Share to the Public	94.80	616.20
	Of which		
	4,74,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 55/- per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	47.40	308.10
	4,74,000 Equity Shares of face value of Rs.10/- each at a premium of Rs. 55/- per Equity Share will be available for allocation to Investors above Rs 2.00 Lakhs	47.40	308.10
D	ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE		
	25,00,000 Equity Shares of face value of Rs. 10 each	250.00	
E	SECURITIES PREMIUM ACCOUNT		
	Before the Issue		Nil
	After the Issue		550.00

* The Issue has been authorized pursuant to a resolution of our Board dated January 23, 2014 and by Special Resolution passed under Section 81(1A) of the Companies Act at an Extra Ordinary General Meeting of our shareholders held on February 14, 2014.

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

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

NOTES TO THE CAPITAL STRUCTURE:

History of change in authorized Equity Share capital of Our Company

- a) The Initial authorized Share Capital of Rs. 1,00,00,000 (Rupees One Crore Only) was increased to Rs. 4,00,00,000 (Rupees Four Crores Only) consisting of 40,00,000 Equity Shares of face value of Rs. 10/- each pursuant to a resolution of the shareholders dated February 14, 2014

1. Equity Share Capital History:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Cumulative No of Shares	Cumulative Paid up Capital
December 22, 2010	5,00,000	10	10	Subscription to MoA(1)	Cash	5,00,000	50,00,000
February 14, 2014	10,00,000	10	0	Bonus Share(2)	NA	15,00,000	1,50,00,000

- (1) Initial Subscribers to Memorandum of Association subscribed 5,00,000 Equity Shares of face value of Rs. 10/-each at par as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhaveshtulsidas Bhanushali	1,65,000
2.	Mitesh Jagdish Ganatra*	5,000
3.	Harshaben Hirji Thakkar*	3,30,000
	Total	5,00,000

*Subsequently the shares of Mr Mitesh Jagdish Ganatra were transferred to Mrs. Premila Bhanushali, and the shares of Mrs. Harshaben Hirji Thakkar were transferred to Mr Bhaveshtulsidas Bhanushali.

- (2) The Company issued Bonus of 10,00,000 Equity Shares of face value of Rs. 10/-each at a ratio of 2 bonus equity shares for every share held as per the details given below:

Sr. No	Name of Person	No of Shares Allotted
1.	Bhaveshtulsidas Bhanushali	9,88,998
2.	Premila Bhanushali	10,000
3.	Anil Kumar Sinha	200
4.	Mala Suresh Kumar Jain	200
5.	Suresh Jivrajji Jain	200
6.	Neepa Mohan Mav	200
7.	M.S.Enterprises (Prop. Mohan Surji Mav)	200
8.	Anand Bhanushali	2
	Total	10,00,000

2. Issue of Equity Shares for consideration other than cash

Date of allotment	Number of Equity Shares	Face value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reasons for allotment	Allottees	No of Shares Allotted
February 14, 2014	10,00,000	10	Nil	-	Bonus issue of Equity Shares in the ratio of 2:1	Bhavesb Bhanushali	9,88,998
						Premila Bhanushali	10,000
						Anil Kumar Sinha	200
						Mala Suresh Kumar Jain	200
						Suresh Jivraji Jain	200
						Neepa Mohan Mav	200
						M.S.Enterprises (Prop. Mohan Surji Mav)	200
						Anand Bhanushali	2
						Total	10,00,000

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

- We have not issued any Equity Shares out of revaluation reserves or in terms of any scheme approved under Sections 391- 394 of the Companies Act.
- No shares have been issued at price below Issue Price within last one year from the date of this Prospectus except the bonus Issue as mentioned below:

Date of Allotment	No. of Shares Allotted	Face Value	Issue Price	Nature of Allotment	Nature of Consideration	Allotted Person
February 14, 2014	10,00,000	10	0	Bonus Issue	Nil	<ol style="list-style-type: none"> Bhavesb Bhanushali Premila Bhanushali Anil Kumar Sinha Mala Suresh Kumar Jain Suresh Jivraji Jain Neepa Mohan Mav M.S.Enterprises (Prop. Mohan Surji Mav) Anand Bhanushali

5. Details of shareholding of our Promoter

Bhavesh Tulsidas Bhanushali

Date of Allotment / Transfer	No. of Equity Shares	Face value per Share (Rs.)	Issue / Acquisition/Transfer price (Rs.)*	Nature of Transactions	Pre-issue shareholding %	Post-issue shareholding %	Lock-in Period	No of Shares Pledged	% of Shares Pledged
December 22, 2010	1,65,000	10	10	Subscription to MoA	11.00%	6.60%	1 year	Nil	Nil
September 20, 2012	3,30,000	10	10	Transfer	22.00%	13.20%	1 year	Nil	Nil
October 14, 2013	(501)	10	10	Transfer	-0.03%	-0.02%	1 year	Nil	Nil
February 14, 2014	9,88,998	10	0	Bonus Issue	65.93%	39.56%	3 years/ 1 year	Nil	Nil
Total	1483497				98.90%	59.34%			

*Cost of acquisition excludes Stamp Duty

6. Shares purchased/sold by the Promoter and Promoter Group, directors and their immediate relatives during last 6 months.

Date of Transaction	Name of Transferor	Name of Transferee	Number of Shares Transacted
October 14, 2013	Bhavesh Bhanushali	Neepa Mohan Mav	100
October 14, 2013	Bhavesh Bhanushali	M.S. Enterprises (Prop. Mohan Mav)	100
October 14, 2013	Bhavesh Bhanushali	Mala Jain	100
October 14, 2013	Bhavesh Bhanushali	Anil Sinha	100
October 14, 2013	Bhavesh Bhanushali	Suresh Jain	100
October 14, 2013	Bhavesh Bhanushali	Anand Bhanushali	1

All the transactions were made at the price of Rs. 10 per share on the above mentioned dates.

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

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

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

Our Promoter have granted consent to include such number of Equity Shares held by them as may constitute 22% of the post-issue Equity Share Capital of our Company as Promoters Contribution and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution from the date of filing of this Prospectus until the commencement of the lock-in period specified above

Date of allotment	Date when made fully paid up	No of Shares Allotted	Face Value	Issue Price	Nature of Allotment	% of Post Issue Capital
Mr. Bhavesh Tulsidas Bhanushali						
February 14, 2014	February 14, 2014	5,50,000	10	Nil	Bonus Issue	22.00%
Total		5,50,000				22.00%

We further confirm that the aforesaid minimum Promoter Contribution of 20% which is subject to lock-in for three years does not consist of:

- Equity Shares acquired since incorporation for consideration other than cash and out of revaluation of assets or capitalization of intangible assets or bonus shares out of revaluation reserves or reserves without accrual of cash resources.
- Equity Shares acquired by the Promoter during the preceding one year, at a price lower than the price at which Equity Shares are being offered to public in the Issue.
- The Equity Shares held by the Promoter and offered for minimum Promoters' Contribution are not subject to any pledge.
- Equity Shares for which specific written consent has not been obtained from the shareholders for inclusion of their subscription in the minimum Promoters' Contribution subject to lock-in.
- Equity shares issued to our Promoter on conversion of partnership firm into limited company.
- Private placement made by solicitation of subscription from unrelated persons either directly or through any intermediary.

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

In terms of the applicable provisions of SEBI (ICDR) Regulations the Equity Shares held by our Promoter may be transferred to and among the Promoter Group or to new Promoter or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Code, as applicable.

We further confirm that our Promoter's Contribution of 20% of the post Issue Equity does not include any contribution from Alternative Investment Fund.

9. Details of share capital locked in for one year

In addition to minimum 20% of the Post-Issue shareholding of our Company held by the Promoter (locked in for three years as specified above), in accordance with regulation 36 of SEBI (ICDR)

Regulations, the entire pre-issue share capital of our Company shall be locked in for a period of one year from the date of Allotment in this Issue.

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

A. The table below represents the shareholding pattern of our Company in accordance with clause 37 of the SME Listing Agreement, as on the date of this Prospectus:

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	Promoter and Promoter Group							
(1)	Indian							
(a)	Individuals/Hindu Undivided Family	3	14,98,500	14,98,500	99.90	99.90	0	0
(b)	Central Government/State Government(s)	0	0	0	0	0	0	0
(c)	Bodies Corporate	0		0	0	0	0	0
(d)	Financial Institutions/Banks	0		0	0	0	0	0
(e)	Any other (Specify)	0		0	0	0	0	0
	SUB TOTAL (A)(1)	3	14,98,500	14,98,500	99.90	99.90	0	0
(2)	Foreign			0	0	0	0	0
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0	0	0
(c)	Institutions/FPI	0	0	0	0	0	0	0
(d)	Any other (Specify)	0	0	0	0	0	0	0
	SUB TOTAL (A)(2)	0	0	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	3	14,98,500	14,98,500	99.90	99.90	0	0
(B)	Public shareholding							

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(1)	Institutions	0	0	0	0	0	0	0
(a)	Mutual Funds/UTI	0	0	0	0	0	0	0
(b)	Financial Institutions/Banks	0	0	0	0	0	0	0
(c)	Central Government/State Government(s)	0	0	0	0	0	0	0
(d)	Venture Capital Fund	0	0	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0	0	0
(f)	Foreign Portfolio Investors	0	0	0	0	0	0	0
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0
(h)	Nominated Investors (as defined in Chapter XB of SEBI (ICDR) Regulations)	0	0	0	0	0	0	0
(i)	Market Makers	0	0	0	0	0	0	0
(j)	Any other (Specify)	0	0	0	0	0	0	0
	SUB TOTAL (B) (1)	0	0	0	0	0	0	0
(2)	Non-Institutions							
(a)	Bodies Corporate	0	0	0	0	0	0	0
(b)	Individuals -	5	1500	1500	0.10	0.10	0	0
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	0	0	0	0	0	0	0
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0
(c)	Any other (Specify)Individual (Non-Resident individuals)	0	0	0	0	0	0	0
	SUB TOTAL (B) (2)	5	1500	1500	0.10	0.10	0	0

Category Code	Category of shareholder	No. Of shareholders	Total numbers of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	Number of shares	As a Percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
	Total Public Shareholding (B)=(B)(1)+(B)(2)	0	0	0	0	0	0	0
	TOTAL (A)+(B)	8	15,00,000	15,00,000	100.00	100.00	0	0
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0	0	0
	GRAND TOTAL (A)+(B)+(C)	8	15,00,000	15,00,000	100.00	100.00	0	0

Our Company will file the shareholding pattern of our Company, in the form prescribed under clause 37 of the Listing Agreement, one day prior to the listing of Equity Shares. The shareholding pattern will be uploaded on the website of BSE before commencement of trading of such Equity Shares.

B. Shareholding of our Promoter and Promoter Group

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

Sr. No.	Name of the Shareholder	Pre – Issue		Post – Issue	
		No. of Equity Shares	% of Pre-Issue Capital	No. of Equity Shares	% of Post-Issue Capital
	Promoter				
1.	Bhavesb Bhanushali	14,83,497	98.90%	14,83,497	59.34%
	Promoter Group				
2.	Premila Bhanushali	15,000	1.00%	15,000	0.60%
3.	Anand Bhanushali	3	0.00%	3	0.00%
	Total	14,98,500	99.90%	14,98,500	59.94%

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition (In Rs.)
Bhavesb Bhanushali	14,83,497	3.33

11. Equity Shares held by top ten shareholders

Our top ten shareholders and the number of Equity Shares held by them as on date of this Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of pre-Issue capital
1.	Bhavesb Bhanushali	14,83,497	98.90%
2.	Premila Bhanushali	15,000	1.00%
3.	Anil Kumar Sinha	300	0.02%
4.	Mala Suresh Kumar Jain	300	0.02%
5.	Suresh Jivraji Jain	300	0.02%
6.	Neepea Mohan Mav	300	0.02%
7.	M.S.Enterprises (Prop. Mohan Surji Mav)	300	0.02%
8.	Anand Bhanushali	3	0.00%
	Total	15,00,000	100.00%

*Our Company has 8 shareholders as on date of this Prospectus

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

Sr. No.	Name of shareholder*	No. of Shares	% age of pre-Issue capital
1	Bhavesb Bhanushali	14,83,497	98.90%
2	Premila Bhanushali	15,000	1.00%
3	Anil Kumar Sinha	300	0.02%
4	Mala Suresh Kumar Jain	300	0.02%
5	Suresh Jivraji Jain	300	0.02%
6	Neepa Mohan Mav	300	0.02%
7	M.S.Enterprises (Prop. Mohan Surji Mav)	300	0.02%
8	Anand Bhanushali	3	0.00%
	Total	15,00,000	100%

*Our Company had 8 shareholders ten days prior to the date of this Prospectus

Our top ten shareholders and the number of Equity Shares held by them two years prior to date of this Prospectus are as under:

Sr. No.	Name of shareholder*	No. of Shares	% age of then existing capital
1	Bhavesb Tulsidas Bhanushali	1,65,000	33.00%
2	Mitesh Jagdish Ganatra	5,000	1.00%
3	Harshaben Hirji Thakkar	3,30,000	66.00%
	Total	50,00,000	100.00%

*Our Company had 3 shareholders two years prior to the date of this Prospectus

12. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoter/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
13. The Equity Shares, which are subject to lock-in, shall carry the inscription "non-transferable" and the non transferability details shall be informed to the depository. The details of lock-in shall also be provided to the Stock Exchange before the listing of the Equity Shares.
14. As on the date of this Prospectus, none of the shares held by our Promoter/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
15. Except as otherwise disclosed in the chapter titled "Objects of the Issue" beginning on page 71 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
16. Investors may note that in case of over-subscription, allotment will be on proportionate basis as detailed in heading on "Basis of Allotment" beginning on page 202 of this Prospectus.
17. The Equity Shares Issued pursuant to this Issue shall be made fully paid-up or may be forfeited for non-payment of calls within twelve months from the date of allotment of shares.

18. In case of over-subscription in all categories the allocation in the Issue shall be as per the requirements of Regulation 43 (4) of SEBI (ICDR) Regulations, as amended from time to time.
19. Under subscription, if any, in any category, shall be met with spill-over from any other category or combination of categories at the discretion of our Company, in consultation with the Lead Manager and SME Platform of BSE.
20. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off while finalizing the basis of allotment to the nearest integer during finalizing the allotment, subject to minimum allotment lot. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to lock-in shall be suitably increased to ensure that 20% of the post issue paid-up capital is locked-in.
21. The Issue is being made through Fixed Price method.
22. As on date of filing of this Prospectus with Stock Exchange, the entire issued share capital of our Company is fully paid-up.
23. On the date of filing this Prospectus with Stock Exchange, there are no outstanding financial instruments or any other rights that would entitle the existing Promoter or shareholders or any other person any option to receive Equity Shares after the Issue.
24. Our Company has not issued any Equity Shares out of revaluation reserves and not issued any bonus shares out of capitalization of revaluation reserves.
25. Lead Manager to the Issue viz. Pantomath Capital Advisors Private Limited and its associates do not hold any Equity Shares of our Company.
26. Our Company has not revalued its assets since incorporation.
27. Our Company has not made any Public Issue of any kind or class of securities since its incorporation.
28. There will be only one denomination of the Equity Shares of our Company unless otherwise permitted by law.
29. Our Company shall comply with such disclosure, and accounting norms as may be specified by SEBI from time to time.
30. There will be no further issue of capital whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Prospectus with Stock Exchange until the Equity Shares to be issued pursuant to the Issue have been listed.
31. Except as disclosed in the Prospectus, our Company presently does not have any intention or proposal to alter its capital structure for a period of six (6) months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise. However, during such period or a later date, it may issue Equity Shares or securities linked to Equity Shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other

scheme of arrangement if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

32. Our Company does not have any ESOS/ESPS scheme for our employees and we do not intend to allot any shares to our employees under ESOS/ESPS scheme from the proposed Issue. As and when, options are granted to our employees under the ESOP scheme, our Company shall comply with the SEBI (Employee Stock Option Scheme and Employees Stock Purchase Plan) Guidelines 1999.
33. An investor cannot make an application for more than the number of Equity Shares offered in this Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.
34. No payment, direct, indirect in the nature of discount, commission, and allowance, or otherwise shall be made either by us or by our Promoter to the persons who receive allotments, if any, in this Issue.
35. Our Company has 8 members as on the date of filing of this Prospectus.

OBJECTS OF THE ISSUE

Our Company proposes to utilize the funds which are being raised towards funding the following objects and achieve the benefits of listing on the SME platform of BSE.

The objects of the Issue are:-

1. Upgradation of unit
2. Repayment of Loan
3. Working Capital requirements;
4. Meet Issue Expenses
5. For General Corporate Purposes

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

FUND REQUIREMENTS

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

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

S. No.	Particulars	Amount (in Rs. Lakhs)
1.	Upgradation of unit	100.00
2.	Repayment of Bank Loan	350.00
3.	Working Capital Requirement	100.00
4.	*Issue Expenses	65.00
5.	General Corporate Purpose	35.00
	Total	650.00

**As on date of the Prospectus, Company has incurred Rs.8.28 Lakhs towards Issue Expenses.*

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

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

In case of variations in the actual utilization of funds allocated for the purposes set forth above, increased fund requirements for a particular purpose may be financed by surplus funds, if any, available in respect

of the other purposes for which funds are being raised in this Issue. If surplus funds are unavailable, the required financing will be through our internal accruals and/or debt.

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

Details of Utilization of Issue Proceeds

Upgradation of Unit

Our Company primarily focuses on design, styling, sampling, branding and marketing of our products. The technology plays an essential role in our Industry. The Upgradation of Machinery will help improve efficiencies of operations of our company and potentially add to our margins.

Our Company proposes to upgrade the machinery viz. moulding machines, stitching machines, racks for storage, repair cloth cutting tables, change its existing unit to air conditioned unit, repainting, repairs to factory premises, etc. The Company is in the process of obtaining, identifying and appointing consultants/ contractors/ architect/ engineers etc. to carry out the upgradation. The total cost of upgradation is estimated at Rs.100 lakhs and will assist the Company in improving its present capacity.

Our Company does not have any intention of procuring second hand machinery (domestic) for the proposed objective. However, the Company may procure second hand machinery from outside India.

Repayment of Bank Loan

We have from time to time availed loans from Bank and Financial Institutions. These loans were used for the purpose of business of our Company, primarily capital expenditure and working capital requirements. We have outstanding loan (cash credit) as on September 30, 2013 is Rs.898.44 lakhs. The details of the repayment of loans to the Bank(s) or Financial Institution are provided below:

(Rs. In Lakhs)

Name of Lender	Amount outstanding as on September 30, 013	Rate of Interest	Security	Tenure	Repayment from the Net Proceeds of the Issue
Punjab National Bank	898.44	15.00%	Hypothecation of Raw Materials, Stock In Process, Stores & Spares, Packing Material, Finished Goods And Book Debts Of The Company, Both Present & Future, wherever situated	Repayable on Demand	350.00

We may repay the above loans when due, before we obtain proceeds from the Issue, through other means and source of financing, including bridge loan or other financial arrangements, which then will be repaid from the proceeds of the Issue. We believe our repayment will help us to improve our ability to leverage equity for our future needs towards any of our existing operations and towards further expansion.

Working Capital

Our business is working capital intensive. We finance our working capital requirements from various banks / financial institutions and from our internal accruals. As on September 30, 2013, the Company's working capital funding from banks is of Rs.898.44 lakhs. Total working capital requirements as of March 31, 2015 is estimated to be Rs.1,716.36 lakhs. As of the date of this Prospectus, our Company has obtained working capital facilities for an amount of Rs.800.00 lakhs from Punjab National Bank. Since the working capital requirement is staggered over the financial year 2014- 15, we propose to deploy the amount as working capital margin for the purpose of bank funding.

The following is the detailed calculation of projected working capital required for the financial year 2013-14 and 2014-15

(Rs. In Lakhs)

Particulars	2011-12	2012-13	2013-14 (Estimated)	2014-15 (Estimated)
Current Assets				
Inventories	503.36	1,075.45	2,045.00	2,548.28
Trade Receivables	79.63	1,401.10	916.07	1,141.40
Cash and Bank Balance	0.37	0.58	3.57	3.75
Other Current Assets	35.03	34.11	6.31	6.75
Total (A)	618.39	2511.24	2,970.95	3,700.18
Current Liabilities				
Trade Payables	145.29	1,262.29	1,355.54	1,832.76
Other Current Liabilities	2.33	5.31	6.37	7.65
Short Term Provisions	18.50	48.50	110.07	193.41
Total (B)	166.12	1,316.10	1,471.98	2,033.82
Net Working Capital (A)-(B)	452.27	1,195.14	1,498.97	1,666.36
Sources Of Working Capital				
Fund based borrowings	361.32	551.03	800.00	650.00
Internal sources	84.20	73.93	373.97	591.36
Unsecured borrowings	6.75	570.00	375.00	375.00
IPO Proceeds	-	-	-	100.00

Basis of Estimation

The incremental long term working capital requirements are based on historical Company data and estimation of the future requirements in FY 2014-15 considering the growth in activities of our Company

and in line with norms accepted by our banker(s). Our Company has assumed inventory of 4.15 months for Stocks in process and 1.18 months for finished goods.

Our Debtors cycle is of about 5.22 months. We have assumed that our debtor's cycle will be 2.47 and 2.30 Months for FY 2013-14 and FY 2014-15 respectively. Similarly we have estimated advance to suppliers, other current assets and current liabilities in line with working capital employed in FY 2012-13.

Issue Related Expenses

The expenses for this Issue include issue management fees, underwriting fees, registrar fees, legal advisor fees, printing and distribution expenses, advertisement expenses, depository charges and listing fees to the Stock Exchange, among others. The total expenses for this Issue are estimated not to exceed Rs.75 Lakhs.

Expenses	Expenses (Rs. in Lakhs)*	Expenses (% of total Issue expenses)	Expenses (% of Issue size)
Payment to Merchant Banker including expenses towards printing, advertising, and payment to other intermediaries such as Registrars, Market Makers, Bankers etc.	45.00	69.23%	6.92%
Regulatory fees	5.00	7.69%	0.77%
Marketing and Other Expenses	15.00	23.17%	2.32%
Total estimated Issue expenses	65.00	100.00%	10.00%

General Corporate Purpose

Our Company intends to deploy the balance Issue proceeds aggregating Rs.35 Lakhs, towards the general corporate purposes, including but not restricted to strategic initiatives, entering into strategic alliances, partnerships, joint ventures etc. and meeting exigencies and contingencies for the project, which our Company in the ordinary course of business may not foresee, or any other purposes as approved by our Board of Directors.

Our management, in response to the dynamic nature of the apparel industry, will have the discretion to revise its business plan from time to time and consequently our funding requirement and deployment of funds may also change. This may also include rescheduling the proposed utilization of Issue Proceeds and increasing or decreasing expenditure for a particular object vis-à-vis the utilization of Issue Proceeds. Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes.

DEPLOYMENT OF FUNDS

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

(Rs. in Lakhs)

Particulars	Total Funds required	Amount incurred till February 24, 2014	Deployment during FY 2013-14	Balance Deployment during FY 2014-15
Upgradation of unit	100.00	-	-	100.00
Repayment of Bank Loan	350.00	-	-	350.00
Working Capital Requirement	100.00	-	-	100.00
Issue Expenses	65.00	8.28	25.00	31.72
General Corporate Purpose	35.00	-	-	35.00
Total	650.00	8.28	25.00	616.72

R.T. Jain and Co., Chartered Accountants have vide certificate dated March 08, 2014, confirmed that as on 24 February, 2014 following funds were deployed for the proposed Objects of the Issue:

(Rs. in Lakhs)

Particulars	Estimated Amount
Internal Accruals	8.28
Total	8.28

APPRAISAL BY APPRAISING AGENCY

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

INTERIM USE OF FUNDS

Pending utilization for the purposes described above, we intend to invest the funds in high quality interest bearing liquid instruments including money market mutual funds, deposits with banks, for the necessary duration or for reducing overdrafts. Our management, in accordance with the policies established by our Board of Directors from time to time, will deploy the Net Proceeds.

MONITORING UTILIZATION OF FUNDS

As the Net Proceeds of the Issue will be less than Rs. 50,000 Lakhs, under the SEBI (ICDR) Regulations it is not mandatory for us to appoint a monitoring agency.

Our Board and the management will monitor the utilization of the Net Proceeds through its Audit Committee. Pursuant to Clause 52 of the SME Listing Agreement, our Company shall on half-yearly basis disclose to the Audit Committee the applications of the proceeds of the Issue. On an annual basis, our Company shall prepare a statement of funds utilized for purposes other than stated in this Prospectus and place it before the Audit Committee. Such disclosures shall be made only until such time that all the

proceeds of the Issue have been utilized in full. The statement will be certified by the Statutory Auditors of our Company.

Other than as disclosed above no part of the Issue Proceeds will be paid by our Company as consideration to our Promoter, our Directors, Key Management Personnel or companies promoted by the Promoter, except as may be required in the usual course of business.

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 65 per Equity Share has been determined by our Company, in consultation with the Lead Manager on the basis of the following qualitative and quantitative factors. The face value of the Equity Share is Rs. 10 and Issue Price is Rs. 65 per Equity Share and is 6.5 times the face value.

QUALITATIVE FACTORS

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

- Design expertise, with a pulse on fitting
- Understanding the consumer
- Close proximity to raw material
- Experience of Promoter

For further details, refer to heading '*Our Competitive Strengths*' under chapter titled '*Our Business*' beginning on page 102 of this Prospectus.

QUANTITATIVE FACTORS

The information presented below relating to the Company is based on the restated financial statements of the Company for Financial Year 2011, 2012, 2013 and period ended September 30, 2013 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

1. Basic and Diluted Earnings per Share (EPS) as per Accounting Standard 20

Year ended	EPS (Rs.)	Weight
March 31, 2011	(1.30)	1
March 31, 2012	2.81	2
March 31, 2013	4.50	3
Weighted Average	2.97	

The Basic and Diluted EPS on an unconsolidated basis for the six month period ended September 30, 2013 was Rs. 9.65 (not annualized)

Note:

The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-. Bonus shares issue done February 14, 2014, has been counted for the weighted Average number of shares in calculation of EPS.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 65 per Equity Share of Rs. 10/- each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2012-13	14.45
P/E ratio based on Weighted Average EPS	21.90
*Industry P/E	
Highest	55.95
Lowest	27.28
Average	36.92

*Industry comprises Page Industries Limited, Lovable Lingerie's Limited and Rupa & Company Limited.

3. Average Return on Net worth (RoNW)

Return on Net Worth ("RoNW") as per restated financial statements

Year ended	RoNW (%)	Weight
March 31, 2011	(11.93)	1
March 31, 2012	64.06	2
March 31, 2013	55.99	3
Weighted Average	47.36	

The return on Net worth for the six month period ended September 30, 2013 was 23.89 % (not annualized)

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

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2013 is 13.98 %.

5. Net Asset Value (NAV)

Particulars	Amt. (Rs.)
Net Asset Value per Equity Share as of September 30, 2013	201.92
Net Asset Value per Equity Share after the Issue	32.17
Issue Price per equity share	65

NAV per equity share has been calculated as net worth as divided by number of equity shares.

6. Comparison with other listed companies

Companies	CMP	EPS	PE Ratio	RON W	NAV (Per Share)	Face Value	Sales (In Crores)
Women's Next Loungeries Limited	65**	4.50	14.45	55.99	30.71	10	32.23
Page Industries Limited (As on March 31, 2013)	5644.7	100.89	55.95	59.34	191.43	10	863.46
Lovable Lingerie Limited (As on March 31, 2013)	306.65	11.24	27.28	11.34	103.54	10	151.09
Rupa & Company Limited (As on March 31, 2013)	213.95	7.77	27.54	29.07	29.42	1	816.42

*Source: www.bseindia.com ** CMP is considered as Issue Price

Notes:

- The figures for Women's Next Loungeries Limited are based on the standalone restated results for the year ended March 31, 2013. Stub period financial results are not taken into consideration in line with the provisions of applicable SEBI (ICDR) Regulations.
- The figures for the peer group are based on standalone audited results for the respective year ended as indicated in the table.
- Current Market Price(CMP) is the closing prices of respective scripts as on February 07, 2014

The Issue Price of Rs. 65/- per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details refer to "Risk Factors" on page 21 and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 137 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFITS

To
The Board of Directors,
Women's Next Loungeries Limited
101-105, Indian Complex Building,
No.28, 1st Floor, Dapode Village,
Bhiwandi, Thane – 421302

Dear Sirs,

Sub: Statement of possible tax benefits available to the Company and its shareholders on proposed Public Issue of Shares under the existing tax laws

We hereby confirm that the enclosed annexure, prepared by The Board of Directors, Women's Next Loungeries Limited ('the Company'), states the possible tax benefits available to the Company and the shareholders of the Company under the Income - Tax Act, 1961 ('Act') and the Wealth Tax Act, 1957, presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement 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. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure 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 and the provisions of the tax laws. The same shall be subject to notes to this annexure.

*No assurance is given that the revenue authorities / courts will concur with the views expressed herein. The views are based on the existing provisions of law and its interpretation, which are subject to change from time to time. We would not assume responsibility to update the view, consequence to such change.

We shall not be liable to Women's Next Loungeries Limited for any claims, liabilities or expenses relating to this assignment except to the extent of fees relating to this assignment, as finally judicially determined to have resulted primarily from bad faith of intentional misconduct.

For R T Jain & Co.
Chartered Accountants
Firm Registration No.103961 W

(CA R T Jain)
Partner
Membership No. .033605
Date: 12th March, 2014
Place: Mumbai

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO WOMEN'S NEXT LOUNGIERIES LIMITED AND ITS SHAREHOLDERS

Outlined below are the possible benefits available to the Company and its shareholders under the current direct tax laws in India for the Financial Year 2013-14.

BENEFITS TO THE COMPANY UNDER THE INCOME TAX ACT, 1961 (THE "ACT")

1. General tax benefits

A. Business Income

The Company is entitled to claim depreciation on specified tangible and intangible assets owned by it and used for the purpose of its business as per provisions of Section 32 of the Act. Business losses, if any, for an assessment year can be carried forward and set off against business profits for eight subsequent years. Unabsorbed depreciation, if any, for an assessment year can be carried forward and set off against any source of income in subsequent years as per provisions of Section 32 of the Act.

B. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.
- As per Section 115JB, Minimum Alternate Tax ("MAT") is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 100 million. Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge.

- MAT credit shall be allowed for any assessment year to the extent of difference between the tax payable as per the normal provisions of the Act and the tax paid under Section 115JB for that assessment year. Such MAT credit is available for set-off up to ten years succeeding the assessment year in which the MAT credit arises.

C. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual

fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.

- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

- Under Section 54EC of the Act, capital gain arising from transfer of long – term capital assets [other than those exempt u/s 10(38)] shall be exempt from tax, subject to the conditions and to the extent specified therein, if the capital gain are invested within a period of six months from the date of transfer in the bonds redeemable after three years and issued by -:
 1. National Highway Authority of India (NHAI) constituted under Section 3 of National Highway Authority of India Act, 1988; and
 2. Rural Electrification Corporation Limited (REC), a company formed and registered under the Companies Act, 1956.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long term asset cannot exceed Rs 50,00,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provision of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.

D. Securities Transaction Tax

As per provisions of Section 36(1) (xv) of the Act, STT paid in respect of the taxable securities transactions entered into in the course of the business is allowed as a deduction if the income arising from such taxable securities transactions is included in the income computed under the head 'Profit and gains of business or profession'. Where such deduction is claimed, no further

deduction in respect of the said amount is allowed while determining the income chargeable to tax as capital gains.

E. Dividends

- As per provisions of Section 10(34) read with Section 115-O of the Act, dividend (both interim and final), if any, received by the Company on its investments in shares of another Domestic Company is exempt from tax. The Company paying dividends will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 10% would be levied on the amount of DDT. Further, Education cess of 2% and Secondary Higher Education cess of 1% is levied on the amount of tax and surcharge. Credit in respect of dividend distribution tax paid by a domestic subsidiary of the Company & tax Payable by the company U/s 115 BBD on dividend received from foreign subsidiary could be available while determining the dividend distribution tax payable by the Company as per provisions of Section 115-O (1A) of the Act, subject to fulfillment of prescribed conditions.
- As per provisions of Section 10(35) of the Act, income received in respect of units of a mutual fund specified under Section 10(23D) of the Act (other than income arising from transfer of such units) is exempt from tax.
- As per provisions of Section 80G of the Act, the Company is entitled to claim deduction of as specified amount in respect of eligible donations, subject to the fulfillment of the conditions specified in that section.
- As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

BENEFITS TO THE RESIDENT MEMBERS / SHAREHOLDERS OF THE COMPANY UNDER THE ACT

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by the resident members / shareholders from the Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable, on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect

- of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.
- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
 - In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
 - LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
 - As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
 - As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
 - STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
 - As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
 - As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance

loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

(ii) Exemption of capital gains arising from income – tax

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.
- Where the new bonds are transferred or converted into money within three years from the date of their acquisition, the amount so exempted is taxable as capital gains in the year of transfer / conversion.
- As per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors.
- In addition to the same, some benefits are also available to a resident shareholder being an individual or Hindu Undivided Family ('HUF').
- As per provisions of Section 54F of the Act, LTCG arising from transfer of shares is exempt from tax if the net consideration from such transfer is utilized within a period of one year before, or two years after the date of transfer, for purchase of a new residential house, or for construction of residential house within three years from the date of transfer and subject to conditions and to the extent specified therein.

C. Tax Treaty Benefits

As per provisions of Section 90 (2) of the Act, non-resident shareholders can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the non-resident shareholder, whichever is more beneficial.

D. Non-Resident Taxation

Special provisions in case of Non-Resident Indian ('NRI') in respect of income / LTCG from specified foreign exchange assets under Chapter XII-A of the Act are as follows:

- NRI means a citizen of India or a person of Indian origin who is not a resident. A person is deemed to be of Indian origin if he, or either of his parents or any of his grandparents, were born in undivided India.
- Specified foreign exchange assets include shares of an Indian company which are acquired / purchased / subscribed by NRI in convertible foreign exchange.

- As per provisions of Section 115E of the Act, LTCG arising to a NRI from transfer of specified foreign exchange assets is taxable at the rate of 10% (plus education cess and secondary & higher education cess of 2% and 1% respectively).
- As per provisions of Section 115E of the Act, income (other than dividend which is exempt under Section 10(34)) from investments and LTCG (other than gain exempt under Section 10(38)) from assets (other than specified foreign exchange assets) arising to a NRI is taxable at the rate of 20% (education cess and secondary & higher education cess of 2% and 1% respectively). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act.
- As per provisions of Section 115F of the Act, LTCG arising to a NRI on transfer of a foreign exchange asset is exempt from tax if the net consideration from such transfer is invested in the specified assets or savings certificates within six months from the date of such transfer, subject to the extent and conditions specified in that section.
- As per provisions of Section 115G of the Act, where the total income of a NRI consists only of income / LTCG from such foreign exchange asset / specified asset and tax thereon has been deducted at source in accordance with the Act, the NRI is not required to file a return of income.
- As per provisions of Section 115H of the Act, where a person who is a NRI in any previous year, becomes assessable as a resident in India in respect of the total income of any subsequent year, he / she may furnish a declaration in writing to the assessing officer, along with his / her return of income under Section 139 of the Act for the assessment year in which he / she is first assessable as a resident, to the effect that the provisions of the Chapter XII-A shall continue to apply to him / her in relation to investment income derived from the specified assets for that year and subsequent years until such assets are transferred or converted into money.
- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

BENEFITS AVAILABLE TO FOREIGN INSTITUTIONAL INVESTORS ('FIIS') UNDER THE ACT

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company will be liable to pay dividend distribution tax at the rate of 15% plus a surcharge as applicable on the dividend distribution tax and education cess and secondary and higher education cess of 2% and 1% respectively on the amount of dividend distribution tax and surcharge thereon on the total amount distributed as dividend.

B. Long – Term Capital Gains exempt under section 10(38) of the Act

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section

14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Capital Gains

- As per provisions of Section 115AD of the Act, income (other than income by way of dividends referred to Section 115-O) received in respect of securities (other than units referred to in Section 115AB & certain securities & government Bonds as mentioned in section 194LD) is taxable at the rate of 20% (plus applicable surcharge and education cess and secondary & higher education cess). No deduction is allowed from such income in respect of any expenditure or allowance or deductions under Chapter VI-A of the Act. Interest on certain securities & government bonds as mentioned in section 194LD is taxable @5% only.
- As per provisions of Section 115AD of the Act, capital gains arising from transfer of securities is taxable as follows:

Nature of income	Rate of tax (%)
LTCG on sale of equity shares not subjected to STT	10%
STCG on sale of equity shares subjected to STT	15%
STCG on sale of equity shares not subjected to STT	30%

- For corporate FIIs, the tax rates mentioned above stands increased by surcharge (as applicable) where the taxable income exceeds Rs. 10,000,000. Further, education cess and secondary and higher education cess on the total income at the rate of 2% and 1% respectively is payable by all categories of FIIs.
- The benefit of exemption under Section 54EC of the Act mentioned above in case of the Company is also available to FIIs.

D. Securities Transaction Tax

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

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them⁸
- The characterization of the gain / losses, arising from sale / transfer of shares as business income or capital gains would depend on the nature of holding and various other factors

BENEFITS AVAILABLE TO MUTUAL FUNDS UNDER THE ACT

a) Dividend income

Dividend income, if any, received by the shareholders from the investment of mutual funds in shares of a domestic Company will be exempt from tax under section 10(34) read with section 115O of the Act.

b) As per provisions of Section 10(23D) of the Act, any income of mutual funds registered under the Securities and Exchange Board of India, Act, 1992 or Regulations made there under, mutual funds set up by public sector banks or public financial institutions and mutual funds authorized by the Reserve Bank of India, is exempt from income-tax, subject to the prescribed conditions.

BENEFITS UNDER THE WEALTH TAX ACT, 1957

Wealth Tax Act, 1957

- Wealth tax is chargeable on prescribed assets. As per provisions of Section 2(m) of the Wealth Tax Act, 1957, the Company is entitled to reduce debts owed in relation to the assets which are chargeable to wealth tax while determining the net taxable wealth.
- Shares in a company, held by a shareholder are not treated as an asset within the meaning of Section 2(ea) of the Wealth Tax Act, 1957 and hence, wealth tax is not applicable on shares held in a company.

Note: All the above benefits are as per the current tax laws and will be available only to the sole / first name holder where the shares are held by joint holders.

For R T Jain & Co.

Chartered Accountants

Firm Registration No.103961 W

(CA R T Jain)

Partner

Membership No. .033605

Date: 12th March, 2014

Place: Mumbai

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

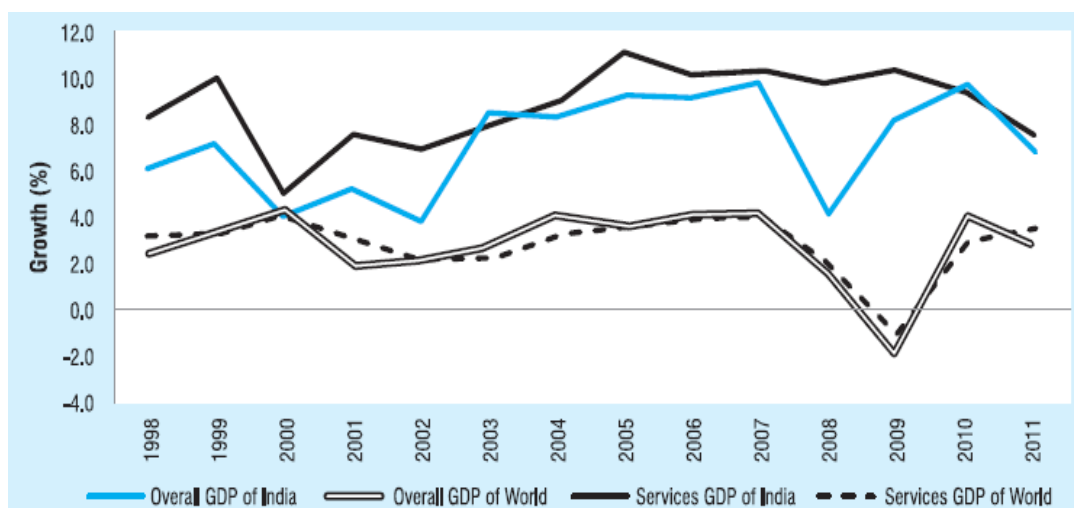
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified 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 Prospectus, including the information contained in the sections titled “Risk Factors” and “Financial Statements” and related notes beginning on page 21 and 137 respectively of this Prospectus before deciding to invest in our Equity Shares.

OVERVIEW OF INDIAN ECONOMY

Slowdown in 2008-09 induced by the global financial crisis did not cripple the Indian economy which responded strongly to fiscal and monetary stimulus and achieved a growth rate of 8.6 per cent and 9.3 per cent respectively in 2009-10 and 2010-11. However, with the economy exhibiting inflationary tendencies, the Reserve Bank of India (RBI) started raising policy rates in March 2010. High rates as well as policy constraints adversely impacted investment, and in the subsequent two years viz. 2011-12 and 2012-13, the growth rate slowed to 6.2 per cent and 5.0 per cent respectively. Nevertheless, despite this slowdown, the compound annual growth rate (CAGR) for gross domestic product (GDP) at factor cost, over the decade ending 2012-13 is 7.9 per cent.

In the last decade, growth has increasingly come from the services sector, whose contribution to overall growth of the economy has been 65 percent, while that of the industry and agriculture sectors has been 27 per cent and 8 per cent respectively. The figure below shows the contributions of these sectors to the overall growth of the economy

Growth rate of service GDP and Overall GDP – India and World



Source – Economic Survey 2012-2013

The above figure suggests that for achieving an annual growth rate of 9 per cent or higher; all the three major sectors (Agriculture, Industry and Services) of the economy have to perform well. The two larger sectors are, of course, important to overall growth. In the high growth years of 2005-06 to 2007-08 as well as in 2009-10 and 2010-11, the rate of growth of both the industry and services sectors was over 9 percent. Within the industry sector, the manufacturing sector in particular, outperformed most other sectors of the economy in these years. Its growth averaged 11.6 per cent between 2005-06 and 2007-08 and 10.5 per cent for the years 2009-10 and 2010-11.

The services sector is the dominant sector in most developed economies of the world and in some developing economies such as India. The CAGR of the services sector GDP was 10 per cent for the period 2004-05 to 2011-12. It has clearly outgrown both the industry and agriculture sectors. In 2011-12 and 2012-13, in tune with the general moderation in the economy, the growth rate of the services sector also declined. The slowdown in the rate of growth of services in 2011-12, and particularly in 2012-13, from the double-digit growth of the previous six years, contributed significantly to slowdown in the overall growth of the economy. While some slowdown could be attributed to the lower growth in agriculture and industrial activities, given the backward and forward linkages with services, lower demand from the rest of the world could also have played a part.

Source: Economic Survey 2012-13

INDIAN TEXTILE INDUSTRY

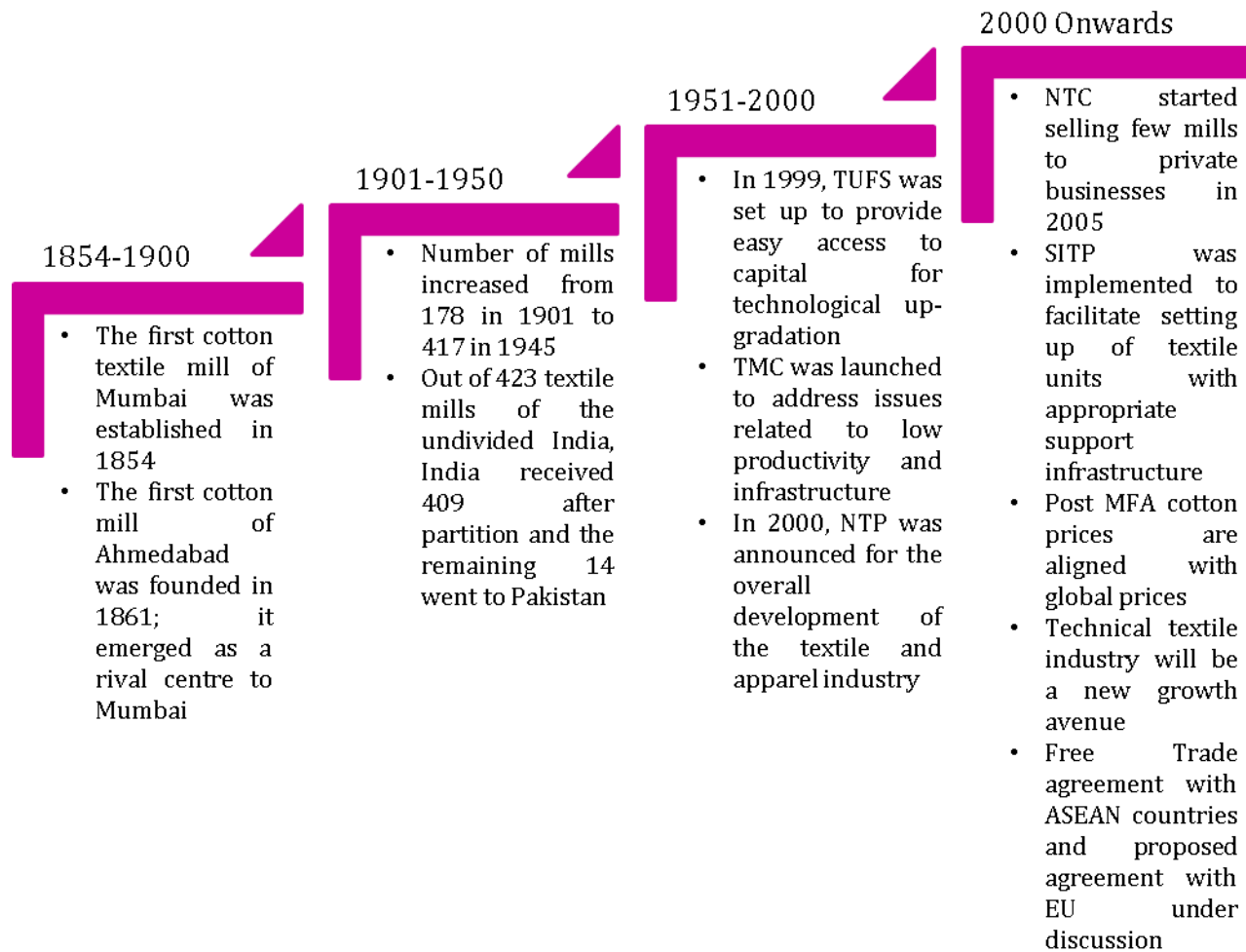
Indian Textile Industry has an overwhelming presence in the economic life of the country. Apart from providing one of the basic necessities of life, the textile industry also plays a pivotal role through its contribution to industrial output, employment generation and the export earnings of the country.

The Indian textiles industry is extremely varied, with the hand-spun and handwoven sector at one end of the spectrum, and the capital intensive, sophisticated mill sector at the other. The decentralized power looms/ hosiery and knitting sector form the largest section of the Textiles Sector. The close linkage of the Industry to agriculture and the ancient culture, and traditions of the country make the Indian textiles sector unique in comparison with the textiles industry of other countries. This also provides the industry with the capacity to produce a variety of products suitable to the different market segments, both within and outside the country.

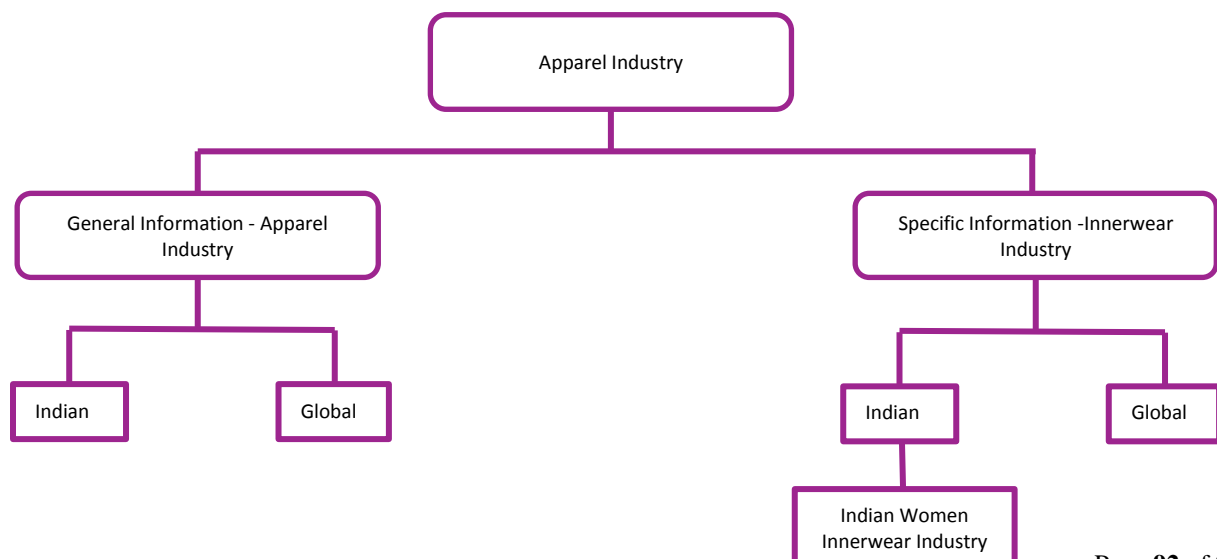
The major sub-sectors that comprise the textiles sector include the organized Cotton/Man-Made Fibre Textiles Mill Industry, the Man-Made Fibre/Filament Yarn Industry, the Wool and woollen Textiles Industry, the Sericulture and Silk Textiles Industry, Handlooms, Handicrafts, the Jute and Jute Textiles Industry, and Textiles Exports.

Source: Annual Return 2012-2013, Ministry of Textiles.

Evolution of Indian Textile Industry



Source: Textile and Apparel, August 2013, ibef.org



APPAREL INDUSTRY

The market has shown signals of significant recovery from the 2008-2009 slowdown, with robust growth in emerging markets outshining persistent developed market weakness. Apparel remains largely a discretionary purchase compared to other consumer goods, making it more prone to economic shocks.

Clothing is essential to consumers who are individuals. There is a growing demand for apparel with stores providing low cost prolific-output fashion. Fashion, by its very nature, is unpredictable. The products are determined by designers, sub-cultures and creative industries and are subject to sharp and unpredictable changes. Key suppliers in this industry are clothing manufacturers and wholesalers, with retailers able to source from both.

Global Apparel Industry

Despite the current global economic downturn, the global apparel industry continues to grow at a healthy rate and this, coupled with the absence of switching costs for consumers and great product differentiation, means that rivalry within the industry is no more than moderate. The apparel industry is of great importance to the economy in terms of trade, employment, investment and revenue all over the world. This particular industry has short product life cycles, vast product differentiation and is characterised by great pace of demand change coupled with rather long and inflexible supply processes.

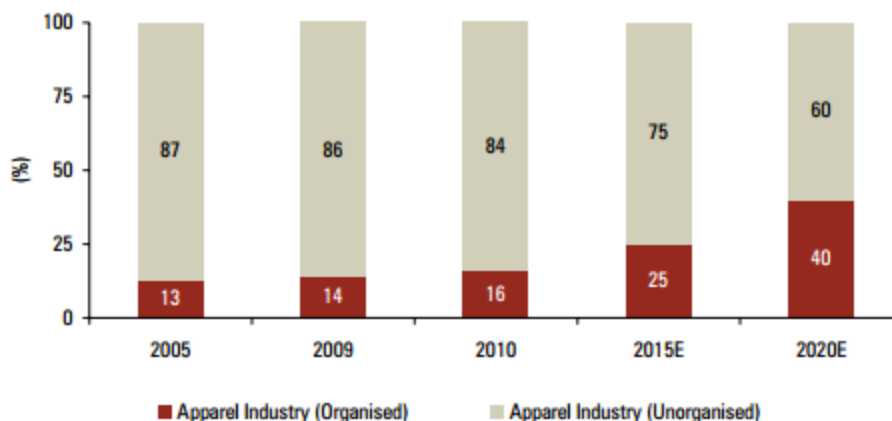
The global apparel industry - encompassing clothing, textiles, footwear and luxury goods - reached approximately \$2,560 trillion in 2010. The apparel, luxury goods and accessories portion of the market, which accounts for over 55% of the overall market, is expected to generate \$3,180 billion in 2015, with a yearly growth rate in excess of 4%.

Indian Apparel Industry

The Indian Apparel Industry has an overwhelming presence in economic life of the country. It is one of the earliest industries to come into existence in the country. The sector has a unique position as a self-reliant industry, from the production of raw materials to the delivery of end products, with considerable value-addition at every stage of processing apart from providing one of the basic necessities of life, the apparel industry also plays a pivotal role through its contribution to industrial output, employment generation, and the export earnings of the country. Currently, it contributes approximately about 14 percent to industrial production, 4 per cent to the GDP, and 17 per cent to the country's export earnings. It provides direct employment to over 35 million people.

Market Size - The Indian Apparel Industry is estimated to be worth Rs. 3,270 billion in 2011-12 and is expected to grow at a compounded annual growth rate of 8.7 per cent till 2016. The growth would primarily be driven by the surge in demand for readymade apparels in semi-urban areas, rising income levels and youth population and increasing preference for branded apparel.

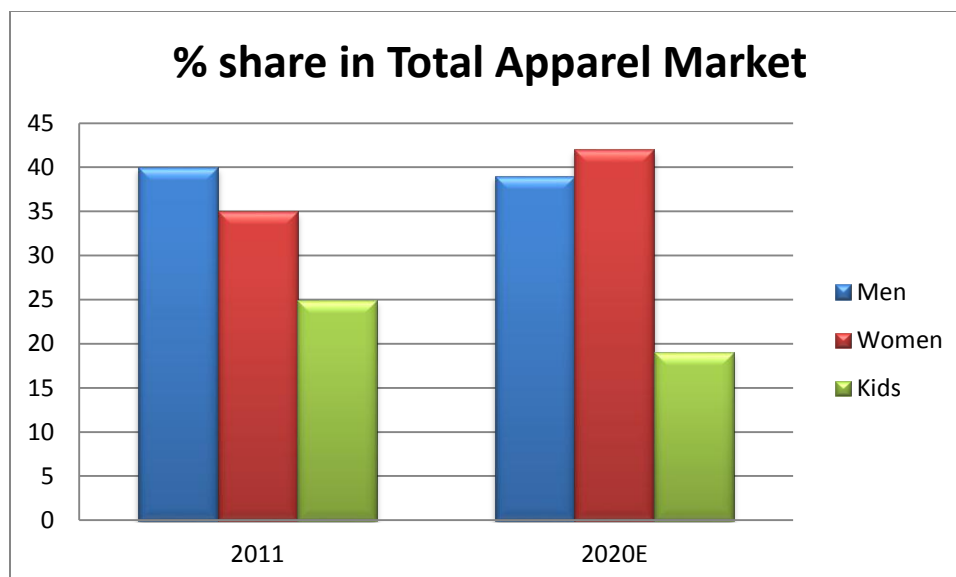
In India, apparel is the second largest retail category (behind food and groceries), representing approximately 10 per cent of the total market. The Indian Apparel Industry is expected to grow at a CAGR of 11 per cent during 2010-2020E



Source : Images ICICI Direct and F&R Research

Market Structure - The domestic apparel industry has following 3 segments :

- Men's wear:** Men's wear market in India is the fastest growing apparel segment. The entire Apparel Industry (2011-12 estimates), including domestic and exports, is pegged at Rs 3,270 billion and is expected to grow by 11 per cent to Rs 10,320 billion by 2020. Currently menswear is the major segment of the market (Rs 720 billion) and is growing at a compounded annual growth rate (CAGR) of 9 per cent. Gucci, Hugo Boss, Salvatore Ferragamo, Armani, Versace, Brioni, Ermenegildo Zegna, Canali, Corneliani, Alfred Dunhill and Cadini are all present in India men's wear market.
- Women's wear:** Women's formal wear and ethnic wear markets are still ruled by unorganized players. With more women expected to enter corporate world, both these segments are good opportunities because of the market size. Historically, the men's apparel market in India has been significantly larger than the women's apparel market. With only 20 per cent of India's urban women in the workforce, women's wardrobes have traditionally been limited to home wear and items for special occasions. Now, women are more willing to dress differently when they venture beyond the home—to shop, for example, or visit a school or office.
- Kids wear:** Kids wear is a major category with few established players – viz., Lilliput, Gini and Jony, Catmoss, Benetton, Disney, Barbie etc. It still holds a large opportunity which is clearly untapped. The Indian kids wear retail market is expected to touch Rs 580 billion by 2014. At present, the size of kids wear market in India is estimated at about Rs 380 billion.



INDIAN INNERWEAR INDUSTRY

The Indian innerwear market is still at a very emerging stage and has significant growth potential. It is expected that the share of the innerwear segment will reach 10 per cent by 2020E (from 7 per cent in 2010). The increasing purchasing power of consumers and growing number of working women, along with increased awareness about better fits, quality, colors and styling as well as an openness to indulge in innerwear apparel have led to a significant growth of the segment. Also, the growth in organised retail is offering better buying space to the consumer and pushing the brands to upgrade their retail imagery by increased marketing spends.

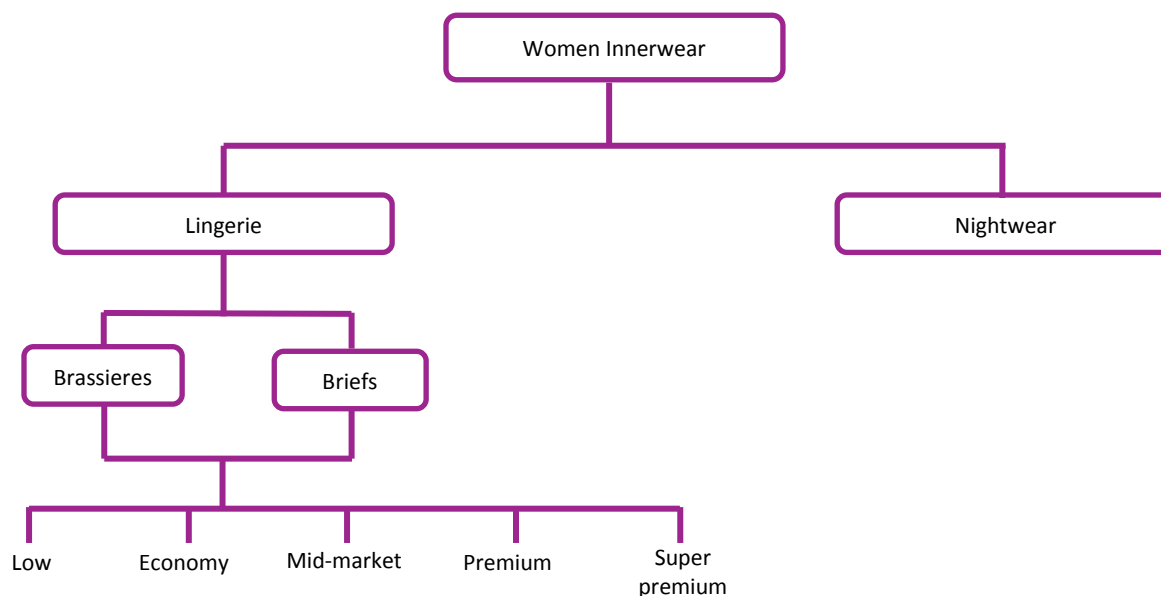
The innerwear industry is expected to grow at a CAGR of 10-12 per cent CAGR until FY20; it would grow faster than overall clothing market. All the major international innerwear brands have commenced operations in India realizing that Indian market is likely to emerge as one of the largest market in the world in the next few decades. This suggests that there is significant room for growth driven by rising per capita spending on such products.

The share of men and women in terms of value has grown at a CAGR of 12.67 per cent and 15.62 per cent respectively which underscored that the women's innerwear market has outgrown the men's innerwear market. The increase in the women's innerwear market in comparison to men's innerwear is largely due to rise in population of working women in the country. Currently, the inner wear segment in India is estimated at about USD 4 bn. Men's innerwear forms around 41 per cent of the total market in value, while women's share is currently 59 per cent. The Indian lingerie segment enjoys a higher Average Selling Price (ASP) compared to the men's innerwear market and this could be attributed to the rising disposable income and growing preference for lifestyle products. The lingerie market grew at a faster pace in terms of value as compared to volumes during 2006-2009

WOMEN INNERWEAR INDUSTRY

Introduction

The women innerwear market is divided into two segments: lingerie (further divided into Brasseries and Brief) and nightwear. The lingerie market has been further classified into 5 product class: low, economy, mid-market, premium and super premium. Some of the prominent players in Indian women innerwear market are Bodycare, Enamor, Groversons, Jockey, Lovable, Triumph.



Lingerie is a type of innerwear that typically is constructed of one or more flexible fabrics such as nylon, polyester, satin, lace, sheer fabrics, Lycra, or silk. These materials are not usually incorporated into the more practical and basic innerwear, which are usually constructed of cotton. The lingerie market has grown over the years as the fashion market has promoted it, and thus created more demand for lingerie. Lingerie designers are putting more significance into creating lingerie with lace, embroidery, luxurious materials, and brighter hues.

Lingerie is purchased from manufacturers and wholesalers and then sold to the general population. As lingerie has become an asset in apparel sales, many retailers in catalogs, stores, and e-companies are offering bigger lingerie selections. These merchants realize that lingerie has higher profit margins than regular apparel, and as such are investing more time and money in the market. They are showcasing new lines of lingerie, and also revamping their older lingerie items. Competition within the lingerie industry is rising, and as such manufacturers and retailers will begin to focus on specific niche lingerie items.

Among the common set of features that women in the urban centers look for in a lingerie shop include:

- ✓ Availability of multiple brands under one roof
- ✓ Convenience of shopping for female consumers
- ✓ Trial rooms
- ✓ Comparison of different brands in terms of price, quality and fitting
- ✓ More choices of colors, fits and prices
- ✓ Personalized shopping experience

With technology driving each industry today, a category like lingerie can not be far behind in delivering the latest trends and innovations that meet the needs and desire of a woman.

Size And Growth Of Indian Lingerie Industry

The Indian Lingerie industry is witnessing robust growth, which is evident from the entry of large international brands in India and available choices for the Indian women. As per the estimate carried out in the latest research report Indian Women Innerwear Market Forecast to 2015, the women's innerwear market will post a CAGR growth of around 14 per cent during 2013-2015.

The current situation of the Indian market signals towards the premium and super-premium segments of the industry as the major growth segments. The low and economy segment, however, is growing in terms of volume and value from the industry being more organized. The premium segment is characterized either by international brands or joint venture of Indian manufacturers with international companies. Brands like Lovable, Enamor and Triumph have successfully made place for themselves in the premium lingerie segments, while other premium lingerie brands like Etam, Benetton, La Perla and About U are on an expansion spree.

Besides a strong preference for the premium lingerie brands, especially by the upper middle class and higher class women, the majority of women look for specific features in an outlet where they can comfortably shop for their innerwear.

Advancement in Indian Lingerie Industry

1. Innovative fabrics providing comfort and fit

In the past, lingerie came in simple and plain forms of cotton. Now the trends have changed and varieties of fabrics are being used. The lingerie is classified depending upon the cost of the lingerie from low to super premium. In the current market place, there are several technically developed fabrics that include lycra, satin, hosiery, net, etc. Viscose fiber is one of the main achievements of the lingerie industry in developing a fabric which offers great comfort and perfect fit.

In India, the cities of Mumbai, Bangalore, Delhi and Tripur house the majority of manufacturing units for lingerie/innerwear with multinational units having their manufacturing base at Bangalore and Mumbai.

- The foreign brands like Enamor (joint venture with Gokaldas Images) and Jockey (licensed by Page Industries) have established their manufacturing facilities in Bangalore.
- Lovable has its operations in Bangalore.
- Groversons and BodyCare are based in Delhi

These manufacturers generally source lingerie fabric from South East Asian countries like China and Thailand or European countries. Chinese imports are cost effective for Indian manufacturers as Chinese imports are 30%-40% cheaper compared to European imports, but it requires the Indian companies to compromise in terms of quality and creativity. It is also marred by damaged or defective fabric.

High-quality fabric for lingerie and innerwear in India comes from European countries. European companies like the Italian firm Carvico SpA is known for its warp knit fabrics whereas Jersey Lomalina, another Italian company, is one of the best producers of circular knit fabrics. Similarly Simplex Knitting, a UK-based company is one of the world's largest producers of simplex fabrics and Wiley Hermann, an Austrian company is known for manufacturing circular knit fabrics.

2. Accessories gaining significance

The accessories used in the manufacturing of this highly sensitive piece of women's clothing have also witnessed a tremendous change in the recent past. It comes infused with technically developed accessories that include plastic and metal rings & slides, cutting, underwire, side bones, hook and eye tapes, lycra elastics and laces, knitted fabric, velvet ribbons, transparent straps etc. Another factor adding to the business is that of the prints and patterns that comes in. From the age old fashion pattern, manufacturers have come to offer lingerie in different patterns like camouflage, polka dots, floral, checks, and several other patterns that appeal the modern consumers, decked with laces, bows, beads and jeweled embellishments, in some cases.

3. Embroideries adding glamour quotient and upgradation of Technology

One of the main innovations in the field of lingerie manufacturing is of embroidered lingerie. As embroidered lingerie came into the limelight, manufacturers realized the need to develop the kind of technology which not only serves the purpose of decorating the product but which is capable of avoiding puckering and pulling of the delicate fabric of a lingerie piece.

The R&D efforts resulted in the development of shuttle embroidery machines (like the ones developed by Schiffli, Tajima, Saurer and Lasser). These multi-head embroidery machines offer automatic multi-color embroidery and achieve the highest degree of precision and performance.

Following the highly developed embroidery machines, another technology which has undergone development is the steam press system. The machines work on the lingerie, pressing, steaming and heating them so as to create a fine finish that will leave an impression on the end user.

Rivet machines have also become popular in India due to their innovative technology and unbeatable performance. These machines are virtually noise free as they do not make use of a motor or compressor and the equipment includes an inbuilt device that ensures safety of the persons operating the machines.

Steam boilers represent another age of technically developed machinery that offer the highest quality of pressure and operating switches. Such machines are made of stainless steel and in turn minimize corrosion and reduce the need for maintenance, while also being insulated with ceramic wool contributing towards saving energy.

Fusing machines have also garnered much praise and demand in the lingerie industry for offering high quality finishing. Apart from all this, the market also registers the presence of computerized and production-enhancing features in machines, like automatic color change and thread trimming. Frames too have been developed to handle almost every type of embroidered item.

GLOBAL INNERWEAR INDUSTRY

The global innerwear industry is estimated to be worth over \$30 billion. The market encompasses a range of lingerie and intimate clothing, with bras representing over 50% of the overall market, briefs around 33%, and corsetry more than 10%.

Aging populations in developed nations such as the US are slowing market growth. Growth potential, therefore, lays more in developing countries due to increasing income levels, trends toward Western fashion, a larger young population and rising standards of living. Lingerie consumers tend to make impulse buys, favoring factors other than necessity such as style.

Key Market Segments

The nightwear and knit innerwear market is expected to exceed \$70 billion by 2015. Nightwear and knit innerwear fared the economic recession better than other market segments as they are more necessary than other segments. The EU is the leading region for these products, followed by the US and Asia-Pacific. (Source: *Global Industry Analysts*)

Regional Markets

- The US lingerie market has been expanding over the past two decades, fuelled in part by the promotional campaigns of Victoria's Secret, bringing innerwear fashion into the limelight and boosting a trend toward brand loyalty. Other retail outlets such as department stores are also getting in on the market. Customers are also purchasing from catalogs, and online retailers like Bare necessities.com.
- China's innerwear market exceeded \$16 billion in 2010, with market growth of around 20% a year, according to the China Textile Industry Association. The market has seen rapid expansion,

with more than 10,000 manufacturers set up across mainland China, Yangtze River Delta and Pearl River Delta, showing the most rapid growth in the world.

- India's lingerie market is being driven by growing organized retail, rising disposable income and changes in lifestyle trends. The industry is recording strong growth, with domestic and international brands competing for market share. Lingerie sales are above men's innerwear sales in India.

Industry Leaders

Key players in the global innerwear industry include Calvin Klein, LaSenza, DKNY, Princess Tam Tam, Enamor, Embry Form, Jockey, Victoria's Secret, Maniform, Wacoal Holdings, Gujin, La Perla, Armani, Wolford, Hanes, Fruit of the Loom, Etam, Chantelle, Triumph, AB Underwear and Lovable.

Market Outlook

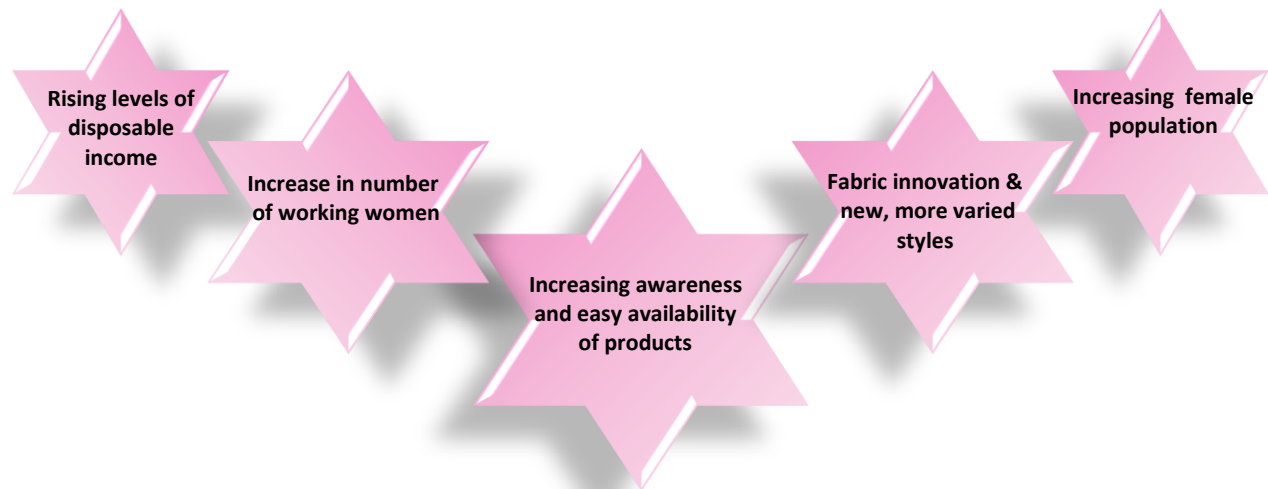
Competition in the global innerwear market is intensifying as outlets carry ever-increasing brands and products to attract customers, not exclusively supplying any one brand. Value retailers are also using downward pricing pressure to encroach on market share held by midmarket players. The number of non-specialized retailers carrying innerwear will continue to increase as stores diversify to attract shoppers and increase footfall and average time spend in retail outlets.

FUTURE OUTLOOK

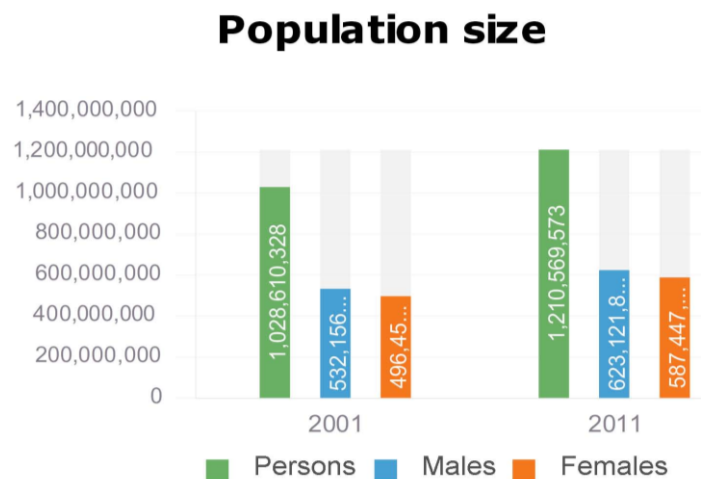
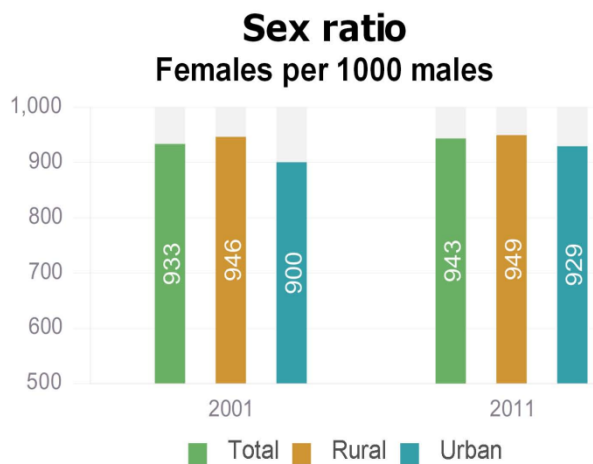
The Indian innerwear market is still at a very nascent stage and has significant growth potential. It is expected that the share of the innerwear segment will reach 10% by 2020E (from 7% in 2010). The Indian innerwear market is currently valued approximately at 14,000 crore and is expected to grow at a CAGR of 13% during 2010-2020E. Of this, the men's and innerwear market accounts for approximately Rs. 5,800 crore and Rs. 8,500 crore respectively. The estimated value of the Indian innerwear market is expected to touch around Rs. 44,000 crore by 2020E.

Research and analysis also estimate that at 15.0% CAGR during 2010-2020E, the women's segment will not only grow faster than the innerwear segment but will also grow significantly faster than the men's segment, which is expected to grow at a CAGR of 10.0% during the same period. The women's segment is expected to be worth Rs. 30,000 crore significantly outstripping the men's segment, which is likely to touch Rs. 13,700 crore by 2020E.

KEY DEMAND DRIVERS

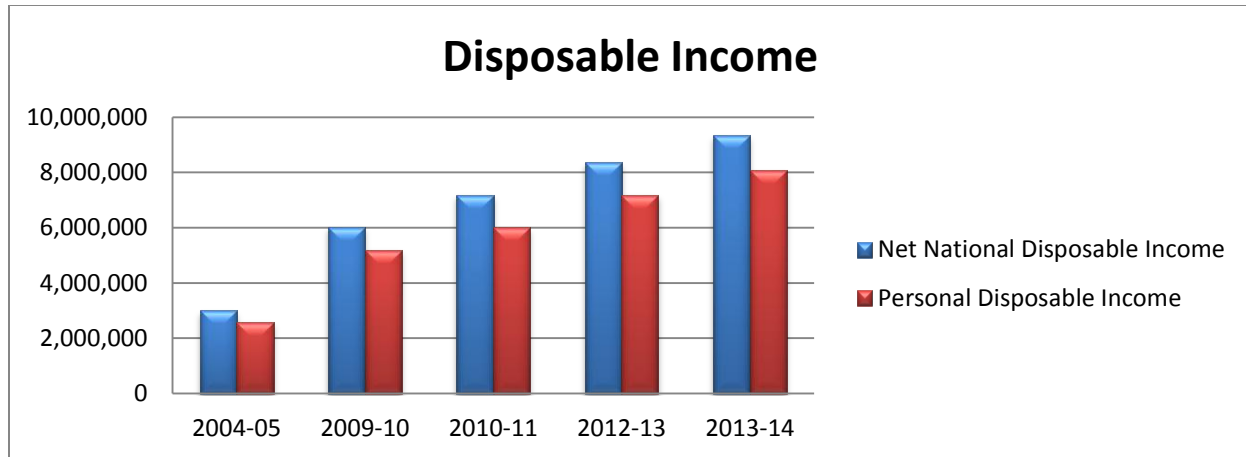


1. **Increasing female population-** India is witnessing the increase in female population. The sex ratio has increased from 933 females per 1000 males to 943 females per 1000 males. Considering the increasing size of the Indian women population, there is a very large market opportunity for branded and lifestyle lingerie, as the women are more brand conscious and have the eagerness to spend on the lifestyle products



Source: Census Info India 2011

2. **Rising levels of disposable income-** Disposable income is the income remaining after deduction of taxes and social security charges, available to be spent or saved as one wishes. The increase in disposable income will indirectly mean that spending on products that cater to personal needs will increase and thus a part of that increased income shall make a contribution to this industry too. Thus the disposable income is expected to grow by similar rates over the next five years thereby driving growth in the demand for clothing in general and lingerie in particular.



Source: Ministry of Statistics and Programme Implementation

3. **Fabric innovation and new, more varied styles**-Changes in machinery used have now brought into innovation in fabric and styles. The electronic knitting machines have replaced mechanical knitting machines. All this has resulted into increased productivity. More and more women are becoming fashion conscious and trendy. The continuous thirst for innovation has driven the industry to discover more; do the unimaginable and invest heavily in research and development. As a matter of fact, if successful, the technology receives grand welcome from the entire industry.
4. **Increase in number of working women**- With the increase in class of working women, their desire to spend a part of their hard earned money on themselves is also increasing and thus a large contribution of the disposable income at the hands of women goes into innerwear industry. This buying group is more demanding in their choice of inner-wear looking for quality products that satisfy comfort, fitting, styling needs etc. This has resulted in a qualitative shift of consumers from low and economy segment to premium and super-premium segment. This segment is now considered as the major growth segment.
5. **Increasing awareness and easy availability of products**- As a result of advertising, the Indian population becomes aware of products that are available in market. With the increase in awareness comes the increase in demand. Increase in mall culture where products of all kinds, brands, styles are available, various small shopping outlets has led to easy availability. Thus due to proper awareness and easy availability of products the demand for products also increases.

OUR BUSINESS

Our Company incorporated in 2010, is a women's lingerie manufacturer. Our Company is founded by Mr. Bhavesh Bhanushali who has over 15 years of expertise in core areas of our business.

We specialize in women's inner wear segment and are engaged in the business of designing, manufacturing, branding and marketing of lingerie wear, honeymoon set, intimate wear etc. We market the products through brands "Valentine Pink" and "Women's Next".

We have set out footing in domestic market and have strong retail presence through malls and grade A retail outlets across Tier I and II cities such as Mumbai, Delhi, Ahmedabad and the like. Our manufacturing plant is situated at Bhiwandi, Thane. We market our products through a chain of distributors and retail outlets.

OUR MANUFACTURING FACILITY AND BUSINESS PROCESS

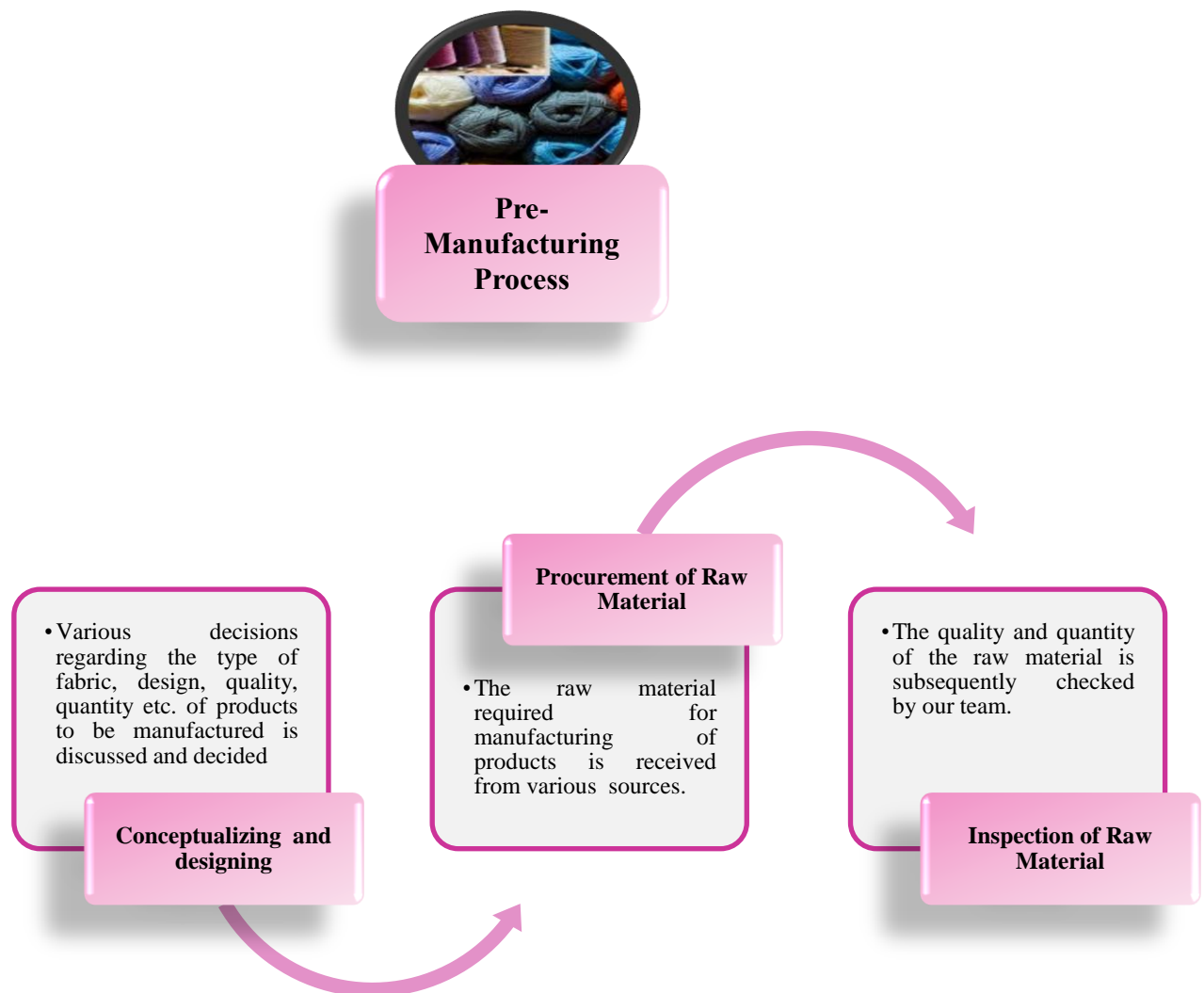
Our Manufacturing unit is situated at Bhiwandi, Thane currently the same is taken on lease. Our Company has recently acquired land admeasuring 15000 Sq.ft on which we are in the process of constructing new modern plant with upgraded machinery and requisite infrastructure. Proposed completion of the new plant and switching our existing facility to the new facility is expected to be before June, 2014. Our entire business process can be divided into three major sections as follows:

- Pre-manufacturing Process
- Manufacturing Process
- Post-manufacturing Process

These three sections further consist of 3-4 step process finally leading to the product that actually reaches the customers. Below given is the entire process described in brief for basic understanding of our business model.

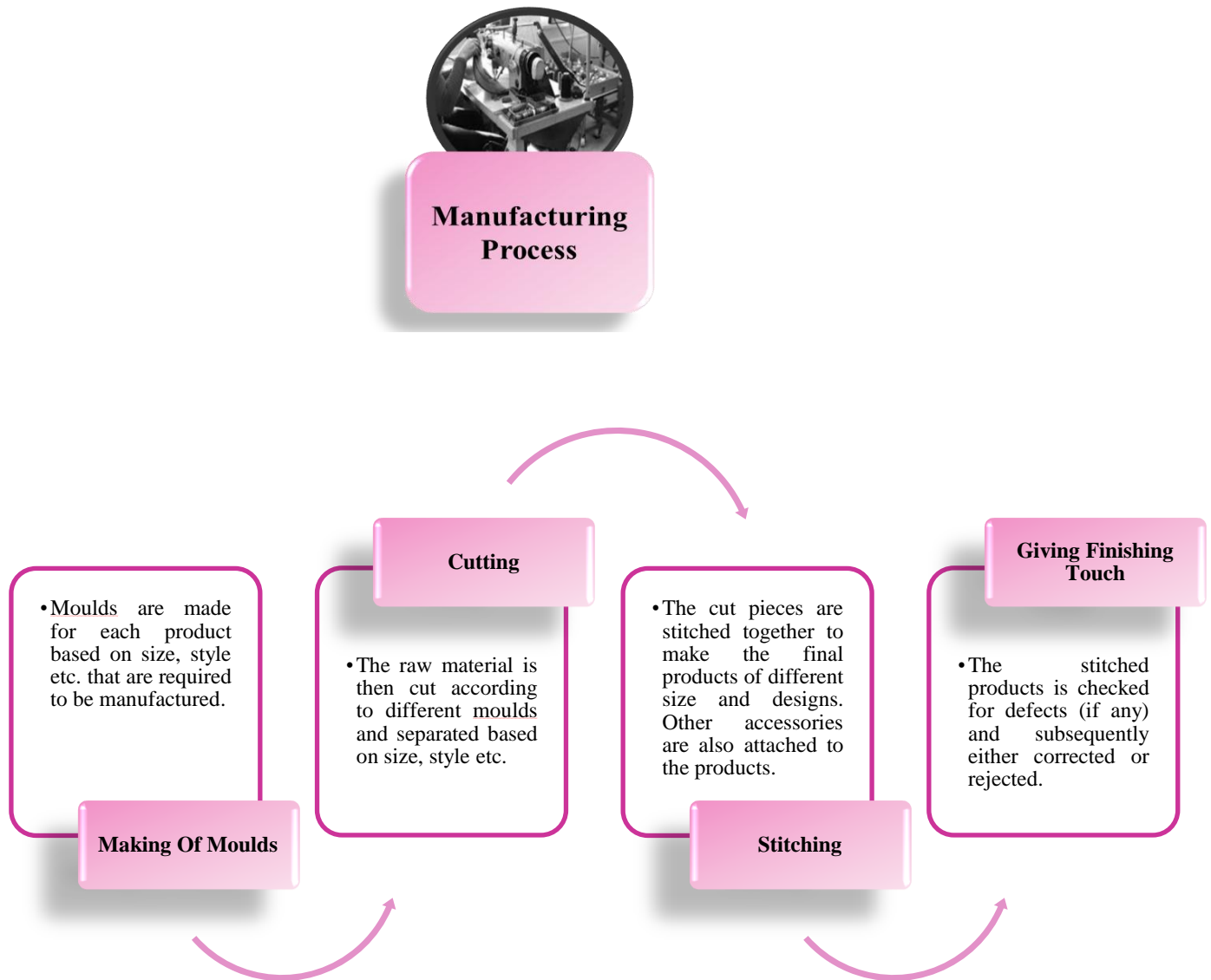
1. Pre –manufacturing Process

- Conceptualizing and Designing
- Procurement of Raw Material
- Inspection of Raw material



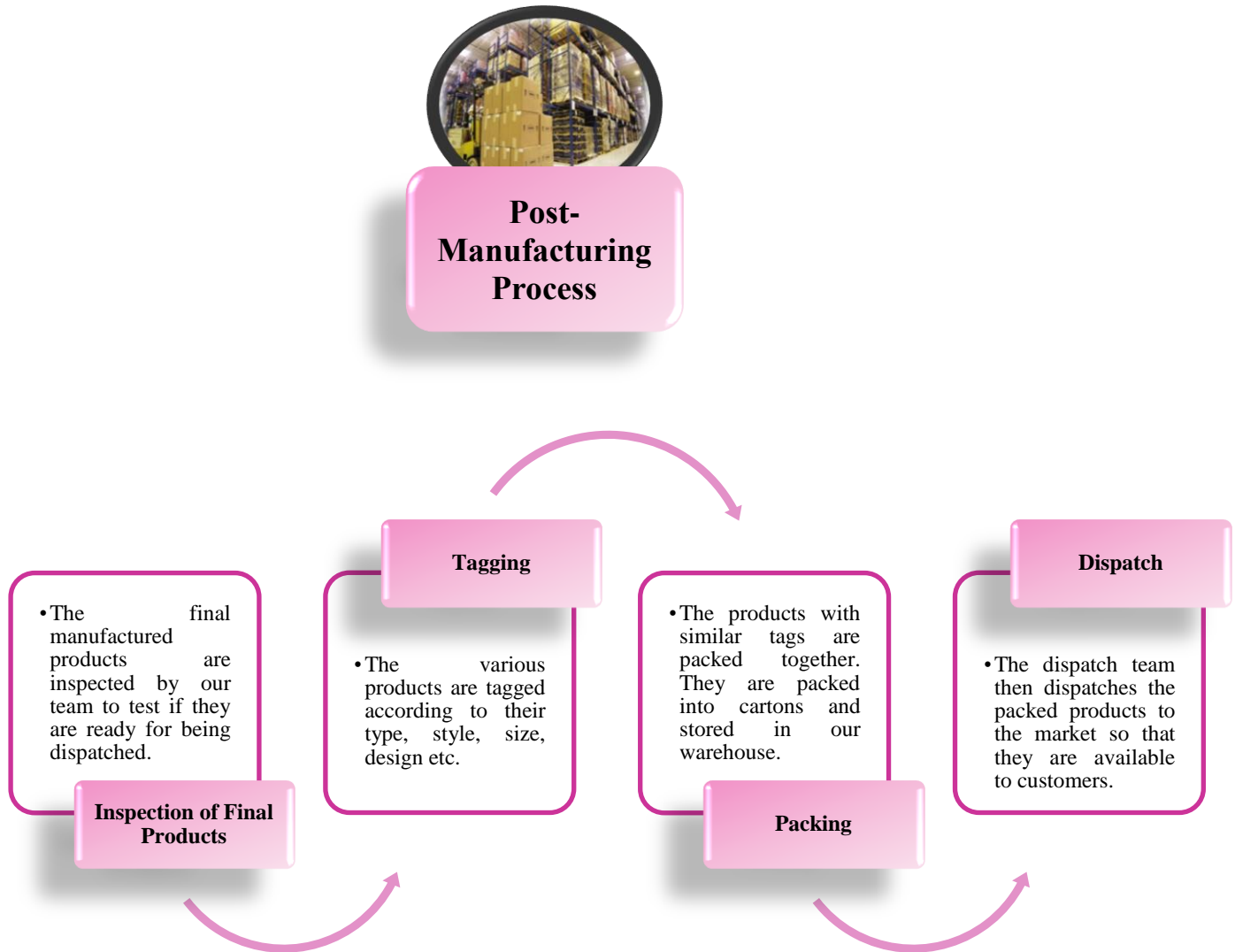
2. Manufacturing Process

- Making of Moulds
- Cutting
- Stitching
- Giving of Finishing Touch



3. Post-manufacturing Process

- Inspection of Final Products
- Tagging
- Packing
- Dispatch



OUR SPECTRUM OF PRODUCTS

Our product range tries to capture the changing and evolving demographics of women in our society, the change in fashion trends and tilt of women towards more mature and trendy taste. Our product ranges from:

- **Brassieres and Panties**
- **Intimate Wear**
- **Exclusive Segment**

Brassieres and Panties

Our Company designs, manufactures and markets an extensive range of brassieres and panties viz. teenage wear, women wear and ladies wear etc. Our products in this range are marketed under the brands Valentine Pink and Women Next.

Intimate Wear

Our Company designs, manufactures and markets an exclusive range of intimate wear which is categorized as honeymoon sets, to be bride wear, strapless bras etc. Special attention to customer requirements, quality fabrics and unique designs makes us stand out of the ordinary.

Exclusive Segment

Our product range in exclusive segment includes maternity wear, sport wear, etc. Our Company has appointed a design team of professionals who study the market trend and design the products to comfort varied segments of society.

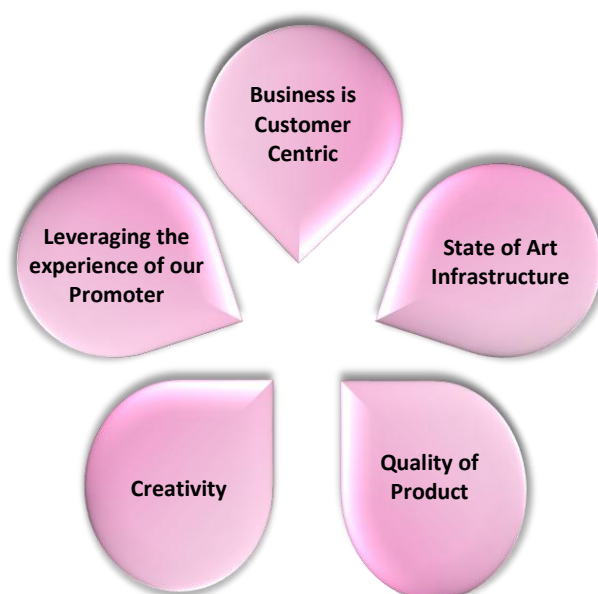
RAW MATERIALS

At present, we procure the following raw materials to be used at our units:-

- I. **Fabric:** We use fabrics of various types like polyester cotton fabric, polyester, cotton, lycra, underwire fabric, laces in our products. These are procured from domestic suppliers.
- II. **Accessories and packing material:** The main accessories required in our products are elastics, hooks eye, rings, ribbons, sliders and bows. These too are procured from domestic suppliers.

OUR STRENGTHS

Our Company focuses on serving the changing and evolving demographics of women in our society. Customer focus, Creativity, Quality consciousness, innovative marketing strategies and adherence to fair practices has always been the Company's overall philosophy.



1. **Business is Customer Centric:** Our Company focuses on attaining highest level of customer satisfaction. The progress achieved by us is largely due to our ability to address and exceed customer satisfaction. The Promoter and Key Managerial Persons of the Company have years of expertise and are well acquainted with domestic markets. This helps to us to understand the needs of customers better and design the products to not only meet but beat their expectations.
2. **Creativity:** For survival of any business, constant improvement and creativity evolving and change is necessary. Our design team has always been driven by the quest to develop new and innovative products and constantly strives to develop better products which appeal to our constantly growing customer base.
3. **Leveraging the experience of our Promoter:** Our Promoter Mr Bhavesh Bhanushali has more than 15 years of experience in the field of apparels, garments and textile which contributes significantly to the growth of our Company
4. **State of Art Infrastructure:** Our Company has invested significant resources in technological capabilities and has developed a scalable technology system. We have installed Opta Mould i.e. Moulding Machine and have state-of-art infrastructure in our Manufacturing plants located at Thane.
5. **Product Quality:** Our Company focuses on providing high quality products with zero defect policy to retain existing customers and develop new customer base.

PLANT & MACHINERY

The following is the list of Machineries owned by the Company:

Sr. No.	Description/ Name of Machinery	Unit (In.Nos)
1.	Moulding Machines	3
2.	Singer Stiching	18
3.	Over Lock Machines	3
4.	Iron Machine	3

Sr. No.	Description/ Name of Machinery	Unit (In.Nos)
5.	Cutter Machine	1
6.	Zig Machine	5
7.	3 Step Machine	3
8.	Bratec Machine	1
9.	Flatlock Machine	3
10.	Folder Machine	4
11.	Inner Elastic	1
12.	Piping	5

COLLABORATIONS

We have not entered into any technical or other collaboration

UTILITIES & INFRASTRUCTURE FACILITIES

Our registered office at Bhiwandi, Thane, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly. Our Plant at Bhiwandi is equipped with requisite utilities and modern infrastructure facilities including the following:

Power

In our unit in Bhiwandi, Indian Complex, the sanctioned load is 17 Kws from Torrent Power Limited. In our unit in Bhiwandi, Krishna Complex, the sanctioned load is 27 hps.

Water

We have regular supply of water from Gram Panchayat to meet the drinking water and sanitary requirements.

Fuel

No fuel is required to be used at our Plant in Bhiwandi.

HUMAN RESOURCE

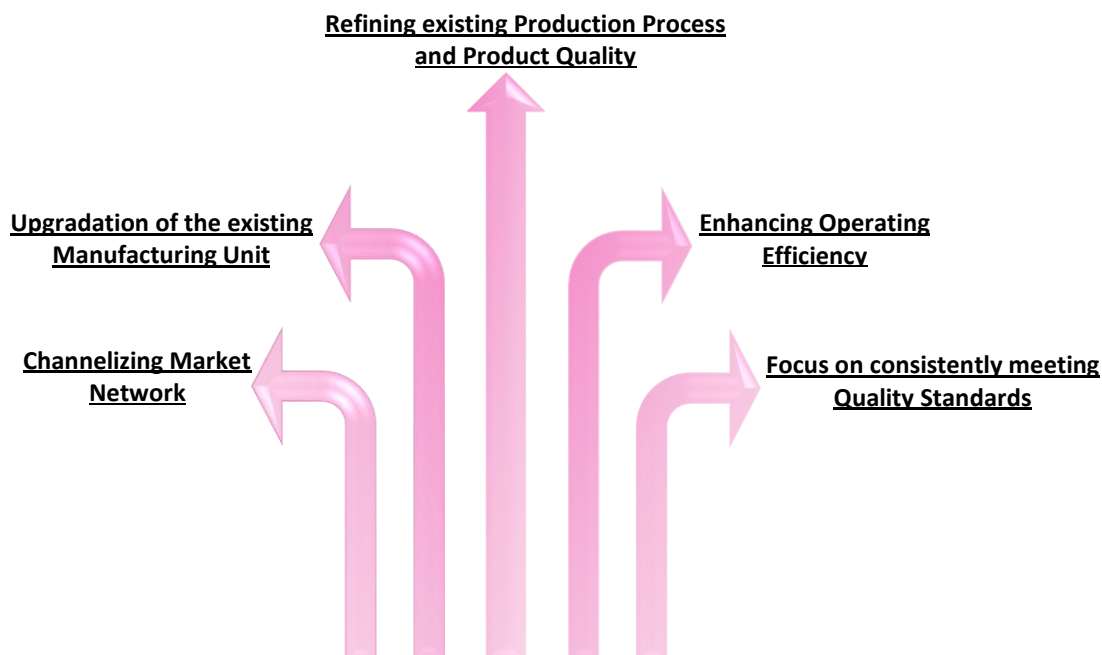
As on February 28, 2014 our Company has 15 Employees on Payroll. Further, we do employ contract labour for doing various activities in our process including Stitching, Packing, Finishing etc. Our manpower is a prudent mix of the experienced and youth which gives us the dual advantage of stability and growth. Our work processes and skilled resources together with our strong management team have enabled us to successfully implement our growth plans

Department wise Break up

Department	Numbers
Sales & Marketing	3
Warehouse & Factory Management	2
Dispatch	2
Design	1
Accounts & Finance	2
Legal	1
Administration	2
Production & Others	2

BUSINESS STRATEGY

Our Company targets to satisfy the changing and evolving demographics of women in our society. The diagram below represents our continuous growth philosophy being implemented on a day-to-day basis.



1. Refining existing Production Process and Product Quality

Our Company believes in providing quality products as per global standards. This will be of utmost importance for customer retention and repeat-order flow. Our design team constantly innovates and develops designs to satisfy the on going trend variations.

2. Upgradation of existing Manufacturing Unit

Our Company intends to upgrade its existing manufacturing facility with state-of-art technology to improve quality and get reduce costs. We believe that this will improve our competitiveness and will enable us to satisfy the needs of our customers better.

3. Enhancing Operating Efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to secure a competitive edge over the peers. We believe that this can be achieved through economies of scale and by channelizing expertise of our Promoter and Key Managerial Persons.

4. Channelizing Market Network

We focus on developing market skills and relationships by imparting knowledge to the employees to give importance to customers. Our Company continuously explores the opportunities made available by improving and expanding the existing market networks of distributors and retail outlet.

5. Focus on consistently meeting Quality Standards

Our Company intends to focus on adhering to global standards of manufacturing. This is necessary so as to make sure that we get retain business with our existing clients. This will also aid us in enhancing our brand value.

COMPETITION

The Industry in which we operate is unorganized and fragmented with many small and medium-sized companies. At the same time, textiles being a global industry, we face competition from various domestic and international players. We compete with many manufacturers on the basis of product quality, price and reliability. While these factors are key parameters in customer's decisions matrix in availing our products, we endeavour to offer the best quality service at economical price

Some of various organized players are Lovable Lingerie Limited, Page Industries Limited, etc. on a regional basis, a plethora of peers compete with us in all of our geographic markets. We believe that the Style and Design team enables us to meet our customers' requirements better than the our competitors from organized and unorganized segments.

Due to industry's fragmented nature, there is no authentic data available to our Company on total industry size and markets share of our Company vis-a-vis the competitors.

MARKETING

The efficiency of the marketing and sales network is critical success factor of our Company. Our success lies in the strength of our relationship with our customers who have been associated with our Company for a long period. Our Marketing team through their vast experience and good rapport with clients owing to timely and quality delivery of service plays an instrumental role in creating and expanding a work platform for our Company. To retain our customers, our marketing team, which is headed by a senior resource having a very vast experience of more than 15 years, regularly interacts with them and focuses on gaining an insight into the additional needs of such customers. We have spread our presence to

domestic markets with large sales potential, low infrastructure costs, raw material proximity and the availability of professional expertise on design and style.

INSURANCE

We maintain insurance for standard fire and special perils policy, which provides insurance cover against loss or damage by fire, earthquake, explosion, burglary, theft and robbery, which we believe is in accordance with customary industry practices. We have also availed out various insurance policies to cover our offices and plants as well as workmen working on our site at Bhiwandi.

LAND AND PROPERTY

Land & Property owned by the Company

Sr. No.	Property Kind	Description of Property	Area	Vendors Details	Purchase Consideration	Date of Purchase	Title
1	Freehold Property	Gala No. 101-105 in Building no.28, Indian Complex G.H.No.578/101 to 105, Village Dapode, Bhiwandi	15,000 sq.fts	Mrs. Kapila Pravin Karla Age: 60yrs Occupation: Housewife PAN: ASZPK1537B Power of attorney holder: Mrs. Bharti S Thakkar	Rs.74,65,000/- (Rupees Seventy Four Lakhs Sixty Five Thousand Only)	September 28, 2012	clear

Land and Properties Taken on Lease by the Company

Sr. No	Location of the property	Document and Date	Licensor/Lessor or	Lease Rent/ License Fee	Lease/License period		Purpose
					From	To	
1.	108-109, Bldg no. D/5, Harihar Compound, Dapode Village, Bhiwandi -421329, Dist - Thane, Maharashtra, India	June 21, 2011	Smt. Harshaben Thakkar	Rs.12,000	June 20, 2011	May 19, 2014	Manufacturing Unit

INTELLECTUAL PROPERTY



Our logo  **is in the process of registration with the Trademark Authorities.**

We have applied for registration of our logo under the Trademark Act vide application dated 21st August, 2013 and our application is in the process with the Registrar of Trademark. Following are the details

Sr.No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
1	Women's Next	2583772	35	August 21, 2013	Formalities Chk Pass
2	Women's Next	2583773	25	August 21, 2013	Formalities Chk Pass

Other Trademark

Our Company has entered into License Agreement dated August 21, 2013 with M/s. Ashapura Intimates Fashion Limited to use the trademark "VALENTINE PINK".

KEY INDUSTRY REGULATIONS AND POLICIES

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

The statements below are based on current provisions of Indian law, and the judicial and administrative interpretations thereof, which are subject to change or modification by subsequent legislative, regulatory, administrative or judicial decisions. For details of government approvals obtained by us, see the chapter titled “Government and Other Statutory Approvals” beginning on page 170 of this Prospectus.

NATIONAL TEXTILE POLICY 2000

The Government of India announced the National Textile Policy (NTP) 2000, with the objective of facilitating the industry to attain and sustain a pre-eminent global standing in the manufacture and export of clothing. It also aims at liberalizing controls and regulations so that the different segments of the textile industry are enabled to perform in a greater competitive environment. In furtherance of these objectives, the strategic thrust is placed on the following:

- Technological upgradation
- Enhancement of productivity
- Quality consciousness
- Strengthening of the raw material base
- Product diversification
- Increase in exports and innovative marketing strategies
- Financing arrangements
- Maximizing employment opportunities
- Integrated human resource development

TECHNOLOGY UPGRADATION FUND SCHEME

Technology Upgradation Fund Scheme The Technology Upgradation Fund Scheme (TUFS), which is the “flagship” Scheme of the Ministry of Textiles, is the scheme for modernisation and technology upgradation in the textile sector. The Scheme aims at making available funds to the domestic textile industry for technology upgradation of existing units as well as to set up new units with state of art technology so that its viability and competitiveness in the domestic as well as international markets may enhance.

The Technology Upgradation Fund Scheme (TUFS) provides plan support for modernization of textiles industry in the form of interest reimbursement and capital subsidy. The sectors benefited under TUFS are Spinning, Weaving, Processing, Technical Textiles, Jute, Silk, Garmenting, Cotton Ginning, Wool and Powerlooms. There is no statewide allocation of funds under TUFS. In the years 2009-10, 2010-11 and 2011-12 allocation under TUFS was Rs. 9159.18 crore and expenditure incurred was Rs. 7026.53 crore.

THE TEXTILE COMMITTEE ACT, 1963

Textiles Committee regulates the imposition of cess on textile and textile machinery manufactured in India. The Textiles Committee's main objective is to ensure the quality of textiles and textile machinery both for internal consumption and export purposes. The Textiles Committee, as corollary to its main objective of ensuring the quality of textiles and textiles machinery has been entrusted with the following

functions of, among other things, establishing standard specifications for textiles, textile machinery and the packing materials.

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as “Shree Shiv Lingeries Private Limited” under the provisions of the Companies Act, 1956 vide certificate of incorporation dated December 22, 2010 bearing registration no. 211237, in Mumbai, Maharashtra. Subsequently, the name of Our Company was changed to “Women's Next Loungeries Private Limited” vide fresh certificate of incorporation dated September 10, 2013. Later Our Company was converted into a public limited company vide fresh certificate of incorporation dated December 12, 2013 and consequently the name of our Company was changed to “Women's Next Loungeries Limited”. For further details please refer to chapter titled ‘Our History and Certain Other Corporate Matters’ beginning on page 115 of this Prospectus.

CHANGE IN REGISTERED OFFICE

Initially, Our Registered Office was situated at C-9/11, Gayatri CHS, Plot No.5 Sector 7, Sanpada, Navi Mumbai – 400 705 Maharashtra. Subsequently, our Registered Office was shifted to 101-105, Indian Complex, Bldg No.28, 1st Floor, Dapode Village, Bhiwandi -421329, Dist – Thane, Maharashtra, India with effect from November 20, 2013

KEY EVENTS AND MILESTONES IN THE HISTORY OF OUR COMPANY

Period	Event
December 2010	Incorporation the Company
January 2011	Commencement of Production activities
September 2012	Acquisition of New Factory Premises for production 101-105, Indian Complex, Bldg No.28, 1 st Floor, Dapode Village, Bhiwandi -421329, Dist – Thane, Maharashtra, India.
September 2013	Change of Name from Shree Shiv Lingeries Private Limited to Women’s Next Loungeries Private Limited
December 2013	Conversion of Company into Public Company

OUR MAIN OBJECTS

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

“To carry on the business of Manufacturing ,processing, buying selling, exporting and dealing in all kind of garments, under garments including silk, art silk, cotton, synthetics, man made fabrics, textiles and clothes in India and abroad.”

AMENDMENTS TO THE MEMORANDUM OF ASSOCIATION

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

Date of Shareholders’ Approval	Amendment
December 12, 2013	Clause I of the Memorandum of Association of the company changed to reflect changed name of the company as Women's Next Loungeries Limited on conversion of Company into a Public Company
February 14, 2014	The Initial authorized share capital of Rs.1,00,00,000 (Rupees One Crore Only) was increased to Rs. 4,00,00,000 (Rupees Four Crores Only) consisting of 40,00,000 Equity Shares of Rs. 10 each

HOLDING COMPANY OF OUR COMPANY

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

SUBSIDIARY COMPANY OF OUR COMPANY

There is no subsidiary of our Company as on this date of filing of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

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

DETAILS OF PAST PERFORMANCE

For details in relation to our financial performance in the previous five financial years, including details of non-recurring items of income, refer to section titled “Financial Statements” beginning on page 137 of this Prospectus.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any agreements except with Agreement dated August 21, 2013 with M/s Ashapura Intimates Fashion Limited for use of trademark “Valentine Next”, MoU dated October 01, 2013 with M/s Ashapura Intimates Fashion Limited for usage of Machinery and Agreement dated January 23, 2014 with Managing Director for his appointment as on the date of filing of this Prospectus.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

Our Company has entered into agreements with Punjab National Bank, Seepz Branch and availed Cash Credit Limit of Rs.800.00 Lakhs and Term Loan Facilities of Rs 83.00Lakhs.

The Banks Sanction letter dated June 08, 2013 contain certain restrictive covenants which require us to take the prior written consent of Punjab National Bank, Seepz Branch before undertaking the following activities throughout the currency of the agreement including but not limited to:

- (i) Effect any change in the capital structure of the company
- (ii) Formulate any Scheme of Amalgamation or Reconstruction
- (iii) Implement any scheme for expansion or acquire any fixed Assets
- (iv) Invest by way of share capital in or lend or advance funds to, or place deposits with any other concern .Normal trade credit & security deposits in the normal course of business or advances to employees can , however, be given;
- (v) Enter into borrowing arrangements either secured or unsecured, with any bank, Financial Institution, Company, or otherwise, or accept deposits
- (vi) Undertake guarantee obligation on behalf of any other company
- (vii) Sell, assign, mortgage, alienate or otherwise dispose off any of the assets of the company charged to the consortium

Pursuant to the aforesaid, we have received a No Objection Certificate from M/s. Punjab National Bank for the Issue vide their letter dated February 24, 2014.

STRATEGIC/ FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

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

NUMBER OF SHAREHOLDERS

Our Company has 8 shareholders as on date of this Prospectus.

OUR MANAGEMENT

BOARD OF DIRECTORS

Under our Articles of Association we are required to have not less than 3 directors and not more than 12 directors, subject to the applicable provisions of the Companies Act. We currently have six directors on our Board.

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

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1	Name Mr. Bhavesh Tulsidas Bhanushali Age 37 Years Father's Name Mr. Tulsidas Bhanushali Designation Managing Director Address C-9/11, Gayatri CHS, Plot No.5 Sector 7, Sanpada, Navi Mumbai – 400 705 Maharashtra Occupation Business Nationality Indian Term 3 years from 23 rd January, 2014 DIN 03324077	December 22, 2010	None
2	Name Mrs. Premila Bhanushali Age 36 Years Father's / Husband Name Mr. Bhavesh Bhanushali Designation Executive Director Address C-9/11, Gayatri CHS, Plot No.5 Sector 7, Sanpada, Navi Mumbai – 400 705 Maharashtra Occupation Business Nationality Indian Term Liable to retire by	January 09, 2012	None

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
	rotation DIN 05238716		
3	Name Mr. Anand Bhanushali Age 23 Years Father's Name Mr. Khimji Bhanushali Designation Executive Director Address Flat no. C-9/1,1, First Floor, Gayatri Co-Op,Hsg. Soc, Plot No. 5, Sector No.7 Sanapada, Navi Mumbai 400705 Occupation Business Nationality Indian Term Liable to retire by rotation DIN 06733252	November 20, 2013	None
4	Name Mr. Pawan Puri Age 56 Years Father's Name Sat Pal Puri Designation Independent Director Address 245-G, B.R.S. Nagar,, Ludhiana, 141001, Punjab, India Occupation Retired Nationality Indian Term Liable to retire by rotation DIN 00528278	January 23, 2014	1.Partner in Pawan Puri & Associates 2.Director in Sukhmanjot Builders & Developers P Ltd 3.Director in Navitas Developers Private Limited 4.Director in Radiant Power System (P) Ltd 5.Director in LSR Investment & Leasing (P) Ltd
5	Name Jaiprakash Singh Age 50 Years Father's Name Ramcharitra Singh Designation Independent Director Address 501 Bldng NO.31, Hansgeet CHS LTD, DR. Gawde Marg, Pant Nagar, Ghatkopar East Mumbai-400075 Occupation Professional	January 23, 2014	Proprietor of M/s Jaiprakash R. Singh and Associates

Sr. No	Name, Father's/Husband's Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
	Nationality Indian Term Liable to retire by rotation DIN 06818976		
6	Name Gaurav Arora Age 32 Years Father's Name Ashok Arora Designation Independent Director Address FA-222, Tagore Garden, Rajouri Garden, New Delhi- 110027 Occupation Business Nationality Indian Term Liable to retire by Rotation DIN 05247370	January 23, 2014	Oriana Capital Advisory Services Private Limited

BRIEF BIOGRAPHIES OF OUR DIRECTORS

Mr. Bhavesh Tulsidas Bhanushali

Mr. Bhavesh Tulsidas Bhanushali is an expert designer, cloth analyst and has good knowledge of the latest production method. He is the engine behind this company. His strengths include identifying the latest market pulse, designing products based on the latest trends, identifying the best material at best rate and ensuring quality manufacturing.

Mrs. Premila Bhanushali

Mrs. Premila Bhanushali holds a bachelor of commerce degree and has an experience of about 6 (six) years in the intimate garments industry. She is a fashion designer by profession and oversees the designing department of our Company. She handles our team of designers, who constantly work towards the designing of the products of our Company which is one of the core activities in the lingerie industry.

Mr. Anand Bhanushali

Mr. Anand Bhanushali has experience of about 5 (five) years in the lingerie industry. He has been associated with our Company since inception. . He looks after the day to day management of our centralised warehousing facility and marketing operation located at Bhiwandi. He has joined the Board of Directors of our Company in the year 2013

Mr. Pawan Puri

Mr. Pawan Puri, aged 56 years, a Practicing Chartered Accountant, Partner at M/s. Pawan Puri and Associates and has over 30 years of experience in the fields of finance and accounts.

Mr.Gaurav Arora

Gaurav Arora is an MBA in International Business from Indian Institute of Foreign Trade. He is An effectual leader having diverse experience within the retail lending / SME & MSME space with a record of successfully launching new & existing products. Experience and proven track record across - Sales & Distribution Management, Channel Development & Expansion, Product Development, Process Design & Implementation, Training & Development of Manpower, Profitability Management, Governance and Compliance, Cross Sell Initiatives, Service Quality and Team Building. Has more than 10 years of work experience where he has worked with Organizations like Standard Chartered Bank, Reliance Capital & Dhanlaxmi Bank

Mr Jaiprakash Singh

Mr Jaiprakash Singh is currently working as a Company Secretary in whole time practice under the name Jaiprakash R Singh and Associates. He has over 28 years of experience in handling work related to incorporation, liquidation, annual filing, FEMA related works, due diligence etc. He has also worked as a Merchant Banker and handled various Initial Public Offers and represented Company before various banks, Financial Institution, SEBI, Stock Exchanges etc.

CONFIRMATIONS

As on the date of this Prospectus:

1. Apart from Mr. Bhavesh Tulsidas Bhanushali and Mrs. Premila Bhanushali who are related to each other as Husband and Wife; Mr. Anand Bhanushali who is brother of Mrs. Premila Bhanushali; none of the Directors of the Company are related to each other.
2. There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Management Personnel were selected as a Director or member of the senior management.
3. The Directors of Our Company have not entered into any service contracts with our Company which provides for benefits upon termination of employment
4. None of the above mentioned Directors are on the RBI List of willful defaulters.
5. Further, none of our Directors are or were directors of any company whose shares were (a) suspended from trading by stock exchange(s) or (b) delisted from the stock exchanges.
6. None of the Promoter, Persons forming part of our Promoter Group, Directors or persons in control of our Company, has been or is involved as a promoter, director or person in control of any other company, which is debarred from accessing the capital market under any order or directions made by SEBI or any other regulatory authority.

REMUNERATION/COMPENSATION OF DIRECTORS

Directors of the Company may be paid sitting fees, commission and any other amounts as may be decided by our Board in accordance with the provisions of the Articles of Association, the Companies Act and other applicable laws and regulations.

During the last financial year ended on 31st March, 2013, the directors have been paid gross remuneration as per following

Name of Director	Remuneration received in year 2012-13
Mr. Bhavesh Bhanushali	Rs.9,00,000 per annum
Mrs. Premila Bhanushali	Rs.3,00,000 per annum
Mr. Anand Bhanushali	Rs.1,92,000 per annum

None of the Directors except above have received any remuneration during the Financial Year 2012-13

SHAREHOLDING OF OUR DIRECTORS IN OUR COMPANY

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

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

Sr. No.	Name of the Director	No. of Equity Shares	% of Pre Issue Equity Share Capital	% of Post Issue Equity Share Capital
1	Mr. Bhavesh Tulsidas Bhanushali	1483497	98.90%	59.34%
2	Mrs. Premila Bhanushali	15000	1.00%	0.60%
3	Mr. Anand Bhanushali	3	0.00%	0.00%
4	Mr. Pawan Puri	Nil	--	--
5	Mr. Gaurav Arora	Nil	--	--
6	Mr. Jaiprakash Singh	Nil	--	--

INTERESTS OF DIRECTORS

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

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

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

Except as stated in the chapters “Our Management” and ‘Related Party Transactions’ beginning on page 118 and 135 respectively of this Prospectus and described herein to the extent of shareholding in our Company, if any, our Directors do not have any other interest in our business.

Our Directors have no interest in any property acquired by our Company since inception till the date of this Prospectus.

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

PROPERTY INTEREST

Except as stated/referred to in the sheading titled “Land & Properties” beginning on page 111 of the Prospectus, our Directors have not entered into any contract, agreement or arrangements since incorporation in which the Directors are interested directly or indirectly and no payments have been made to them in respect of these contracts, agreements or arrangements or are proposed to be made to them

CHANGES IN OUR BOARD OF DIRECTORS DURING THE LAST THREE YEARS

Name	Date of event	Nature of event	Reason
Mr. Mitesh Ganatra	December 07, 2011	Resignation	Resignation due to Personal reasons
Mrs. Premila Bhanushali	January 09, 2012	Appointment	Appointment as Director
Mr. Anand Bhanushali	November 20, 2013	Appointment	Appointment as Additional Director
Mr. Bhavesh Bhanushali	January 23, 2014	Change in Designation	Appointment as Managing Director
Mr. Gaurav Arora	January 23, 2014	Appointment	Appointment as Additional Director
Mr. Pawan Puri	January 23, 2014	Appointment	Appointment as Additional Director
Mr. Jaiprakash Singh	January 23, 2014	Appointment	Appointment as Additional Director
Mr. Gaurav Arora	February 14, 2014	Appointment	Appointment as Director
Mr. Pawan Puri	February 14, 2014	Appointment	Appointment as Director
Mr. Jaiprakash Singh	February 14, 2014	Appointment	Appointment as Director
Mr. Anand Bhanushali	February 14, 2014	Appointment	Appointment as Director

BORROWING POWERS OF THE BOARD

Pursuant to a special resolution passed at an Extra Ordinary General Meeting of our Company held on February 14, 2014, consent of the members of our Company was accorded to the Board of Directors of our Company pursuant to Section 180(1)(c) of the Companies Act, 2013 for borrowing, from time to time, any sum or sums of money on such security and on such terms and conditions as the Board may deem fit, notwithstanding that the money to be borrowed together with the money already borrowed by our Company (apart from temporary loans obtained from our Company’s bankers in the ordinary course of business) may exceed in the aggregate, the paid-up capital of our Company and its free reserves,

provided however, the total amount so borrowed in excess of the aggregate of the paid-up capital of our Company and its free reserves shall not at any time exceed Rs.100 crores.

CORPORATE GOVERNANCE

The provisions of the SME Listing Agreement, to be entered into by our Company with the Stock Exchange, will be applicable to our Company immediately upon the listing of our Equity Shares with BSE SME Platform. We have complied with the corporate governance code in accordance with Clause 52 (as applicable) of the SME Listing Agreement, particularly in relation to appointment of Independent Directors to our Board and constitution of the audit committee and shareholders'/ investors' grievance committee. Our Company undertakes to take all necessary steps to continue to comply with all the requirements of Clause 52 of the SME Listing Agreement.

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

We have a Board constituted in compliance with the Companies Act and the Listing Agreement in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas.

Currently our Board has six directors. We have three Executive Non Independent Directors and three Non-Executive Independent Directors. The constitution of our Board is in compliance with the requirements of Clause 52 of the SME Listing Agreement.

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

- A. Audit Committee
- B. Shareholders/Investors Grievance Committee

A) Audit Committee

Our Company has constituted an audit committee ("**Audit Committee**"), as per the applicable provisions of the Companies Act and Clause 52 of the SME Listing Agreement to be entered with Stock Exchange, vide resolution passed at the meeting of the Board of Directors held on February 14, 2014.

The terms of reference of Audit Committee adheres to the requirements of Clause 52 of the SME Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises the following three (3) directors:

Name of the Director	Status	Nature of Directorship
Mr. Pawan Puri	Chairman	Independent Director
Mr. Gaurav Arora	Member	Independent Director
Mr. Bhavesh Bhanushali	Member	Executive Director

Mr. Pawan Puri is the Chairman of the Audit Committee.

The Company Secretary and Compliance Officer of the Company would act as the Secretary to the Audit Committee.

The role of the Audit Committee includes the following:

1. Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a. Matters required being included in the Directors Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act.
 - b. Changes, if any, in accounting policies and practices and reasons for the same.
 - c. Major accounting entries involving estimates based on the exercise of judgment by management.
 - d. Significant adjustments made in the financial statements arising out of audit findings.
 - e. Compliance with listing and other legal requirements relating to financial statements.
 - f. Disclosure of any related party transactions.
 - g. Qualifications in the draft audit report.
5. Reviewing, with the management, the half yearly and annual financial statements before submission to the board for approval
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
7. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
8. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
9. Discussion with internal auditors on any significant findings and follow up there on.
10. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
11. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

12. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, when implemented.
14. Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.

The powers of the Audit Committee include the following:

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

B) Shareholders / Investors Grievance Committee

Our Company has constituted a shareholder / investors grievance committee ("*Shareholders / Investors Grievance Committee*") to redress complaints of the shareholders. The Shareholders/Investors Grievance Committee was constituted vide resolution passed at the meeting of the Board of Directors held on February 14, 2014.

The Investor Grievances Committee comprises the following Directors:

Name of the Director	Status	Nature of Directorship
Mr. Gaurav Arora	Chairman	Independent Director
Mr. Pawan Puri	Member	Independent Director
Mr. Jaiprakash Singh	Member	Independent Director

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

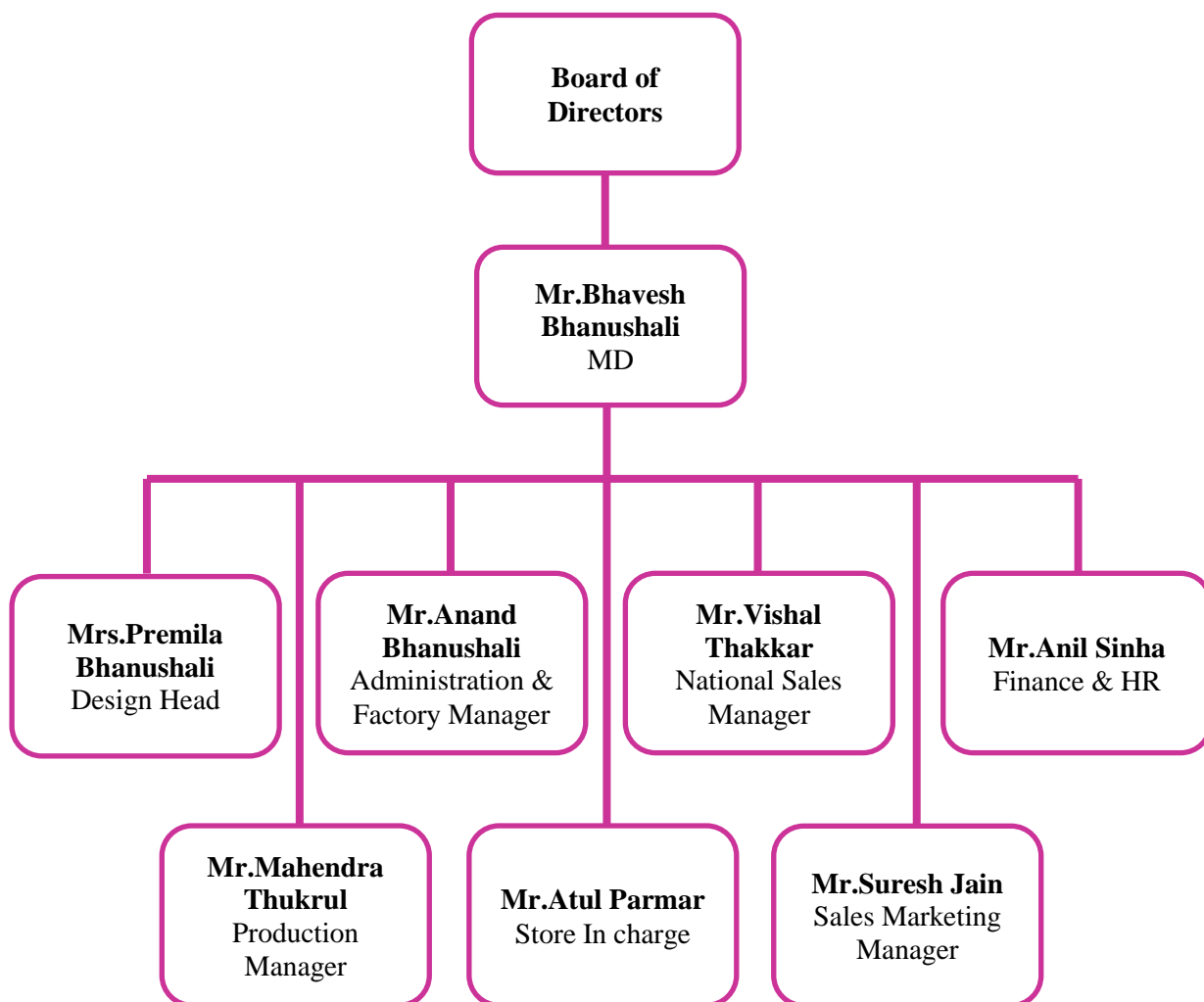
1. Redressal of shareholder's/investor's complaints;
2. Reviewing on a periodic basis the Approval of transfer or transmission of shares, debentures or any other securities made by the Registrar and Share Transfer Agent;
3. Issue of duplicate certificates and new certificates on split/consolidation/renewal;
4. Non-receipt of declared dividends, balance sheets of the Company; and
5. Carrying out any other function as prescribed under the Listing Agreement.

Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

We will comply with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 1992 post listing of our Company's shares on the Stock Exchange.

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

ORGANIZATIONAL STRUCTURE



KEY MANAGERIAL PERSONNEL

Mr. Anil Sinha

Mr. Anil Sinha the Finance & HR head of our Company has a sound knowledge of financial management. Having nine years of experience in the field of textile, logistics & readymade garments he is an asset to our Company. He is responsible for maintaining company funds flow, dealing with bankers, handling taxation of the company with consultants and concern departments, debtors, clients site visits for payments and reconciliations, providing assistance for foreign payments.

Mr. Atul Parmar

Mr. Atul Parmar is the Store Incharge of our Company. He has three years of experience in readymade garments. He is responsible for various activities like -Co-ordination with users, auditors etc .Instruction with venders for timely delivery of materials are done by him .He is the overall manager of various activities relating to store.

Mr. Mahendra Thukrul

Mr. Mahendra Thukrul the Production Manager has fifteen years of field experience in readymade garments. Responsible for day-to-day production, he also supervises, motivates, and supports the staff applying a team approach and maintaining open communication. Being the Production Manager he plans, schedules, strategizes, and oversees all production activities while continually building sales and maintaining profitability. Apart from these, essential functions are performed by him to ensure overall customer satisfaction, quality service and equipment to reduce bottlenecks and problems.

Mr. Suresh Jain

Mr. Suresh Jain the Sales Marketing Manager of our Company has fifteen years of field experience in readymade garments. He is responsible for visiting potential customers for new business, provide customers with quotations, and negotiate the terms of an agreement and close sales. Apart from this he also gathers market and customer information and provides feedback on buying trends, represents organization at various events, identifies new markets and business opportunities etc and reviews the overall sales performance.

Mr. Vishal Thakkar

Mr. Vishal Thakkar, aged 35 years, has been associated with our Company for more than 4 years. He has experience in marketing and sales over 15 years.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

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

FAMILY RELATIONSHIPS OF DIRECTORS WITH KEY MANAGERIAL PERSONNEL

There is no family relationship between the key managerial personnel and Director of our Company. All of Key Managerial Personnel are permanent employee of our Company.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

None of the Key Managerial Personnel except Mr. Anil Sinha hold any Equity Shares of our Company as on the date of this Prospectus. Mr. Anil Sinha holds 300 Equity shares of the company on the date of this Prospectus

BONUS OR PROFIT SHARING PLAN OF THE KEY MANAGERIAL PERSONNEL

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

LOANS TO KEY MANAGERIAL PERSONNEL

The Company has not given any loans and advances to the Key Managerial Personnel as on the date of this Prospectus

INTEREST OF KEY MANAGERIAL PERSONNEL

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

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

CHANGES IN KEY MANAGERIAL PERSONNEL SINCE INCEPTION

The changes in the Key Managerial Personnel since inception are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Mr. Anil Sinha	Finance & HR	June 25, 2011	Appointment
Mr. Atul Parmar	Store Incharge	June 02, 2013	Appointment
Mr. Mahendra Thukural	Production Manager	October 01, 2010	Appointment
Mr. Suresh Jain	Sales Marketing Manager	October 01, 2012	Appointment
Mr. Vishal Thakkar	National Sales Manager	September 16, 2011	Appointment

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

ESOP/ESPS SCHEME TO EMPLOYEES

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

PAYMENT OR BENEFIT TO OUR OFFICERS

Except as disclosed in the heading titled “Related Party Disclosure” in the section titled “Financial Statements” beginning on page 137 of this Prospectus, no amount or benefit has been paid or given within the three preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR INDIVIDUAL PROMOTER:

Mr. Bhavesh Tulsidas Bhanushali

DETAILS OF OUR INDIVIDUAL PROMOTER



Mr. Bhavesh Tulsidas Bhanushali

Mr. Bhavesh Tulsidas Bhanushali is the Managing Director and Promoter of our Company. Mr Bhavesh Bhanushali is an expert designer, cloth analyst and has good knowledge of the latest production method. He is the engine behind this growing company. His strengths include identifying the latest market pulse, designing products based on the latest trends, identifying the best material at best rate and ensuring quality manufacturing. He is responsible for the strategic direction, growth and management of the Company

Particulars	Details
Passport No.	F7802571
Voter ID	N.A
Driving License No.	MH43 20130001279

OUR PROMOTER GROUP

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

Individual Promoter

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

Sr. No.	Relationship	Mr. Bhavesh Tulsidas Bhanushali
1.	Father	Mr. Tulsidas Sukji Bhanushali
2.	Mother	Mrs. Kesharben Tulsidas Bhanushali
3.	Spouse	Mrs. Premila Bhavesh Bhanushali
4.	Children	Ms Neha Bhanushali Ms Tanishka Bhanushali
5.	Spouse's Father	Mr. Khimjibhai Arjanbhai Bhanushali
6.	Spouse's Mother	Mrs. Sonabai K. Bhanushali
7.	Spouse's Brother	Mr. Anand Khimjibhai Bhanushali
8.	Spouse's Sister	Ms. Hemlata Bhanushali Mrs. Leela Poddar

*Brother (Mr. Vinod Tulsidas Bhanushali) and Sister (Ms. Pallavi Tulsidas Bhanushali) or any entities formed by them do not form part of Promoter Group nor do they act in concert with our Promoter Mr. Bhavesh Tulsidas Bhanushali.

b) Companies, firms and HUFs which form part of our Promoter Group are as follows:

Proprietary Firm

Sr. No	Name
1.	Shree Shiv Apparels

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, bank account number and passport number of our Promoter will be submitted to the BSE SME Platform, where the securities of our Company are proposed to be listed at the time of submission of Prospectus.

COMMON PURSUITS OF OUR PROMOTER

None of the Promoter Group Company is having business objects similar to our business except Shree Shiv Apparels which is engaged in the business as mentioned in the Chapter “Our Group Entities” beginning on page 133 of the Prospectus.

INTEREST OF THE PROMOTER

Interest in the promotion of Our Company

Our Promoter may be deemed to be interested in the promotion of the Company to the extent of the Equity Shares held by him as well as his relatives and also to the extent of any dividend payable to him and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoter may also be interested to the extent of Equity Shares held by or that may be subscribed by and allotted to companies and firms in which either he is interested as a director, member or partner. In addition, Our Promoter, Mr. Bhavesh Tulsidas Bhanushali, may be deemed to be interested to the extent of fees, if any, payable for attending meetings of the Board or a committee thereof as well as to the extent of remuneration and reimbursement of expenses, if any, payable under our Articles of Association.

Interest in the property of Our Company

Our Promoter does not have any interest in any property acquired by Our Company since incorporation or proposed to be acquired by our Company.

Interest as Member of our Company

As on the date of this Prospectus, our Promoter holds 14,83,497 Equity Shares in our Company and is therefore interested to the extent of his shareholding and the dividend declared, if any, by our Company. Except to the extent of shareholding of the Promoter in our Company, our Promoter does not hold any other interest in our Company.

Payment Amounts or Benefit to Our Promoter since incorporation

No payment has been made or benefit given to our Promoter since incorporation except as mentioned / referred to in this chapter and in the section titled 'Our Management', 'Financial Statements' and 'Capital Structure' beginning on page 118, 137 and 58 respectively of this Prospectus. Further as on the date of this Prospectus, there is no bonus or profit sharing plan for our Promoter.

CONFIRMATIONS

For details on litigations and disputes pending against the Promoter and defaults made by them, please refer to the section titled "Outstanding Litigation and Material Developments" on page 168 of this Prospectus. Our Promoter has not been declared a willful defaulter by RBI or any other governmental authority and there are no violations of securities laws committed by our Promoter in the past or are pending against him.

RELATED PARTY TRANSACTIONS

Except as disclosed in the chapter titled "Related Party Transactions" beginning on page 135 of this Prospectus, our Company has not entered into any related party transactions with our Promoter.

OUR GROUP ENTITIES

No equity shares of our Group Companies are listed on any stock exchange and it has not made any public or rights issue of securities in the preceding three years.

A. Our Group Entities

We have only one group entity and the details of our Group Entity is provided below:

1. Shree Shiv Apparels

Corporate Information

Name of the Entity	Shree Shiv Apparels
Type of Entity	Proprietorship
Date of Constitution	Since 2005
Nature of Activities	Textile Manufacturing and Trading

M/s. Shiv Apparels is a proprietorship concern of Mr. Bhavesh Tulsidas Bhanushali

Financial Information

During the financial year ended March 31, 2013 we have not incurred any losses. Below is the financial performance of the concern:

Particulars	FY 2011	FY 2012	FY 2013
Proprietor's Capital	2.74	44.44	0.49
Total Income	656.46	3002.43	3397.93
Net Profit	16.18	28.14	10.88

None of the above company has made any public/right issue so far.

Further, the above company is not sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 nor under winding up.

CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as willful defaulters by the RBI or any other governmental authority and there are no violations of securities laws committed by them in the past and no proceedings pertaining to such penalties are pending against them. Additionally, none of the Promoter and persons forming part of Promoter Group has been restrained from accessing the capital markets for any reasons by SEBI or any other authorities. Except as disclosed in this chapter, our Group Entity does not have negative net worth as of the date of the respective last audited financial statements.

LITIGATION

For details on litigations and disputes pending against the Promoter and Group entities and defaults made by them, please refer to the chapter titled, 'Outstanding Litigations and Material Developments' on page 168 of this Prospectus.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEAR

Our Promoter has not disassociated themselves from any of the companies/partnership firms during preceding three years.

SALES/PURCHASES BETWEEN OUR COMPANY AND PROMOTER COMPANY & GROUP ENTITIES

There are no sales or purchases between our Company and Group entity which exceeds in value aggregating ten per cent of the total sales or purchases of our Company.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XVIII of restated financial statement under the section titled, '*Financial Statements*' beginning on page 137 of this Prospectus.

DIVIDEND POLICY

Under the Companies Act, an Indian company pays dividends upon a recommendation by its Board of Directors and approval by a majority of the shareholders, who have the right to decrease but not to increase the amount of dividend recommended by the Board of Directors. Under the Companies Act, dividends may be paid out of profits of a company in the year in which the dividend is declared or out of the undistributed profits or reserves of the previous Years or out of both.

Our Company does not have a formal dividend policy. Any dividends to be declared shall be recommended by the Board of Directors depending upon the financial condition, results of operations, capital requirements and surplus, contractual obligations and restrictions, the terms of the credit facilities and other financing arrangements of our Company at the time a dividend is considered, and other relevant factors and approved by the Equity Shareholders at their discretion. Our Company has not paid any dividend since incorporation.

Dividends are payable within 30 days of approval by the Equity Shareholders at the annual general meeting of our Company. When dividends are declared, all the Equity Shareholders whose names appear in the register of members of our Company as on the “record date” are entitled to be paid the dividend declared by our Company. Any Equity Shareholder who ceases to be an Equity Shareholder prior to the record date, or who becomes an Equity Shareholder after the record date, will not be entitled to the dividend declared by Our Company.

SECTION V-FINANCIAL STATEMENTS

FINANCIAL STATEMENTS AS RESTATED

Independent Auditor's Report for the Restated Financial Statements of Women's Next Loungeries Limited

The Board of Directors,
Women's Next Loungeries Limited
101-105, Indian Complex Building,
No.28, 1st Floor, Dapode Village,
Bhiwandi, Thane - 421302

Dear Sirs,

1. We have examined the attached Restated Statement of Assets and Liabilities of Women's Next Loungeries Limited, (**the Company**) as at September 30, 2013, March 31, 2013, March 31, 2012 and March 31, 2011 and the related Restated Statement of Profit & Loss and Restated Statement of Cash Flow for the six months period ended September 30, 2013 and financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011 (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 BSE Limited ("**BSE**").
2. These Restated Summary Statements have been prepared in accordance with the requirements of:
 - (i) Paragraph B (1) of Part II of Schedule II to the Companies Act, 1956 ("**Act**");
 - (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations**") issued by the Securities and Exchange Board of India ("**SEBI**") in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;
 - (iii) The terms of reference to our engagements with the Company letter Dated February 5, 2014 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
 - (iv) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").
3. The Restated Summary Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the six months period ended September 30, 2013 and financial year/period ended on March 31, 2013, March 31, 2012, and March 31, 2011 which have been approved by the Board of Directors.
4. In accordance with the requirements of Paragraph B(1) of Part II of Schedule II of Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:
 - (i) The "**Restated Statement of Asset and Liabilities**" as set out in **Annexure I** to this report, of the Company as at September 30, 2013, March 31, 2013, March 31, 2012 and March 31,

- 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset 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.
- (ii) The “**Restated Statement of Profit and Loss**” as set out in **Annexure II** to this report, of the Company for the six months period ended September 30, 2013 and financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These 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.
 - (iii) The “**Restated Statement of Cash Flow**” as set out in **Annexure III** to this report, of the Company for the six months period ended September 30, 2013 and financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011 are prepared by the Company and approved by the Board of Directors. These 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, we are of the opinion that the Restated Financial Statements have been made after incorporating:
- a) 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.
 - b) Adjustments for prior period and other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
 - c) There are no extra-ordinary items that need to be disclosed separately in the accounts and qualifications requiring adjustments.
 - d) There were no qualification in the Audit Reports issued by the Statutory Auditors for the six months period ended September 30, 2013 and financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011, which would require adjustments in this Restated Financial Statements of the Company.
 - e) 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 Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.
6. Audit for the financial year ended March 31, 2011 was conducted by M/s N. M. Jobanputra & Co., Chartered Accountants, audit for the financial year ended 31 March 2012 was conducted by M/s.

Manish D. Jain & Co., Chartered Accountants and for the financial year ended 31 March 2013 by M/s. A.R. Jadhav & Associates, Chartered Accountants 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. Further financial statements for the financial year ended 31st March 2013 have been reaudited by us as per the relevant guidelines. Financial Statements for the six months period ended 30th September 2013 have been audited by us.

7. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the six months period ended September 30, 2013 and financial year ended on March 31, 2013, March 31, 2012 and March 31, 2011 proposed to be included in the Draft Prospectus / Prospectus (“**Offer Document**”).

Annexure of Restated Financial Statements of the Company:-

1. Summary Statement of Assets and Liabilities, as restated as Annexure I;
2. Summary Statement of Profit and Loss, as restated as Annexure II;
3. Summary Statement of Cash Flow as Annexure III;
4. Significant Accounting Policies and Notes to Accounts alongwith adjustments on account of restatement as appearing in Annexure IV;
5. Details of Trade Receivables as Restated enclosed as ANNEXURE V to this report;
6. Details of Provisions as Restated as appearing in ANNEXURE VI to this report;
7. Details of Inventories as Restated as appearing in ANNEXURE VII to this report;
8. Details of Long Term Loans & Advances as Restated as appearing in ANNEXURE VIII to this report;
9. Details of Short Term Loans & Advances as Restated as appearing in ANNEXURE IX to this report;
10. Details of Other Current Assets as Restated as appearing in ANNEXURE X to this report;
11. Details of Other Non Current Assets as Restated as appearing in ANNEXURE XI to this report
12. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XII to this report;
13. Details of Short Term Borrowings as Restated as appearing in ANNEXURE XIII to this report
14. Details of Long Term Borrowings as Restated as appearing in ANNEXURE XIV to this report
15. Details of Other Income as Restated as appearing in ANNEXURE XV to this report
16. Capitalization Statement as Restated as at September 30 ,2013 as appearing in ANNEXURE XVI to this report;
17. Statement of Tax Shelters as Restated as appearing in ANNEXURE XVII to this report;

18. Details of Related Parties Transactions as Restated as appearing in ANNEXURE XVIII to this report;
 19. Details of Share Capital as Restated as appearing in ANNEXURE XIX to this report
 20. Details of Reserves and Surplus as Restated as appearing in ANNEXURE XX to this report.
 21. Reconciliation of Restated Profit as appearing in ANNEXURE XXI to this report.
 22. Details of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXII to this report.
8. We, R T Jain & Co., Chartered Accountants, have been subjected to the peer review process of the Institute of Chartered Accountants of India (“ICAI”) and hold a valid peer review certificate issued by the “Peer Review Board” of the ICAI (“**Statutory Auditor**”).
 9. The preparation and presentation of the Financial Statements referred to above are based on the Audited financial statements of the Company and are in accordance with the provisions of the Act and ICDR Regulations. The Financial Statements and information referred to above is the responsibility of the management of the Company.
 10. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.
 11. We have no responsibility to update our report for events and circumstances occurring after the date of the report.
 12. In our opinion, the above financial information contained in Annexure I to XXII of this report read with the respective Significant Accounting Policies and Notes to Restated Summary Statements as set out in Annexure IV 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 Note.
 13. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

For R T Jain & Co.
Chartered Accountants
Firm Registration no.103961W

(CA R.T Jain)
Partner
Membership No.033605

Date: March 12 , 2014
Place: Mumbai

ANNEXURE I: STATEMENT OF ASSETS AND LIABILITIES AS RESTATED
(Rs.in Lakhs)

Sr. No.	Particulars	AS AT MARCH 31,			As At Sept 30,
		2011	2012	2013	2013
1)	Equity & Liabilities				
	Shareholders Funds				
	a)Share Capital	50.00	50.00	50.00	50.00
	b)Reserves & Surplus	(5.33)	36.77	104.67	152.90
2)	Non Current Liabilities				
	a. Long Term Borrowings	15.18	6.75	570.00	2.91
	b. Deferred Tax Liabilities	0.30	0.41	0.34	0.52
3)	Current Liabilities				
	a. Short Term Borrowings	133.36	361.32	551.03	879.14
	b. Trade Payables	23.89	134.31	1,247.72	653.52
	c. Other Current Liabilities	10.19	38.31	43.65	52.54
	d. Short Term Provisions	-	8.50	30.00	26.70
	T O T A L (1+2+3)	227.59	636.37	2,597.41	1,818.23
4)	Non Current Assets				
	a. Fixed Assets				
	i. Tangible Assets	17.11	30.32	32.51	37.89
	Less: Depreciation	(0.20)	(3.91)	(8.14)	(10.18)
	<i>Net Block</i>	16.91	26.41	24.37	27.71
	ii.Capital Work In Progress	-	-	78.69	81.00
	b. Long Term Loans & Advances	-	3.45	3.45	3.85
	c. Other Non Current Assets	1.96	1.57	1.18	0.98
5)	Current Assets				
	a. Inventories	190.53	503.36	1,075.44	1,550.99
	b. Trade Receivables	-	79.63	1,401.10	88.12
	c. Cash and Cash Equivalents	0.63	0.37	0.58	4.25
	d. Short Term Loans & Advances	-	20.46	9.17	61.33
	e. Other Current Assets	17.56	1.12	3.43	-
	T O T A L (4+5)	227.59	636.37	2,597.41	1,818.23

ANNEXURE II: STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs.in Lakhs)

Sr. No.	Particulars	FOR THE YEAR ENDED MARCH 31,			For the period ended Sept 30,
		2011	2012	2013	2013
A	INCOME				
	Revenue from Operations	-	2,235.41	3,223.29	1,939.45
	Other Income	-	0.70	-	1.07
	Total Income	-	2,236.11	3,223.29	1,940.52
B	EXPENDITURE				
	Cost of materials consumed	21.25	2,370.12	3,261.69	2,024.09
	Changes in inventories of finished goods, traded goods and work-in-progress	(24.52)	(348.18)	(382.31)	(293.60)
	Employee benefit expenses	0.91	27.46	38.40	19.87
	Finance costs	3.10	43.45	83.70	56.01
	Depreciation and amortisation expense	0.20	3.70	4.24	2.03
	Other Expenses	4.09	78.85	120.18	53.57
	Total Expenses	5.03	2,175.40	3,125.90	1,861.97
	Profit before prior period items	(5.03)	60.71	97.39	78.55
	Prior period items (Net)	-	-	-	-
	Profit before exceptional, extraordinary items and tax	(5.03)	60.71	97.39	78.55
	Exceptional items	-	-	-	-
	Profit before extraordinary items & tax	(5.03)	60.71	97.39	78.55
	Extraordinary items	-	-	-	-
	Profit before tax	(5.03)	60.71	97.39	78.55
	Tax expense :				
	(i) Current tax	-	(18.50)	(30.00)	(26.70)
	(ii) Deferred tax	(0.30)	(0.11)	0.07	(0.18)
	(iv) Short/(Excess) provision for earlier years	-	-	0.44	(3.44)
		(0.30)	(18.61)	(29.49)	(30.32)
	Profit for the year	(5.33)	42.10	67.90	48.23

ANNEXURE III: STATEMENT OF CASH FLOW AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
D. Cash flow from operating activities				
Net Profit before tax as per Profit And Loss A/c	(5.03)	60.71	97.40	78.54
Adjusted for:	-	-	-	-
Depreciation & Amortisation	0.20	4.09	4.63	2.23
Interest & Finance Cost	3.10	43.45	83.70	56.01
Operating Profit Before Working Capital Changes	(1.73)	108.25	185.73	136.78
Adjusted for (Increase)/ Decrease:	-	-	-	-
Inventories	(190.53)	(312.84)	(572.09)	(475.54)
Trade Receivables	-	(79.63)	(1,321.47)	1,312.98
Loans and advances and other assets	(1.06)	(7.47)	0.92	(49.13)
Other non-current assets	(1.96)	(16.50)	-	-
Liabilities & Provisions	34.08	138.54	1,126.82	(585.30)
Cash Generated From Operations	(161.19)	(169.65)	(580.10)	339.79
Direct Tax Paid	-	(10.00)	(8.07)	(33.44)
Net Cash Flow from/(used in) Operating Activities:	(161.19)	(179.65)	(588.17)	306.36
E. Cash Flow From Investing Activities				
Purchase of Fixed Assets	(17.12)	(13.20)	(80.89)	(7.69)
Net Cash flow from /(Used in) Investing Activities	(17.12)	(13.20)	(80.89)	(7.69)
F. Cash Flow from Financing Activities				
Proceeds From Share Capital & Share Premium	33.50	16.50	-	-
Proceeds from Long Term Borrowing (Net)	15.18	(8.43)	563.25	(567.09)
Proceeds from Short-term borrowings	133.36	227.97	189.70	328.11
Interest & Financial Charges	(3.10)	(43.45)	(83.70)	(56.01)
Net Cash Flow from/(used in) Financing Activities	178.94	192.59	669.26	(294.99)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	0.63	(0.26)	0.20	3.68
Cash & Cash Equivalents As At Beginning of the Year	-	0.63	0.37	0.58
Cash & Cash Equivalents As At End of the Year	0.63	0.37	0.58	4.25

ANNEXURE – IV

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICY:

1. Basis of preparation of Financial Statements:

- (a) These financial statements have been prepared to comply in all material respect with all the applicable Accounting Standards notified under section 211 (3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act. 1956.
- (b) The financial statements are prepared under the historical cost convention and on the accounting principles of going concern. The Company follows the accrual system of accounting where income & expenditure are recognized on accrual basis.
- (c) Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting policies.

2. Use of Estimates:

The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Actual results could differ from these estimates. The difference between the actual results and estimates are recognized in the period in which the results are known / materialized

3. Revenue Recognition :

Sale of goods is recognized on dispatches to customers, which coincide with the transfer of significant risks and rewards associated with ownership, net of Discount.

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.

4. Fixed Assets:

Fixed assets are stated at cost, less accumulated depreciation and impairment loss, if any. All Cost including any cost attributable in brining the assets to their working condition for their intended use is capitalized. Expenditure on additions, improvement and renewable is capitalized.

5. Depreciation:

Depreciation on fixed assets is provided on written down value (WDV) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

6. Impairment of Assets:

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

7. Valuation of Investments:

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long term investments.

Current Investments are carried at the lower of cost or quoted / fair value computed scrip wise, Long Term Investments are stated at cost. Provision for diminution in the value of long term investments is made only if such decline is other than temporary.

8. Valuation of Inventories:

Cost of inventory includes all cost of purchases and other cost incurred in bringing the inventories to their present location and condition.

Closing Stock is valued as under:-

- Raw Material – At cost or net realizable value whichever is less.
- Work in Progress – At cost or net realizable value whichever is less.
- Finished Goods – At cost or net realizable value whichever is less.

9. Employee Benefits:

Short-term employee benefits are recognized as an expense at the undiscounted amount in the Profit and Loss account of the year in which the related service is rendered.

Post employment and other long term employee benefits are recognized as an expense in the Profit and Loss account for the year in which the employee has rendered services. The expense is recognized at the present value of the amount payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Profit and Loss account.

10. Provision for Current Tax & Deferred Tax:

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961.

Deferred tax resulting from the timing differences between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the assets will be realized in the future.

11. Contingent Liabilities / Provisions:

Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

Provision is made in the accounts in respect of contingent liabilities which is likely to materialize into liabilities after the year end, till the finalization of accounts and which have material effect on the position stated in the Balance Sheet.

12. Earning Per Share:

Basic earning per share is computed by dividing the net profit for the year after prior period adjustments attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

13. Miscellaneous Expenditure / Share Issue Expenses

The company has a policy of writing off Miscellaneous Expenditure over a period of ten years.

B. NOTES TO ACCOUNTS ON RESTATED FINANCIAL STATEMENT:

1. Managerial Remuneration

(Rs.in Lakhs)

Particulars	Year Ended March 31			Sept 31, 2013
	2011	2012	2013	
Salary & Allowance	-	7.50	15.99	6.00

2. Auditors Remuneration include

(Rs.in Lakhs)

Particulars	Year Ended March 31			Sept 31, 2013
	2011	2012	2013	
Audit Fees	-	0.10	0.15	-
Tax Audit Fees	-	0.10	0.15	-
Other Services	-	0.05	0.30	-
Total	-	0.25	0.60	-

3. Deferred Tax Liability / (Assets)

As required by Accounting Standard 22 on "Accounting for Taxes on Income", Deferred Tax comprises of the following items:

(Rs.in Lakhs)

Particulars	Year Ended March 31			Sept 31, 2013
	2011	2012	2013	
In respect of Depreciation	1.05	1.46	1.40	1.68
Disallowance u/s 43B	(0.08)	(0.14)	(0.30)	-
Tax Rate	30.90%	30.90%	30.90%	30.90%
Net Deferred Tax Liability / (Asset)	0.33	0.45	0.43	0.52

The Schedules referred to above and other notes attached form integral part of accounts.

ANNEXURE – V: DETAILS OF TRADE RECEIVABLES AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
<u>Unsecured, considered good</u>				
Less than six months	-	0.72	182.24	66.55
More than six months	-	78.91	1,218.86	21.57
T O T A L	-	79.63	1,401.10	88.12

ANNEXURE – VI: DETAILS OF SHORT TERM PROVISIONS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Others				
Provision for Income Tax	-	8.50	30.00	26.70
T O T A L	-	8.50	30.00	26.70

ANNEXURE – VII: DETAILS OF INVENTORIES AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Raw materials	166.01	130.66	320.44	502.38
Work-in-progress	6.77	162.87	353.43	473.28
Finished goods	17.75	209.83	401.57	575.33
T O T A L	190.53	503.36	1,075.44	1,550.99

ANNEXURE – VIII: DETAILS OF LONG TERM LOANS & ADVANCES

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
<u>Unsecured considered good</u>				
Security Deposit	-	3.20	3.20	3.60
Deposit with Revenue Authorities	-	0.25	0.25	0.25
T O T A L	-	3.45	3.45	3.85

ANNEXURE – IX: DETAILS OF SHORT TERM LOANS & ADVANCES

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Advance to supplier	-	16.85	7.35	59.16
Advance for expenses	-	2.80	0.83	1.18
Balances with Government Authorities	-	0.81	0.99	0.99
T O T A L	-	20.46	9.17	61.33

ANNEXURE – X: DETAILS OF OTHER CURRENT ASSETS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Prepaid expenses	1.06	1.12	3.43	-
Share application money receivable*	16.50	-	-	-
T O T A L	17.56	1.12	3.43	-

*During the year ended March 31, 2011 the Company had mentioned the amount of share capital as Rs.33.50 lakhs. However since the subscribers to the memorandum aggregated to Rs.50 lakhs, the Company should have accounted for the share capital at Rs.50 lakhs. Therefore the restated financial statements have been adjusted to give effect to the adjustment by virtue of which the share capital and other current assets have increased by Rs.16.50 lakhs.

ANNEXURE – XI: DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Preliminary Expenses	1.96	1.57	1.18	0.98
T O T A L	1.96	1.57	1.18	0.98

ANNEXURE – XII: DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
<u>Other payables</u>				
Deposit received	-	25.00	23.86	23.25
Creditors for expenses	3.63	10.77	13.15	14.21
Creditors for capital goods	6.46	1.19	3.58	3.91
Advance from customers	-	-	0.40	9.55
Statutory dues	0.10	1.35	2.65	1.62
T O T A L	10.19	38.31	43.65	52.54

ANNEXURE – XIII: DETAILS OF SHORT TERM BORROWINGS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Secured				
From Bank	133.36	361.32	551.03	879.14
T O T A L	133.36	361.32	551.03	879.14

ANNEXURE – XIV: DETAILS OF LONG TERM BORROWINGS AS RESTATED

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Secured				
Term Loan	8.43	-	-	2.91
Unsecured				
Loan from Directors & Shareholders	6.75	6.75	-	-
Loan from Corporate Bodies	-	-	570.00	-
T O T A L	15.18	6.75	570.00	2.91

NATURE OF SECURITY AND TERMS OF REPAYMENT FOR LONG TERM BORROWINGS

Nature of Security	Terms of Repayment
Term loan amounting to Rs. 8.43 Lakhs (as on 31.03.2011) is secured by hypothecation of Plant and Machinery and personally guaranteed by Directors	48 monthly installments of Rs. 0.77 Lakhs
Term loan amounting to Rs. 2.91 Lakhs (as on 30.09.2013) is secured by hypothecation of Plant and Machinery and Furniture and Fixtures purchased out of the term loan and own contribution	Repayment has not yet begun as the full loan amount is not yet disbursed.

ANNEXURE – XV: DETAILS OF OTHER INCOME AS RESTATED

(Rs.in Lakhs)

Particulars	For the Year Ended March 31, 2011	For the Year Ended March 31, 2012	For the Year Ended March 31, 2013	For the Year Ended September 30, 2013	Nature
Other income	-	0.70	-	1.07	
Net Profit Before Tax as Restated	(5.03)	60.71	97.39	78.55	
Percentage	-	1.15	-	1.37	

Source of Income

Discount Received	-	0.61	-	1.00	Recurring and related to business activity.
Miscellaneous Receipts	-	0.09	-	0.07	Non recurring and not related to business activity.
Total Other income	-	0.70	-	1.07	

ANNEXURE – XVI: CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2013

(Rs.in Lakhs)

Particulars	Pre Issue	As Adjusted for the Issue
Borrowings		
Short term debt (A)	879.14	529.14
Long Term Debt (B)	2.91	2.91
Total debts (C)	882.05	532.05
Shareholders' funds		
Equity share capital	50.00	250.00
Reserve and surplus - as restated	152.89	702.89
Total shareholders' funds	202.90	952.89
Long term debt / shareholders funds	0.01	0.003
Total debt / shareholders funds	4.35	0.56

ANNEXURE – XVII: STATEMENT OF TAX SHELTERS

(Rs.in Lakhs)

Particulars	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2013	Period ended September 30, 2013
Profit before tax as per books (A)	-	55.68	97.39	78.55
Tax Rate (%)	30.90%	30.90%	30.90%	30.90%
Tax at notional rate on profits	-	17.21	30.09	24.27
Adjustments :				
Permanent Differences(B)				
Expenses disallowed under Income Tax Act, 1961	-	-	-	-
Total Permanent Differences(B)	-	-	-	-
Income considered separately (C)				
Total Income considered separately (C)	-	-	-	-
Timing Differences (D)				
Difference between tax depreciation and book depreciation	-	0.41	(0.06)	0.28
Difference due to expenses allowable/ disallowable u/s 43B	-	0.14	0.30	-
Total Timing Differences (D)	-	0.55	0.24	0.28
Net Adjustments E = (B+C+D)	-	0.55	0.24	0.28
Tax expense / (saving) thereon	-	0.17	0.07	0.09
Income from Other Sources				
Income from Other Sources (F)	-	-	-	-
Taxable Income/(Loss) (A+E+F)	-	56.24	97.63	78.84
Taxable Income/(Loss) as per MAT	-	55.68	97.39	78.55
Income Tax as returned/computed	-	54.39	97.76	78.55
Tax paid as per normal or MAT	Normal	Normal	Normal	Normal

ANNEXURE – XVIII: RELATED PARTY TRANSACTION
(Rs.in Lakhs)

Name	Nature of Transactions	Amount of Transaction in 2010-11	Amount Outstanding as on March 31, 2011 Payable/ Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on March 31, 2012 Payable/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on March 31, 2013 Payable/ Receivable	Amount of Transaction till September 30, 2013	Amount Outstanding as on September 30, 2013 Payable/ Receivable
Bhavesb Bhanushali	Director Remuneration	-	-	7.50	(1.18)	12.99	-	4.50	-
Harshaben Thakkar	Rent Paid	-	-	6.00	-	-	-	-	-
Shiv Apparels	Co. Incorporation Fees	1.83	1.83	-	-	-	-	-	-
	Purchase	-	-	56.17	-	98.42	(0.75)	58.51	39.07
Premila Bhanushali	Director Remuneration	-	-	-	-	3.00	-	1.50	-
	Loan Given							27.30	-
	Loan repayment received							27.30	

ANNEXURE – XIX: DETAILS OF SHARE CAPITAL

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Share Capital				
Authorised Share capital				
1000000 Equity Share of Rs. 10/- each	100.00	100.00	100.00	100.00
Issued, Subscribed & Fully Paid Up share capital				
	-	-	-	-
Equity Shares of Rs. 10/- each	50.00	50.00	50.00	50.00
T O T A L	50.00	50.00	50.00	50.00

RECONCILIATION OF NUMBER OF SHARES OUTSTANDING AT THE END OF YEAR

(Shares in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Equity shares at the beginning of the year	-	5.00	5.00	5.00
Add: Other allotments	5.00	-	-	-
T O T A L	5.00	5.00	5.00	5.00

DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE AGGREGATE SHARES IN THE COMPANY

(Shares in Lakhs)

Name of Shareholder	As at 31st March, 2011		As at 31st March, 2012		As at 31st March, 2013		As at 30th September, 2013	
	No. of Shares	%	No. of Shares	%	No. of Shares	%	No. of Shares	%
Harshaben Hirji	3.30	66.00%	3.30	66.00%	-	-	-	-
Bhavesh Bhanushali	1.65	33.00%	1.65	33.00%	4.95	99.00%	4.95	99.00%

ANNEXURE – XX: RESERVES & SURPLUS

(Rs.in Lakhs)

Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Profit & Loss Account				
Opening Balance	-	(5.33)	36.77	104.67
Add: Profit for the year	(5.33)	42.10	67.90	48.23
Closing Balance	(5.33)	36.77	104.67	152.90
T O T A L	(5.33)	36.77	104.67	152.90

ANNEXURE – XXI: RECONCILIATION OF RESTATED PROFIT

(Rs.in Lakhs)

Adjustments	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	0.31	37.10	67.30	51.19
Adjustments for:	-	-	-	-
Change in Stock	(5.03)	5.03	-	-
Deferred Tax Liability / Asset Adjustment	(0.62)	(0.02)	0.16	0.48
Taxes adjusted in Current period	-	-	0.44	(3.44)
Net Profit/ (Loss) After Tax as Restated	(5.33)	42.10	67.90	48.23

Explanatory Notes to the Above Restatements

- During the year ended March 31, 2011 the Company had capitalized revenue expenditure in the value of Closing Inventory to the extent of Rs.5.03 lakhs. Hence the value of closing stock has been reduced by Rs.5.03 lakhs in 2011. Similarly the opening stock of 2010 has been increased by Rs.5.03 lakhs
- The Company has provided for deferred tax asset instead of deferred tax liability in the previous three years. However since the Company has claimed higher depreciation under the Income Tax a deferred tax liability needs to be created. Hence the provision for deferred tax asset has been reversed and deferred tax liability has been created.
- Provision for Income tax has been netted off against advance Income Tax and excess provision for tax has been reversed.

ANNEXURE – XXII: DETAILS OF SIGNIFICANT ACCOUNTING RATIOS

(Rs.in Lakhs)

Sr. No	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
1	Restated profit/(loss) as per Profit and Loss Account	(5.33)	42.10	67.90	48.23
2	Net Profit Attributable to Equity Shareholders				
	Earning Per share Rs	(3.89)	8.42	13.58	9.65
	Diluted Earnings Per share (B/C)Rs	(3.89)	8.42	13.58	9.65
3	Return on Networth %	-12.48%	49.41%	44.24%	23.88%
4	Net Asset Value Per Share Rs.	8.54	17.04	30.70	40.38
5	Weighted Average No. of Equity Shares	1.37	5.00	5.00	5.00
6	No. of Equity Shares Outstanding at the end of the period/year	5.00	5.00	5.00	5.00
7	Nominal value per equity share	10.00	10.00	10.00	10.00

Working Notes :-

(Rs.in Lakhs)

	Particulars	As at March 31, 2011	As at March 31, 2012	As at March 31, 2013	As at September 30, 2013
A	Net Profit attributable to Equity Shares	(5.33)	42.10	67.90	48.23
B	Net Profit after Tax Adjustments	(5.33)	42.10	67.90	48.23
C	Weighted Average Number of Shares	1.37	5.00	5.00	5.00
D	Total Number of Shares for Diluted EPS	1.37	5.00	5.00	5.00
E	Total Number of Equity Shares at the end of the period/year	5.00	5.00	5.00	5.00
F	Networth at the end of the year/ period*	42.71	85.21	153.49	201.92
G	Net Asset	42.71	85.21	153.49	201.92

Formula :-

- 1 Earning Per Share (Rs.)
$$\frac{\text{Net Profit attributable to Equity Shares (After adjustment of extra ordinary items)}}{\text{Weighted Average Number of Equity Shares Outstanding during the period}}$$
- 2 Return on Net Worth (%)
$$\frac{\text{Net Profit after Tax Adjustments \& (After adjustment of extra ordinary items)}}{\text{Networth at the end of the year/ period}}$$
- 3 Net Asset Value Per Share
$$\frac{\text{Net Worth excluding Revaluation Reserve at the end of the year/period}}{\text{Total Number of Equity Shares Outstanding at the end of the year/period}}$$

*Networth for the purpose of calculating the ratios above has been computed as the aggregate of equity shares capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any

**The E.P.S calculated above is not in conformity with Audit Report of respective Financial Year due to change in the calculation of weighted average number of shares as mentioned below :

Financial Year ended on	E.P.S as per audit Report	Adjusted E.P.S as per Financial Statement Restated
31-Mar-13	194.80	13.58
31-Mar-12	156.37	8.42
31-Mar-11	-	(3.89)

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for six months period ended September 30, 2013 and for the years ended 2013, 2012 and 2011 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 "Financial Statements" on page 137 of this Prospectus beginning.

Indian GAAP differs in certain material respects from U.S. GAAP and IFRS. We have not attempted to quantify the impact of IFRS or U.S. GAAP on the financial data included in this Prospectus, nor do we provide a reconciliation of our financial statements to those under U.S. GAAP or IFRS. Accordingly, the degree to which the Indian GAAP financial statements included in this Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with the Companies Act, Indian GAAP and the SEBI ICDR Regulations.

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in "**Risk Factors**" and "**Forward-Looking Statements**" on pages 21 and 20, of this Prospectus beginning respectively.

Our Company was incorporated on December 22, 2010 and has only completed three years since incorporation. The Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the six months ended 30 September 2013 and years ended 31st March, 2013, 2012 and 2011.

Overview

Our Company incorporated in 2010, is a women's lingerie manufacturer. Our Company is founded by Mr. Bhavesh Bhanushali who has over 15 years of expertise in core areas of our business.

We specialize in women's inner wear segment and are engaged in the business of designing, manufacturing, branding and marketing of lingerie wear, honeymoon set, intimate wear etc. We market the products through brands "Valentine Pink" and "Women's Next".

We have set out footing in domestic market and has strong retail presence through malls and grade A retail outlets across Tier I and II cities such as Mumbai, Delhi, Ahmedabad and the like. Our manufacturing plant is situated at Bhiwandi, Thane. We market our products through a chain of distributors and retail outlets.

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 Prospectus, 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. We have passed the resolution for the change of name of the Company from Shree Shiv Lingerie Private Limited to Women's Next Private Limited and Registrar of companies issued the Fresh Certificate of Incorporation with effect from September 10, 2013
2. We have passed the resolution for conversion of our company from private to public company dated October 15, 2013 and Registrar of company issued the Fresh Certificate of Incorporation with effect from December 12, 2013.
3. M/s Arun Bagaria & Co., Chartered Accountants statutory auditors of Company have resigned on September 30, 2013 and M/s Santosh Gupta & Co., Chartered Accountants have been appointed as statutory auditors from January 23, 2014
4. We have Increased our authorized capital from Rs. 1,00,00,000 (Rupees One Crores Only) to Rs. 4,00,00,000 (Rupees Four Crores Only) consisting of 40,00,000 Equity Shares of face value of Rs. 10/- each pursuant to a resolution of the shareholders dated February 14, 2014.
5. We have appointed Mr. Bhavesh Bhanushali as the Managing Director of the Company with effect from January 23, 2014 for a period of three years.
6. We have issued Bonus Shares in the ratio 2:1 to the existing shareholders of the Company on February 14, 2014.
7. We have appointed Mr. Gaurav Arora, Mr. Pawan Puri and Mr. Jaiprakash Singh as Independent Director on the Board of the Company with effect from February 14, 2014
8. We have passed a special resolution on February 14, 2014 authorizing the Board of Directors to borrow funds for the purpose of business of the Company upto an amount of Rs. 100 Crores and for the purpose also authorized them to provide requisite security.
9. We have passed a special resolution on February 14, 2014 to authorizing the Board of Directors to raise funds by making an initial public offering upto Rs. 10 Crores.

Significant Factors affecting our results of operations

Our business is subjected to various risks and uncertainties, including those discussed in the section titled "Risk Factor" beginning on page 21 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Evolving customer requirements and their tastes
- Any fluctuation, delay or increase in cost of the raw materials may affect our business and prices
- Regulations affecting inner garment apparel industry
- Ability to manage human resource, working capital and logistics
- Rapid technological upgradation in the manufacturing machinery of the inner garments
- Changes, if any, in the regulations / regulatory framework / economic policies in India
- Our inability to compete effectively in the present market may lead to lower market share or reduced operating margins
- Delays or defaults in client payments could result in a reduction of our profits.

- Agreements such as lease / rent agreements for properties not owned by the Company may cause disruption in the operations
- Increase in employee costs may have a material adverse impact on our results of operations

DISCUSSION ON RESULT OF OPERATION

The following discussion on results of operations should be read in conjunction with the audited financial results of our Company for six months period ended September 30, 2013 and years ended 31st March, 2013, 2012 and 2011.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:

Our Income from operations consists of revenue from sale of inner garments.

Other Income:

Our other income includes miscellaneous receipts etc.

(Rs. In Lakhs)

Particulars	As At Sept 30 ,2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Income				
Revenue from Operation	1,939.45	3,223.29	2,235.41	-
Increase/Decrease in %	(0.40)%	44.19%	-	-
Other Income	1.07	-	0.70	-
Increase/Decrease in %	0%	(100)%	-	-
Total Revenue	1,940.50	3,223.29	2,236.11	-

Expenditure

Our Company's operating expenditure consists of following:

Cost of materials consumed

Our cost of materials consumed comprises purchase of raw material, packing materials etc.

Employee Benefits Expenses

Our employee benefits cost primarily consists of salaries, wages and bonuses paid to our employees, staff welfare expenses and director's remuneration.

Financial Cost

Our financial cost includes bank interest, bank charges and interest paid to others.

Depreciation

Depreciation includes depreciation on plant & machinery, office equipment, etc.

Other Expenses

Other expenses include administration expenses, office expenses, designing charges, job work charges, rent, electricity, miscellaneous expenses, preliminary expenses writer off etc.

Statement of profits and losses

The following table sets forth, for the fiscal years indicated, certain items derived from our Company's audited restated financial statements, in each case stated in absolute terms and as a percentage of total sales and/or total revenue

(Rs. In Lakhs)

Particulars	As At Sept 30 ,2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Income				
Revenue from Operation	1,939.45	3,223.29	2,235.41	0.00
Increase/Decrease in %	(0.40)%	44%	100.00%	0.00%
Other Income	1.07	0.00	0.70	0.00
Increase/Decrease in %	0%	-100%	100.00%	0.00%
Total Revenue	1,940.52	3,223.29	2,236.11	0.00
Expenses				
Cost of Materials Consumed	2,024.09	3,261.69	2,370.12	21.25
As a % of Total Revenue	104.31%	101.19%	105.99%	0.00%
Purchases of Stock-in-Trade	0.00	0.00	0.00	0.00
As a % of Total Revenue	0.00%	0%	0.00%	0.00%
Changes in Inventories of Finished goods,	(173.76)	(191.74)	(209.83)	0.00
As a % of Total Revenue	(8.95%)	(6)%	(9.38)%	0.00%
work-in-progress and Stock-in-Trade	(119.85)	(190.57)	(138.35)	(24.52)
As a % of Total Revenue	(6.18%)	(5.91)%	(6.19)%	0.00%
Employee Benefit Expenses	19.87	38.40	27.46	0.91
As a % of Total Revenue	1.02%	1.19%	1.23%	0.00%
Finance Costs	56.01	83.70	43.45	3.10
As a % of Total Revenue	2.89%	2.60%	1.94%	0.00%
Depreciation & Amortization Expenses	2.03	4.24	3.70	0.20
As a % of Total Revenue	0.10%	0.13%	0.17%	0.00%
Other Expenses				
Direct Expenses	20.87	64.25	34.07	2.37
As a % of Total Revenue	1.08%	1.99%	1.52%	0.00%
Office & Administrative Expenses	15.86	39.48	18.61	1.73
As a % of Total Revenue	0.86%	1.22%	0.83%	0.00%
Selling & Distribution Expenses	16.84	26.43	26.16	0
As a % of Total Revenue	0.87%	0.82%	1.17%	0.00%
Total Other Expenses	53.57	120.18	78.85	4.09
As a % of Total Revenue	2.76%	3.73%	3.53%	0.00%
Total Expenses	1,861.98	3,125.89	2,175.40	5.03
As a % of Total Revenue	95.95%	96.98%	97.29%	0.00%

Particulars	As At Sept 30 ,2013	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Profit/(Loss) before exceptional and extraordinary items and tax (III-IV)	78.55	97.40	60.71	(5.03)
Exceptional Items	0.00	0.00	0.00	0.00
Profit before tax (VII-VIII)	78.55	97.40	60.71	(5.03)
PBT Margin	4.05%	3.02%	2.71%	0.00%
<u>Tax Expense:</u>				
(2) Current tax	(26.70)	(30.00)	(18.50)	0.00
(3) Deferred tax	(0.18)	0.07	(0.11)	(0.30)
(4) MAT Credit	-	-	-	-
(5) Short/(Excess) provision for earlier years	(3.44)	0.44	-	-
Total	(30.31)	(29.50)	(18.61)	(0.30)
As a % of Total Revenue	(1.56%)	(0.92)%	(0.83)%	0.00%
Profit/(Loss) for the year/ period	48.23	67.90	42.10	-5.33
PAT Margin	2.49%	2.11%	1.88%	0.00%

Fiscal year ended March 31, 2013 compared with the fiscal year ended March 31, 2012

Income

Total revenue increased by Rs. 987.18 lakhs or 44.15 %, from Rs. 2,236.11 lakhs in the fiscal year ended March 31, 2012 to Rs. 3,223.29 lakhs in the fiscal year ended March 31, 2013. The sales of our product witnessed a tremendous increase during FY 12-13 due to advertisement campaigns and spend.

Expenditure

Total Expenditure increased by Rs. 950.49 Lakhs, or 43.69 %, from Rs. 2,175.40 Lakhs in the fiscal year ended March 31, 2012 to Rs. 3,125.89 Lakhs in the fiscal year ended March 31, 2013. Overall expenditure has increased mainly because of the increase in Cost of Material Consumed, Finance Costs, Employee Benefit Expenses, Office & Administration and Selling & Distribution Expense. Overall all the expenses as a percentage of sales have reduced.

Material Consumption

Material consumption in terms of value and percentage increased by Rs. 891.57 Lakhs or 37.62%, from Rs. 2,370.12 Lakhs in the fiscal year ended March 31, 2012 to Rs. 3,261.69 Lakhs in the fiscal year ended March 31, 2013. The reason for increase for the same is increased sales of the Company's products which has lead to increase in material consumption.

Employee Benefit Expenses

Employee Benefit Expenses in terms of value and percentage increased by Rs. 10.94 Lakhs or 39.82 %, from Rs. 27.46 Lakhs in the fiscal year ended March 31, 2012 to Rs. 38.40 lakhs in the fiscal year ended March 31, 2013. The reason for increase for the same is that the company recruited more employees to support growing operations of the Company.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 40.25 Lakhs and 92.64 %, from Rs. 43.45 Lakhs in the fiscal year ended March 31, 2012 to Rs. 83.70 lakhs in the fiscal year ended March 31, 2013. The reason for increase for the same is that the company has increased its borrowing to support the growth of the business.

Direct Expenses

Direct Expenses in terms of value and percentage increased by Rs. 30.18 Lakhs and 88.58 %, from Rs. 34.07 Lakhs in the fiscal year ended March 31, 2012 to Rs. 64.25 lakhs in the fiscal year ended March 31, 2013. The increase is on account of the boost in manufacturing to sustain sales growth.

Office and Administrative Expenses

Office and Administrative Expenses in terms of value and percentage increased by Rs. 20.87 Lakhs and 112.14 %, from Rs. 18.61 Lakhs in the fiscal year ended March 31, 2012 to Rs. 39.48 lakhs in the fiscal year ended March 31, 2013. The increase is on account of the expansion of the Companies operations and increase in staff strength.

Selling & Distribution Expenses

Selling & Distribution Expenses in terms of value and percentage increased by Rs. 0.27 Lakhs and 1.03 %, from Rs. 26.16 Lakhs in the fiscal year ended March 31, 2012 to Rs. 26.43 lakhs in the fiscal year ended March 31, 2013. Increase in the expenditure is on account of increased advertisement spends, incentive to sales team and discounts to the dealers to promote the sales of Company's products.

Net Profit after Tax and Extraordinary items

Net profit has increased by Rs. 25.36 lakhs or 60.24 %, from Rs. 42.10 lakhs in the fiscal year ended March 31, 2012 to Rs. 67.47 lakhs in the fiscal year ended March 31, 2013.

Fiscal year ended March 31, 2012 compared with the fiscal year ended March 31, 2011

Income

Total revenue increased by Rs. 2,236.11 lakhs or 100 %, from NIL in the fiscal year ended March 31, 2011 to Rs. 2,236.11 lakhs in the fiscal year ended March 31, 2012. As the Company was incorporated on December 22, 2010 the total revenue as on March 31, 2011 was NIL.

Expenditure

Total Expenditure increased by Rs. 2,170.37 Lakhs, or 97.29 %, from Rs. 5.03 Lakhs in the fiscal year ended March 31, 2011 to Rs. 2,175.40 Lakhs in the fiscal year ended March 31, 2012. Overall expenditure has increased mainly because of the increase in Finance costs, Employee benefit expenses, direct expenses, office & administration and selling & distribution expense. As the Company was incorporated on December 22, 2010 the total revenue as on March 31, 2011 was NIL.

Material Consumption

Material consumption in terms of value and percentage increased by Rs. 2,348.87 Lakhs or 11054.16 %, from Rs. 21.25 Lakhs in the fiscal year ended March 31, 2011 to Rs. 2,370.12 lakhs in the fiscal year ended March 31, 2012. The reason of increase is mainly on account commencement of sales business of the Company for the year ended March 31, 2012.

Employee Benefit Expenses

Employee benefit Expenses in terms of value and percentage increased by Rs. 26.55 Lakhs and 2,927.23%, from Rs. 0.91 Lakhs in the fiscal year ended March 31, 2011 to Rs. 27.46 lakhs in the fiscal

year ended March 31, 2012. The reason for increase in the same is that the Company had recruited additional staff to support growing operations of the Company.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 40.35 Lakhs and 1,303.73 %, from Rs. 3.10 Lakhs in the fiscal year ended March 31, 2011 to Rs. 43.45 lakhs in the fiscal year ended March 31, 2012. The reason for increase in the same is that the company has increased its borrowing to support the working capital requirements and growth of the business.

Direct Expenses

Direct Expenses in terms of value and percentage increased by Rs. 31.70 Lakhs and 1,337.55 %, from Rs. 2.37 Lakhs in the fiscal year ended March 31, 2011 to Rs. 34.07 lakhs in the fiscal year ended March 31, 2012. The reason for increase in the same is that the company has increased the production.

Office and Administrative Expenses

Office and Administrative Expenses in terms of value and percentage increased by Rs. 16.88 Lakhs and 975.27 %, from Rs. 1.73 Lakhs in the fiscal year ended March 31, 2011 to Rs. 18.61 lakhs in the fiscal year ended March 31, 2012. The reason for increase in the same is that the company operations have expanded.

Selling & Distribution Expenses

Selling & Distribution Expenses in terms of value and percentage increased by Rs. 26.16 Lakhs and 100%, from NIL in the fiscal year ended March 31, 2011 to Rs. 26.16 lakhs in the fiscal year ended March 31, 2012. As the Company was incorporated on December 22, 2010 the Selling & Distribution Expenses as on March 31, 2011 was NIL.

Net Profit after Tax and Extraordinary items

Net profit has increased by Rs. 47.43 lakhs from Rs. (5.33) lakhs in the fiscal year ended March 31, 2011 to Rs. 42.10 lakhs in the fiscal year ended March 31, 2012. As the Company was incorporated on December 22, 2010 the total Net Profit after Tax and Extraordinary items on March 31, 2011 was negative as the total revenue was NIL.

OTHER MATTERS

1. Unusual or infrequent events or transactions

Except as described in this 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 chapters titled “*Risk Factors*” beginning on pages 21 of this Prospectus respectively, to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

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 described in the chapter titled “*Risk Factors*” beginning on page 21 of this Prospectus respectively to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our company from continuing

operations.

4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies and prices quoted by service providers.

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

Increases in revenues are 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 inner garment industry. Relevant industry data, as available, has been included in the chapter titled "*Our Industry*" beginning on page 90 of this Prospectus.

7. Status of any publicly announced new products or business segments

Our Company has not announced any new product and segment, other than through the 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 income and operating cost respectively for the FY 2013 is as follows:

	Customers	Suppliers
Top 5 (%)	98.35%	96.71%
Top 10 (%)	99.63%	97.91%

10. Competitive Conditions

We face competition from existing and potential competitors which is common for any business. We have, over a period of time, developed certain competitive strengths which have been discussed in section titled "Our Business" on page 102 of this Prospectus

FINANCIAL INDEBTEDNESS

The following are the details of the credit facilities availed by our Company as on September 30, 2013:

1. Details of Secured Credit Facilities:

Name of the Lender	Details of the Agreement	Purpose	Amount Sanctioned (Rs. in lakhs)	Amount Outstanding as on Sept 30, 2013 (Rs. in lakhs)	Interest p.a.	Repayment	Security
Punjab National Bank	Sanction letter dated June 08 2013	To meet working capital requirements	800	#879.14	Base Rate + 4.25 % i.e. 14.50 % per annum subject to change as per guidelines of bank/RBI from time to time	Running Account	<ul style="list-style-type: none"> - 1st charge on entire current assets, present & future, including entire stocks, book debts, loans & advances etc. lying in the premises of the company or with job workers anywhere in Country - Hypothecated goods to be value at cost price all rebates discounts etc./market value/realizable value, whichever is lower
Punjab National Bank *	Sanction letter dated June 08 2013	To meet working capital requirements	83	2.91	Base Rate + 4.25 %+ TP 0.5 i.e. 15.00 % per annum subject to change as per guidelines of bank/RBI from time to time	The entire amount is to be paid in 60 monthly installments of Rs 1.39 lakhs per months from after a moratorium of 6 months from the date of first disbursement . Interest is to be paid as and when charged	Hypothecation of the machinery and furniture and fixtures purchase out of the term loan and own contribution

The Company has taken an adhoc limit over an above sanctioned limit

**** Additional Conditions:**

The Limits shall be secured by:

Security Description	Area in Sq Mtr	Ownership	Market Value Present book value	Realisable Value	Date
Gayatri Co-operative Society Limited. Building No C-9 Sector No. 7 sanpada Navi Mumbai – 4004705	34.02	Mr Bhavesh Tulsidas Bhanushali	95.04	85.54	Valuation report dated March 28, 2012
*Shop No G-02 Pacific Plaza Opp kamgar stadium Dadar West Mumbai	19.52	Mr Harshad H Thakkar	239.06	215.16 lakhs	Valuation report dated March 28, 2012
Total			334.10	300.70	
*Gala No. 111 First Floor Bldg No. D- 5 Harihar Coporation Mankoli Naka, off Thane Nashik Road – 421302	2000 Sq Ft.	Mr Harshad H Thakkar	58.65	52.78	Valuation report dated March 28, 2012
*Two Godowns Bearing No 112&113 in building D-6First floor dapode Bhiwandi 421302	Godown No 112 2701 Sq ft Godown No 113 2701 Sq ft	Mr Harshad H Thakkar	129.64 lakhs	116.68 lakhs	Valuation report dated March 28, 2012
*Godowns No 15 Gr Floor in building D-6First floor dapode Bhiwandi 421302	Loan Agreement dated June 30, 2012	Mr Harshad H Thakkar	78 lakhs	70.20 lakhs	Valuation report dated March 28, 2012
*Two Godowns Bearing No 212 &	Godown No 212 2701 Sq	Mr Harshad H	121.54 lakhs	109.40 lakhs	Valuation report dated March 28,

Security Description	Area in Sq Mtr	Ownership	Market Value Present book value	Realisable Value	Date
213 in building D-6First floor dapode Bhiwandi 421302	ft Godown No 1213 2701 Sq ft	Thakkar			2012
*Two Godowns Bearing No 214 & 215 in building D-6First floor dapode Bhiwandi 421302	Godown No 214 2000 Sq ft Godown No 215 2000 Sq ft	Business (SME) Loan	90 lakhs	81 lakhs	Valuation report dated March 28, 2012

***Note :** The securities provided have been substituted by the following as on the date of this Prospectus :

Godown No. 101, 102, 103, 104 & 105 on the first floor of the Building No. 28 constructed on Land bearing survey No. 2/15, 2/14, 2/7, 17/19, 2/8 and 2/12, village Dapode, Tal. Bhiwandi, dist: thane Village Dapode, tal. Bhiwandi, dist Thane.

Personal Guarantees of

1. Bhavesh Bhanushali
2. Premila Bhanushali
3. Harshad Thakkar^{##}

^{##}As on the date of this Prospectus, Personal Guarantee of Harshad Thakkar is released

Restrictive Covenants

Our secured financing arrangements contain various restrictive covenants which require us to obtain the prior written consent of our lender(s) for undertaking, among others, the following activities:

- (i) Effect any change in the capital structure of the company
- (ii) Formulate any Scheme of Amalgamation or Reconstruction
- (iii) Implement any scheme for expansion or acquire any fixed Assets
- (iv) Invest by way of share capital in or lend or advance funds to, or place deposits with any other concern .Normal trade credit & security deposits in the normal course of business or advances to employees can , however, be given;
- (v) Enter into borrowing arrangements either secured or unsecured, with any bank ,Financial Institution ,Company , or otherwise, or accept deposits
- (vi) Undertake guarantee obligation on behalf of any other company
- (vii) Sell, assign, mortgage, alienate or otherwise dispose off any of the assets of the company charged to the consortium

SECTION VI-LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by our Company, our Directors, our Promoter and Group Entities and there are no defaults, nonpayment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by our Company, default in creation of full security as per terms of issue/other liabilities, no amounts owed to small scale undertakings or any other creditor exceeding Rs. 1 lakh, which is outstanding for more than 30 days, no proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against our Company, our Promoter, our Directors and Group Entities.

Further, except as stated herein, there are no past cases in which penalties have been imposed on our Company, the Promoter, the Directors or the Group Entities, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of our Company. Further, there are no cases of litigations, defaults etc. in respect of Companies/firms/Ventures with which the Promoter were associated in the past but are no longer associated, in respect of which the name(s) of the Promoter continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on our Company, our Promoter, our Directors or Group Entities from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATION INVOLVING OUR COMPANY

Nil

LITIGATION INVOLVING OUR GROUP ENTITIES

Cases by/against Shree Shiv Apparels

Civil Cases

Nil

Consumer Cases

Nil

LITIGATION INVOLVING OUR PROMOTER

Cases by/against Mr. Bhavesh Bhanushali

Nil

LITIGATION INVOLVING OUR DIRECTOR

Cases by/against Mr. Bhavesh Bhanushali

Nil

Cases by/against Mr. Premila Bhanushali

Nil

Cases by/against Mr. Anand Bhanushali

Nil

Cases by/against Mr. Pawan Puri

Nil

Cases by/against Mr. Jaiprakash Singh

Nil

Cases by/against Mr. Gaurav Arora

Nil

AMOUNTS OWED TO SMALL SCALE UNDERTAKINGS AND OTHER CREDITORS

As on September 30, 2013 Company does not owe a sum exceeding Rs. 1 lakh to any small scale undertaking which is outstanding for more than 30 days:

OTHER MATERIAL INFORMATION

There is no outstanding litigation, suits, criminal or civil prosecutions, statutory or legal proceedings including those for economic offences, tax liabilities, prosecution under any enactment in respect of Schedule XIII of the Companies Act, show cause notices or legal notices pending involving our Company and our Promoter / Directors / Group Company whose outcome could affect the operations or finances of our Company.

There are no adverse findings involving our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company as regards non compliance with securities law.

There is no disciplinary action taken by SEBI or stock exchanges against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company.

There are no proceedings initiated against our Company or any persons / entities connected with our Company as Promoter / Directors / Group Company for any economic offences.

MATERIAL DEVELOPMENTS

Except as described in this Prospectus, to our knowledge, there have been no material developments, since the date of the last audited balance sheet

GOVERNMENT AND OTHER STATUTORY APPROVALS

I. APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on January 23, 2014 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated February 14, 2014 under Section 81(1A) of the Companies Act, authorized the Issue.

Approvals from Stock Exchange

1. The Company has obtained approval from SME platform of the Bombay Stock Exchange of India Limited vide letter dated March 12, 2014 to use the name of the Stock Exchange in the Prospectus for listing of Equity Shares on the Stock Exchange.

Approvals from Lenders

- All approvals required from the lenders in relation to the Issue have been obtained.

II. INCORPORATION DETAILS

- Corporate Identity Number: U18204MH2010PLC211237
- Certificate of Incorporation dated December 22, 2010, issued by the Registrar of Companies, Mumbai.
- Fresh Certificate of Incorporation dated September 10, 2013 issued by the Registrar of Companies, Mumbai consequent upon change of name of our Company from “Shree Shiv Lingeries Private Limited” to “Women's Next Loungerries Private Limited”
- Fresh Certificate of Incorporation dated December 12, 2013 issued by the Registrar of Companies, Mumbai consequent upon change of name of our Company upon conversion to public limited company.

III. APPROVALS/ LICENSES IN RELATION TO THE BUSINESS OF OUR COMPANY

We require various approvals and/ or licenses under various rules and regulations to conduct our business. Some of the material approvals required by us to undertake our business activities are set out below:

1. Under Direct And Indirect Tax Laws

Sr. No.	Nature of Approval/ License	Registration No.
1	Permanent Account Number	AAPCS4403B
2	Tax Deduction Account Number	MUMS70933C
3	Maharashtra VAT Registration	2785084071V
4	Central Sales Tax Registration	2785084071C

2. Other Registration And Licenses

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals
1	Acknowledgement for filing Entrepreneurs' Memorandum	District Industries Centre, Thane, Maharashtra	Applied on February 13, 2014

3. Trademarks

We have also applied for the registration of our logo under the Trademarks Act. The status of our application is as under:

S.No.	Trademark Name	Provisional Regn No.	Class	Date of application	Current Status
1	Women's Next	2583772	35	August 21, 2013	Formalities Chk Pass
2	Women's Next	2583773	25	August 21, 2013	Formalities Chk Pass

IV. APPROVALS/ LICENSES TO BE APPLIED

We are yet to apply for the following licenses and/ or approvals which will be applied for in due course:

Sr. No.	Nature of License / Approvals	Authority
1	Contract Labour Registration	Assistant Labour Commissioner and Licensing Officer,
2	Employee's Provident Fund Organisation	Assistant Provident Fund Commissioner, Regional Office
3	ESIC – Certificate	Dy. Director, E.S.I. Corporation, Sub. Regional Office

OTHER REGULATORY AND STATUTORY DISCLOSURES

AUTHORITY FOR THE ISSUE

The Issue has been authorized by a resolution passed by our Board of Directors at its meeting held on January 23, 2014 and by the shareholders of our Company by a special resolution, pursuant to Section 81(1A) of the Companies Act, 1956 passed at the EGM of our Company held on February 14, 2014, at registered office of the Company.

We have received in-principle approval from the Stock Exchange for the listing of our Equity Shares pursuant to letter no DCS/IPO/NP/IP/767/2013-2014 dated March 12, 2014.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoter, our Directors, our Promoter Group and our Group Entity, have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

The companies with which our Promoter, our Directors or persons in control of our Company are/ were associated as promoter, directors or persons in control have not been prohibited from accessing or operating in capital markets under any order or direction passed by SEBI or any other regulatory or Governmental Authority.

None of our Directors are in any manner associated with the securities market. There has been no action taken by SEBI against any of our Directors or any entity our Directors are associated with as directors.

PROHIBITION BY RBI

Neither our Company, nor our Promoter, or the relatives (as defined under the Companies Act) of our Promoter or Group Entity have been identified as willful defaulters by the RBI or any other governmental authority. There are no violations of securities laws committed by them in the past or no proceedings thereof are pending against them.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "General Information" beginning on page 51 of this Prospectus.
2. In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, we shall ensure that the total number of proposed allottees in the Issue is greater than or equal to fifty, otherwise, the entire 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, than 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 section 73 of the Companies Act, 1956

3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Draft Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our Lead Manager submits 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.
4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled "General Information" beginning on page 51 of this Prospectus.
5. The Company has Net Tangible assets of at least Rs. 1 crore as per the latest audited financial results.
6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 1 crore as per the latest audited financial results.
7. The Company has track record of distributable profits in terms of sec. 205 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months except period ended on March 31, 2011.
8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the year ended and as at March 31, 2013, 2012 and 2011 is as set forth below:-

(Rs. In Lakhs)

Particulars	September 30, 2013	March 31, 2013	March 31, 2012	March 31, 2011
Distributable Profit*	48.23	67.90	42.10	(5.33)
Net tangible Assets**	202.45	153.83	85.62	43.02
Net Worth***	201.92	153.50	85.21	42.71

****"Distributable profits" have been computed in terms section 205 of the Companies Act, 1956.*

***"Net Tangible Assets" are defined as the sum of fixed assets (including capital work in-progress and excluding revaluation reserve) investments, current assets (excluding deferred tax assets) less current liabilities (excluding deferred tax liabilities) and secured as well as unsecured long term liabilities excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India.*

****"Net Worth" has been computed as the aggregate of equity share capital and reserves (excluding revaluation reserves) and after deducting miscellaneous expenditure not written off, if any.*

9. The Post-issue paid up capital of the Company shall be at least Rs. 1 Crore. The Post-issue paid up capital after this issue will be 2.5 crores.
10. The Company shall mandatorily facilitate trading in demat securities and has already entered into an agreement with both the depositories.

11. The Company has not been referred to Board for Industrial and Financial Reconstruction.
12. No petition for winding up is admitted by a court of competent jurisdiction against the Company.
13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.
14. The Company has a website <http://www.womensnext.in>

We further confirm that we shall be complying with all the other requirements as laid down for such an Issue under Chapter X-B of SEBI (ICDR) Regulations and subsequent circulars and guidelines issued by SEBI and the Stock Exchange.

As per Regulation 106(M)(3) of SEBI (ICDR) Regulations, 2009, the provisions of Regulations 6(1), 6(2), 6(3), Regulation 7, Regulation 8, Regulation 9, Regulation 10, Regulation 25, Regulation 26, Regulation 27 and Sub regulation (1) of Regulation 49 of SEBI (ICDR) Regulations, 2009 shall not apply to us in this Issue.

DISCLAIMER CLAUSE OF SEBI

IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE OFFER DOCUMENT TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED TO MEAN THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THE OFFER DOCUMENT ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE/SEBI A DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

“WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

- 1. WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, CIVIL LITIGATIONS, DISPUTES WITH COLLABORATORS, CRIMINAL LITIGATIONS ETC. AND OTHER MATERIAL IN**

CONNECTION WITH THE FINALISATION OF THE PROSPECTUS PERTAINING TO THE SAID ISSUE;

2. ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE ISSUER, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, AND INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS AND OTHER PAPERS FURNISHED BY THE ISSUER, WE CONFIRM THAT:

A. THE 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 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, 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 PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.

4. WE SHALL SATISFY OURSELVES ABOUT THE CAPABILITY OF THE UNDERWRITERS TO FULFILL THEIR UNDERWRITING COMMITMENTS.

5. WE CERTIFY THAT WRITTEN CONSENT FROM 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 PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE PROSPECTUS.

6. WE CERTIFY THAT REGULATION 33 OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, WHICH RELATES TO SPECIFIED SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE SAID REGULATION HAVE BEEN MADE IN THE PROSPECTUS.

7. WE UNDERTAKE THAT SUB-REGULATION (4) OF REGULATION 32 AND CLAUSE (C) AND (D) OF SUB-REGULATION (2) OF REGULATION 8 OF THE SECURITIES AND

EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT 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 THE BOARD. 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 ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**
- 9. WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 73 OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**
- 10. WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE**
- 11. WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE 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 PROSPECTUS:**
 - A. AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME, THERE SHALL BE ONLY ONE DENOMINATION FOR THE EQUITY SHARES OF THE ISSUER AND**
 - B. AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME.**
- 13. WE UNDERTAKE TO COMPLY WITH THE REGULATIONS PERTAINING TO**

ADVERTISEMENT IN TERMS OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 WHILE MAKING THE ISSUE.

- 14. WE ENCLOSE A NOTE EXPLAINING HOW THE PROCESS OF DUE DILIGENCE THAT HAS BEEN EXERCISED BY US IN VIEW OF THE NATURE OF CURRENT BUSINESS BACKGROUND OF THE ISSUER, SITUATION AT WHICH THE PROPOSED BUSINESS STANDS, THE RISK FACTORS, 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 PROSPECTUS WHERE THE REGULATION HAS BEEN COMPLIED WITH AND OUR COMMENTS, IF ANY.**
- 16. WE ENCLOSE STATEMENT ON PRICE INFORMATION OF PAST ISSUES HANDLED BY MERCHANT BANKERS AS PER FORMAT SPECIFIED BY THE BOARD (SEBI) THROUGH CIRCULAR – DETAILS ARE ENCLOSED IN “ANNEXURE A”**
- 17. WE CERTIFY THAT PROFITS FROM RELATED PARTY TRANSACTION HAVE ARISEN FROM LEGITIMATE BUSINESS TRANSACTIONS.”**

ADDITIONAL CONFIRMATIONS/ CERTIFICATION TO BE GIVEN BY MERCHANT BANKER IN DUE DILIGENCE CERTIFICATE TO BE GIVEN ALONG WITH OFFER DOCUMENT REGARDING SME EXCHANGE

- (1) “WE CONFIRM THAT NONE OF THE INTERMEDIARIES NAMED IN THE 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 PROSPECTUS AND CERTIFY THAT ANY MATERIAL DEVELOPMENT IN THE ISSUER OR RELATING TO THE ISSUE UP TO THE COMMENCEMENT OF LISTING AND TRADING OF THE SPECIFIED SECURITIES OFFERED THROUGH THIS ISSUE SHALL BE INFORMED THROUGH PUBLIC NOTICES/ ADVERTISEMENTS IN ALL THOSE NEWSPAPERS IN WHICH PRE-ISSUE ADVERTISEMENT AND ADVERTISEMENT FOR OPENING OR CLOSURE OF THE ISSUE HAVE BEEN GIVEN.**
- (3) WE CONFIRM THAT THE ABRIDGED PROSPECTUS CONTAINS ALL THE DISCLOSURES AS SPECIFIED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009.**
- (4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE SPECIFIED SECURITIES OF THE ISSUER.**
- (5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISIO TO SUB-**

REGULATION 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 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.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, 35, 36 and 38(1) of the Companies Act, 2013 or from the requirement of obtaining such statutory and other clearances as may be required for the purpose of the proposed Issue. SEBI further reserves the right to take up at any point of time, with the Lead manager any irregularities or lapses in the Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Mumbai in terms of 56, 60 and 60B of the Companies Act 1956 alongwith notified provisions of Section 32 and 33 of the Companies Act 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website, <http://www.womensnext.in>, would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated February 21, 2014, the Underwriting Agreement dated February 21, 2014 entered into among the Underwriter and our Company and the Market Making Agreement dated February 21, 2014 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations,

guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by M/s. Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer “Annexure A” to this Prospectus and the website of Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 4A of the Companies Act, VCFs, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 2,500 Lakhs, pension funds with minimum corpus of Rs. 2,500 Lakhs and the National Investment Fund, and permitted non-residents including FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The 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 Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in 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 Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited (“BSE”) has given vide its letter dated March 12, 2014 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company’s securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter for granting the aforesaid permission to this company. BSE does not in any manner:-

- i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
- ii. warrant that this company’s securities will be listed or will continue to be listed on BSE; or
- iii. take any responsibility for the financial or other soundness of this Company, its Promoters, its management or any scheme or project of this Company;

And it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigations and analysis and shall not have any claim against BSE whatsoever by reason of loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever

FILING

The Draft Prospectus has not been filed with SEBI, nor SEBI has issued any observation on the Offer Document in terms of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI at the Corporate Finance Department, Plot No. C-4A, “G” Block, Bandra Kurla Complex, Bandra (East), Mumbai – 400051. A copy of the Prospectus, along with the documents required to be filed under Section 32 of the Companies Act, 2013 will be delivered to the RoC situated at Everest Building, 100, Marine Drive, Mumbai 400 002, Maharashtra.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principal approval for using its name in our Prospectus vide its letter dated March 12, 2014.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing

Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 73 of the Companies Act (or the Company shall follow any other substitution or additional provisions as has been / may be notified under 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 SME Platform of the BSE mentioned above are taken within twelve Working Days from the Issue Closing Date

CONSENTS

Consents in writing of: (a) the Directors, the Promoter, the Company Secretary & Compliance Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Escrow Collection Bank, Banker(s) to the Issue, to act in their respective capacities have been obtained and shall be filed along with a copy of the Prospectus with the RoC, as required under sections 60 and 60B of the Companies Act, 1956, section 32 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of this Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

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

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter “Objects of the Issue” beginning on page 71 of the Prospectus.

DETAILS OF FEES PAYABLE

Fees Payable to the Lead Manager

The total fees payable to the Lead Manager will be as per the Mandate Letter dated January 12, 2014 issue by our Company to the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated February 20, 2014, a copy of which is available for inspection at our Registered Office. The Registrar to the Issue will be reimbursed for all out-of-pocket expenses including cost of stationery, postage, stamp duty and communication expenses. Adequate funds will be provided by the Company to the Registrar to the Issue to enable them to send refund orders or allotment advice by registered post/ speed post/ under certificate of posting.

Fees Payable to Others

The total fees payable to the, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement to entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with applicable laws.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous rights and/or public issues since Incorporation, and are an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled “*Capital Structure*” beginning on page 58 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION AND BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS:

None of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an “Unlisted Issuer” in terms of the SEBI (ICDR) Regulations, and this Issue is an “Initial Public Offering” in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and Our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Applicant shall redress routine investor grievances within 15 working days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

We have constituted the Shareholders/ Investors Grievance Committee of the Board *vide* resolution passed at the Board Meeting held on February 14, 2014 For further details, please refer to the chapter titled “*Our Management*” beginning on page 118 of this Prospectus.

Our Company has appointed Mrs. Reena Bajaj as Compliance Officer and she may be contacted at the following address:

Women's Next Loungeries Limited

101-105, Indian Complex
Building No.28, 1st Floor
Dapode Village, Bhiwandi, Thane
Maharashtra – 421329, India
Tel: (91) 02522-344073
Fax: (91) 02522-344073
Email: info@womensnext.in
Website: www.womensnext.in

Investors 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 allocation, credit of allotted Equity Shares in the respective beneficiary account or refund orders, *etc.*

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Following Changes in Auditors have been done in last three financial years

Name of Auditor	Date of Appointment	Date of Resignation	Year of Audit
N.M. Jobanputra & Co.	January 12, 2011	September 30, 2011	FY 2010-11
Manish D. Jain & Co.	September 30, 2011	September 29, 2012	FY 2011-12
A.R. Jadhav & Associates	September 29, 2012	September 30, 2013	FY 2012 -13
Arun Bagaria & Co.	September 30, 2013	January 03, 2014	FY 2013 -14
Santosh Gupta & Co.	February 14, 2014	-	FY 2013 -14

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled “*Capital Structure*” beginning on page 58 of this Prospectus, our Company has not capitalized its reserves or profits at any time since inception.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoter 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 – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, the Memorandum and Articles, the terms of this Prospectus, Application Form, the Revision Form (if any), the Confirmation of Allocation Note ('CAN') and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws, guidelines, notifications and regulations relating to the issue of capital and listing of securities issued from time to time by SEBI, the Government of India, SME platform of BSE, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Please note that, in terms of SEBI circular CIR/CFD/DIL/1/ 2011 dated April 29, 2011, QIB Applicants, Non- Institutional applicants and other Applicants whose Application amount exceeds Rs. 2 lakhs can participate in the Issue only through the ASBA process. The Retail Individual Applicants can participate in the Issue either through the ASBA process or the non ASBA process. ASBA Applicants should note that the ASBA process involves Application procedures that may be different from the procedure applicable to non ASBA process.

RANKING OF EQUITY SHARES

The Equity Shares being offered shall be subject to the provisions of the Companies Act 1956, Companies Act 2013 (to the extent notified), our Memorandum and Articles of Association and shall rank *pari-passu* in all respects with the existing Equity Shares including in respect of the rights to receive dividends and other corporate benefits, if any, declared by us after the date of Allotment. For further details please refer to the section titled, 'Main Provisions of the Articles of Association of the Company' on page 217 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act and recommended by the Board of Directors at their discretion and approved by the shareholders and will depend on a number of factors, including but not limited to earnings, capital requirements and overall financial condition of our Company. We shall pay dividends in cash and as per provisions of the Companies Act. For further details, please refer to the chapter titled 'Dividend Policy' on page 136 of this Prospectus.

FACE VALUE AND ISSUE PRICE

The Equity Shares having a Face Value of Rs. 10/- each are being offered in terms of this Prospectus at the price of Rs. 65 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the chapter titled 'Basis for Issue Price' beginning on page 77 of this Prospectus. At any given point of time, there shall be only one denomination of the Equity Shares of our Company, subject to applicable laws.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;

- Right to vote on a poll either in person or by proxy;
- Right to receive annual reports and notices to members;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation; Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act and the Memorandum and Articles of Association of the Company.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

As per the provisions of the Depositories Act, the shares of a body corporate can be in dematerialized form i.e. not in the form of physical certificates, but be fungible and be represented by the statement issued through electronic mode. The investors have an option either to receive the security certificate or to hold the securities with depository. The trading of the Equity Shares will happen in the minimum contract size of 2000 Equity Shares and the same may be modified by the SME Platform of BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Issue will be done in multiples of 2000 Equity Shares subject to a minimum allotment of 2000 Equity Shares to the successful Applicants.

MINIMUM NUMBER OF ALLOTTEES

The minimum number of allottees in this Issue shall be 50 shareholders. In case the minimum number of prospective allottees is less than 50, no allotment will be made pursuant to this Issue and the monies collected shall be refunded within 12 working days of closure of Issue.

JOINT HOLDERS

Where two or more persons are registered as the holders of any Equity Shares, they will be deemed to hold such Equity Shares as joint-holders with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 109A of the Companies Act, 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 applicants, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office of our Company or to the Registrar and Transfer Agents of our Company. In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable in respect of the Equity Shares, until the requirements of the notice have been complied with. In case the allotment of Equity Shares is in dematerialized form, there is no need to make a separate nomination with us. Nominations registered with the respective depository participant of the applicant would prevail. If the investors require changing the nomination, they are requested to inform their respective depository participant.

APPLICATION PERIOD

Applicants may submit their application only in the application period. The issue opening date is March 28, 2014 and the issue closing date is April 07, 2014.

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 offer 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).

MIGRATION TO MAIN BOARD

Our company may migrate to the Main Board of BSE from the SME Exchange at a later date subject to the following condition and/or such other conditions as applicable from time to time:

- 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 apply to BSE for listing of its shares on its Main Board subject to the fulfillment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

- b) If the Paid up Capital of our company is more than 10 crores but below Rs. 25 crores, our Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the 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 SME Platform of BSE (SME Exchange) with compulsory Market Making through registered Market Makers of the SME Exchange for a minimum period of three years from the date of listing of shares offered through this Prospectus. For further details of the Market Making arrangement, see chapter titled “General Information” beginning on page 51 of this Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 2000 shares in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012. However, the Market Maker shall buy the entire shareholding of a shareholder in one lot, where value of such shareholding is less than the minimum contract size allowed for trading on the SME platform of BSE.

RESTRICTIONS, IF ANY, ON TRANSFER AND TRANSMISSION OF SHARES OR DEBENTURES AND ON THEIR CONSOLIDATION OR SPLITTING

Except for lock-in of the pre-Issue Equity Shares and Promoter’s minimum contribution as detailed in chapter titled “Capital Structure” beginning on page 58 of this Prospectus, and except as provided in the Articles of Association, there are no restrictions on transfers of Equity Shares. There are no restrictions on transmission of Equity Shares and on their consolidation/ splitting except as provided in the Articles of Association. Please refer to the section “Main Provisions of the Articles of Association” beginning on page 213 of this Prospectus.

OPTION TO RECEIVE EQUITY SHARES IN DEMATERIALIZED FORM

As per Section 29(1) of the Companies Act 2013, every Company making public offer shall issue securities only in dematerialized form only. Further, as per SEBI’s circular RMB (compendium) series circular no. 2 (1999-2000) dated February 16, 2000, it has been decided by the SEBI that trading in securities of companies making an initial public offer shall be in dematerialized form only. Accordingly, the Equity Shares on Allotment will be traded only on the dematerialized segment of the SME Exchange.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, 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.

ISSUE STRUCTURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter X-B of SEBI (ICDR) Regulations, whereby, an issuer whose post-issue face value capital does not exceed ten crore rupees shall issue shares to the public and propose to list the same on the Small and Medium Enterprise Exchange ('SME Exchange', in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an Issue please refer to the chapters titled 'Terms of the Issue' and 'Issue Procedure' beginning on page 186 and 193 of this Prospectus.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 10,00,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 65 per Equity Share (including a premium of Rs. 55 per Equity Share) aggregating Rs. 650.00 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 9,48,000 Equity Shares ('the Net Issue') and a reservation of 52,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares available for allocation	9,48,000 Equity Shares	52,000 Equity Shares
Percentage of Issue Size available for allocation	94.80% of the Issue size	5.20% of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 2000 Equity Shares and further allotment in multiples of 2000 Equity Shares each. For further details please refer to the "Basis of Allotment" on page 202 of this Prospectus.	Firm Allotment
Mode of Application	For QIB and NII Applicants the application must be made compulsorily through the ASBA Process. The Retail Individual Applicant may apply through the ASBA or the Physical Form.	Through ASBA Process Only
Minimum Application Size	For QIB and NII: Such number of Equity Shares in multiples of 2000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 2000 Equity Shares	52,000 Equity Shares
Maximum Application	For QIB and NII:	52,000 Equity Shares

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
Size	Such number of equity shares in multiples of 2000 Equity Shares such that the Application Size does not exceed 9,48,000 Equity Shares. For Retail Individuals: 2000 Equity Shares	
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	2000 Equity Shares	2000 Equity Shares, However the Market Makers may accept odd lots if any in the market as required under the SEBI (ICDR) Regulations, 2009.
Terms of Payment	The entire Application Amount will be payable at the time of submission of the Application Form	

*50% of the shares offered are reserved for Applications below Rs. 2 lakh and the balance for higher amount applications.

ISSUE OPENING DATE	March 28, 2014
ISSUE CLOSING DATE	April 07, 2014

Applications and any revisions to the same will be accepted only between 10.00 a.m. to 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form, or in the case of ASBA Applicants, at the Designated Bank Branches except that on the Issue Closing Date when applications will be accepted only between 10.00 a.m. to 3.00 p.m. (Indian Standard Time) or such other extended time as may be permitted by BSE. Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations via Fixed Price Process.

Applicants are required to submit their Applications to the Selected Branches / Offices of the Escrow Bankers to the Issue who shall duly submit them to the Registrar to the Issue. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that according to section 29(1) of the Companies Act 2013, allotment of securities to successful applicants shall be in dematerialised form. Investors will not have the option of getting the allotment of Equity Shares in physical form.

Further, the Equity Shares on allotment shall, be traded only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Applicants shall only use the specified Application Form for the purpose of making an Application in terms of this Prospectus.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSBs authorizing blocking funds that are available in the bank account specified in the Application Form used by ASBA applicants.

The prescribed color of the Application Form for various categories is as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Non-Residents and Eligible NRIs applying on a repatriation basis	Blue

In accordance with the SEBI (ICDR) Regulations, in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and w.e.f. May 02, 2011, the Non-Institutional Applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

WHO CAN APPLY?

Persons eligible to invest under all applicable laws, rules, regulations and guidelines:-

- Indian nationals resident in India who are not incompetent to contract in single or joint names (not more than three) or in the names of minors as natural/legal guardian;
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Applicant should specify that the application is being made in the name of the HUF in the Application Form as follows: Name of Sole or First applicant: XYZ Hindu Undivided Family applying through XYZ,

where XYZ is the name of the *Karta*. Applications by HUFs would be considered at par with those from individuals;

- Companies, Corporate Bodies and Societies registered under the applicable laws in India and authorized to invest in the Equity Shares under their respective constitutional and charter documents;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non-repatriation basis, subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this Issue;
- Indian Financial Institutions, scheduled commercial banks, regional rural banks, co-operative banks (subject to RBI permission, and the SEBI Regulations and other laws, as applicable);
- Foreign Portfolio Investor other than Category III Foreign Portfolio Investor;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Venture Capital Funds registered with SEBI;
- Foreign Venture Capital Investors registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to Trusts and who are authorized under their constitution to hold and invest in equity shares;
- Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority, India;
- Provident Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
- Multilateral and Bilateral Development Financial Institutions;
- National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of Government of India published in the Gazette of India;
- Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
- Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

PARTICIPATION BY ASSOCIATES OF LM

The LM shall not be entitled to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the LM may subscribe to Equity Shares in

the Issue, either in the QIB Portion and Non-Institutional Portion where the allotment is on a proportionate basis.

AVAILABILITY OF PROSPECTUS AND APPLICATION FORMS

The Memorandum Form 2A containing the salient features of the Prospectus together with the Application Forms, General Information Document (GID) and copies of the Prospectus may be obtained from the Registered Office of our Company, Lead Manager to the Issue, Registrar to the Issue and the collection Centres of the Bankers to the Issue, as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE limited i.e. www.bseindia.com. GID shall also be available on website of the Company and Lead Manager

OPTION TO SUBSCRIBE IN THE ISSUE

- a) As per Section 29(1) of the Companies Act 2013, allotment of Equity Shares shall be in dematerialized form only.
- b) The Equity Shares, on allotment, shall be traded on Stock Exchange in demat segment only.
- c) A single 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.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), hindu undivided families, partnership firms or their nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public.

APPLICATION 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.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

APPLICATIONS BY ELIGIBLE NRI'S/FPI'S ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our registered Office. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

Our company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FPIs, Foreign Venture Capital Investors registered with SEBI and multilateral and bilateral development financial institutions.

AS PER THE CURRENT REGULATIONS, THE FOLLOWING RESTRICTIONS ARE APPLICABLE FOR INVESTMENTS BY FPI'S:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.
2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.
3. In respect of investments in the secondary market, the following additional conditions shall apply:
 - a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
 - b) Nothing contained in clause (a) shall apply to:

- i. Any transactions in derivatives on a recognized stock exchange;
 - ii. Short selling transactions in accordance with the framework specified by the Board;
 - iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - iv. Any other transaction specified by the Board.
- c) No transaction on the stock exchange shall be carried forward;
- d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
- i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
 - ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
 - iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
 - v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
 - vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
 - vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - viii. Any other transaction specified by the Board.
- e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:
- Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.
- Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.
4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.
6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.
7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.

No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:

- (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
- (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:

Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:

Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of these regulations shall be deemed to have been issued under the corresponding provision of these regulations.

APPLICATIONS BY SEBI REGISTERED ALTERNATIVE INVESTMENT FUND (AIF), VENTURE CAPITAL FUNDS AND FOREIGN VENTURE CAPITAL INVESTORS

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI. As per the current regulations, the following restrictions are applicable for SEBI registered venture capital funds and foreign venture capital investors:

Accordingly, the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund; a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investor can invest only up to 33.33% of the funds available for investment by way of subscription to an Initial Public Offer.

The SEBI (Alternative Investment Funds) Regulations, 2012 prescribe investment restrictions for various categories of AIF's.

The category I and II AIFs cannot invest more than 25% of the corpus in one Investee Company. A category III AIF cannot invest more than 10% of the corpus in one Investee Company. A venture capital fund registered as a category I AIF, as defined in the SEBI AIF Regulations, cannot invest more than 1/3rd 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.

APPLICATIONS BY LIMITED LIABILITY PARTNERSHIPS

In case of applications 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 Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATIONS BY INSURANCE COMPANIES

In case of applications made by insurance companies registered with IRDA, a certified copy of certificate of registration issued by IRDA must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof. The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment Scheme) (5th Amendment) Regulations, 2013, as amended (the "**IRDA Investment Regulations**"), are broadly set forth below:

- (a) equity shares of a company: the least of 10% of the investee company's subscribed capital (face value) or 10% of the respective fund in case of life insurer or 10% of investment assets in case of general insurer or reinsurer;
- (b) the entire group of the investee company: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment asset in all companies belonging to the group.; and
- (c) The industry sector in which the investee company operates: the least of 15% of the respective fund in case of a life insurer or a general insurer or reinsurer or 15% of investment assets.

In addition, IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on providing, among other things, that the exposure of an insurer to an infrastructure company may be increased to not more than 20%, provided that in case of equity investment, a dividend of not less than 4% including bonus should have been declared for at least five preceding years. This limit of 20% would be combined for debt and equity taken together, without sub ceilings.

Further, investments in equity including preference shares and the convertible part of debentures shall not exceed 50% of the exposure norms specified under the IRDA Investment Regulations.

APPLICATION BY PROVIDENT FUNDS/ PENSION FUNDS

In case of applications made by provident funds/pension funds, subject to applicable laws, with minimum corpus of Rs. 2,500 Lakhs, a certified copy of certificate from a chartered accountant certifying the corpus

of the provident fund/ pension fund must be attached to the Application Form. Failing this, our Company reserves the right to reject any application, without assigning any reason thereof.

APPLICATION UNDER POWER OF ATTORNEY

In case of applications made pursuant to a power of attorney by limited companies, corporate bodies, registered societies, FPI's, mutual funds, insurance companies and provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/or bye laws must be lodged with the Application Form. Failing this, our Company reserves the right to accept or reject any application in whole or in part, in either case, without assigning any reason therefore.

In addition to the above, certain additional documents are required to be submitted by the following entities:

- (a) With respect to applications by VCFs, FVCIs, FPIs and mutual funds, a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (b) With respect to applications by insurance companies registered with IRDA, in addition to the above, a certified copy of the certificate of registration issued by the IRDA must be lodged with the Application Form as applicable. Failing this, our Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.
- (c) With respect to applications made by provident funds with minimum corpus of Rs. 2,500 Lakhs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2,500 Lakhs, a certified copy of a certificate from a chartered accountant certifying the corpus of the provident fund/pension fund must be lodged along with the Application Form. Failing this, our Company reserves the right to accept or reject such application, in whole or in part, in either case without assigning any reasons thereof.

Our Company in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the Application Form, subject to such terms and conditions that our Company, and the Lead Manager may deem fit.

Our Company, in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar to the Issue that, for the purpose of printing particulars on the refund order and mailing of the Allotment Advice / CANs / refund orders / letters notifying the unblocking of the bank accounts of ASBA Applicants, the demographic details given on the Application Form should be used (and not those obtained from the Depository of the application). In such cases, the Registrar to the Issue shall use demographic details as given on the Application Form instead of those obtained from the Depositories.

The above information is given for the benefit of the Applicants. The Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants 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.

MAXIMUM AND MINIMUM APPLICATION SIZE

a) For Retail Individual Applicants

The Application must be for a minimum of 2000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 2000 Equity Shares.

b) For Other Applicants (Non Institutional Applicants and QIBs):

The Application must be for a minimum of such number of Equity Shares such that the Application Amount exceeds Rs. 200,000 and in multiples of 2000 Equity Shares thereafter. An Application cannot be submitted for more than the Issue Size. However, the maximum Application by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. Under existing SEBI Regulations, a QIB Applicant cannot withdraw its Application after the Issue Closing Date and is required to pay 100% QIB Margin upon submission of Application. In case of revision in Applications, the Non Institutional Applicants, who are individuals, have to ensure that the Application Amount is greater than Rs. 2,00,000 for being considered for allocation in the Non Institutional Portion.

Applicants are advised to ensure that any single 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 Prospectus.

INFORMATION FOR THE APPLICANTS

- a) Our Company will file the Prospectus with the RoC at least 3 (three) days before the Issue Opening Date.
- b) The LM will circulate copies of the Prospectus along with the Application Form to potential investors.
- c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Prospectus and/ or the Application Form can obtain the same from our Registered Office or from the office of the LM.
- d) Applicants who are interested in subscribing for the Equity Shares should approach the LM or their authorized agent(s) to register their Applications.
- e) Applications made in the Name of Minors and/or their nominees shall not be accepted.
- f) Applicants are requested to mention the Application Form number on the reverse of the instrument to avoid misuse of instrument submitted along with the application for shares. Applicants are advised in their own interest, to indicate the name of the bank and the savings or current a/c no in the Application Form. In case of refund, the refund order will indicate these details after the name of the payee. The refund order will be sent directly to the payee's address.

INSTRUCTIONS FOR COMPLETING THE APPLICATION FORM

The Applications should be submitted on the prescribed Application Form and in BLOCK LETTERS in ENGLISH only in accordance with the instructions contained herein and in the Application Form.

Applications not so made are liable to be rejected. ASBA Application Forms should bear the stamp of the SCSBs. ASBA Application Forms, which do not bear the stamp of the SCSB, may be rejected if the Company or LM so deem fit.

Applicants residing at places where the designated branches of the Banker to the Issue are not located may submit/mail their applications at their sole risk along with Demand Draft payable at Mumbai, Maharashtra.

SEBI, vide Circular No. CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application Forms in public issues using the stock broker (“broker”) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. www.bseindia.com and NSE i.e. www.nseindia.com.

APPLICANT'S DEPOSITORY ACCOUNT AND BANK DETAILS

Please note that, providing bank account details in the space provided in the Application Form is mandatory and Applications that do not contain such details are liable to be rejected.

Applicants should note that on the basis of name of the Applicants, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Applicants' bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Applicants. Hence, Applicants are advised to immediately update their Bank Account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Applicants at the Applicants sole risk and neither the LM or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Applicants should carefully fill in their Depository Account details in the Application Form.

These demographic details would be used for all correspondence with the Applicants including mailing of the CANs / Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The demographic details given by the Applicants in the Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Application Form, the Applicant would be deemed to have authorized the Depositories to provide, upon request, to the Registrar to the Issue, the required demographic details as available on its records.

BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of BSE (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:

1. 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 over subscription ratio (number of Applicants in the category x number of Shares applied for).

2. The number of Shares to be allocated to the successful Applicants 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).
3. For applications where the proportionate allotment works out to less than 2000 equity shares the allotment will be made as follows:
 - a) Each successful Applicant shall be allotted 2000 equity shares; and
 - b) The successful Applicants out of the total applicants 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 (2) above.
4. If the proportionate allotment to an Applicant works out to a number that is not a multiple of 2000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 2000 equity shares subject to a minimum allotment of 2000 equity shares.
5. If the Shares allotted on a proportionate basis to any category is more than the Shares allotted to the Applicants in that category, the balance available Shares for allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest multiple of 2000 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 offer specified under the Capital Structure mentioned in this Prospectus.
6. The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:
 - a) As the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.
 - b) The balance net offer of shares to the public shall be made available for allotment to
 - i. individual applicants other than retails individual investors and
 - ii. other investors, including corporate bodies/ institutions irrespective of number of shares applied for.
 - c) The unsubscribed portion of the net offer to any one of the categories specified in a) or b) shall/may be made available for allocation to applicants 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 BSE.

The Executive Director / Managing Director of BSE - the Designated Stock Exchange in addition to Lead Manager 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.

REFUNDS

In case of Applicants receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the Depositories are returned undelivered. In such an event, the address and other details given by the Applicant in the Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Applicant's sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the LM shall be liable to compensate the Applicant for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the Beneficiary's Identity, then such Applications are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the demographic details given on the Application Form should be used (and not those obtained from the Depository of the Applicant). In such cases, the Registrar shall use demographic details as given in the Application Form instead of those obtained from the Depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Applicants who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Applicants so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Application Form. The Company will not be responsible for loss, if any, incurred by the Applicant on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FPIs and foreign venture capital funds and all Non Residents, NRI, FPI and Foreign Venture Capital Funds applicants will be treated on the same basis with other categories for the purpose of allocation.

TERMS OF PAYMENT / PAYMENT INSTRUCTIONS

The entire Issue Price of Rs. 65 per Share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, the Company shall refund the excess amount paid on Application to the Applicants.

Payments should be made by cheque, or demand draft drawn on any Bank (including a Co operative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the Application Form is submitted. Outstation Cheques/ Bank Drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected.

Cash/ Stockinvest/ Money Orders/ Postal orders will not be accepted.

A separate Cheque or Bank Draft should accompany each Application Form. Applicants should write the Share Application Number on the back of the Cheque /Draft. Outstation Cheques will not be accepted and Applications accompanied by such Cheques drawn on outstation banks are liable for rejection. Money Orders / Postal Notes will not be accepted.

Each Applicant shall draw a cheque or demand draft for the amount payable on the Application and/ or on allocation/ Allotment as per the following terms:

1. The payment instruments for payment into the Escrow Account should be drawn in favour of:
 - Indian Public including eligible NRIs applying on non-repatriation basis: 'Women's Next Loungeries Limited –Public Issue – R'.
 - In case of Non Resident Retail Applicants applying on repatriation basis: 'Women's Next Loungeries Limited – Public Issue – NR'
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or Cheques Or Bank Drafts, for the amount payable on Application remitted through normal banking channels or out of funds held in Non Resident External (NRE) Accounts or Foreign Currency Non Resident (FCNR) Accounts, maintained with banks authorized to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non Resident Ordinary (NRO) Account of Non Resident Applicant applying on a repatriation basis. Payment by Drafts should be accompanied by Bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.
3. Where an Applicant has been allocated a lesser number of Equity Shares than the Applicant has applied for, the excess amount, if any, paid on Application, after adjustment towards the balance amount payable by the Pay In Date on the Equity Shares allocated will be refunded to the Applicant from the Refund Account.
4. On the Designated Date and no later than 12 working days from the Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Applicants and also the excess amount paid on Application, if any, after adjusting for allocation / Allotment to the Applicants.

PAYMENT BY STOCK INVEST

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003 04 dated November 05, 2003; the option to use the stock invest instrument in lieu of cheques or bank drafts for payment of Application money has been withdrawn. Hence, payment through stock invest would not be accepted in this Issue.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;

- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;
- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.

OTHER INSTRUCTIONS

Joint Applications in the case of Individuals

Applications may be made in single or joint names (not more than three). In the case of joint Applications, all payments will be made out in favour of the Applicant whose name appears first in the Application Form or Revision Form. All communications will be addressed to the First Applicant and will be dispatched to his or her or its address as per the demographic details received from the Depository.

Multiple Applications

An Applicant should submit only one Application (and not more than one) for the total number of Equity Shares required. Two or more Applications will be deemed to be multiple Applications if the sole or First Applicant is one and the same.

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- 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 of the said Act.’

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple Applications are given below:

- (i) All applications are electronically strung on first name, address (1st line) and applicant’s status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband’s name to determine if they are multiple Applications
- (ii) Applications which do not qualify as multiple Applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple Applications.
- (iii) Applications which do not qualify as multiple Applications as per the above procedure are further checked for common PAN. All such matched Applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple Applications.

In case of a mutual fund, a separate Application can be made in respect of each scheme of the mutual fund registered with SEBI and such Applications in respect of more than one scheme of the mutual fund will not be treated as multiple Applications provided that the Applications clearly indicate the scheme concerned for which the Application has been made.

In cases where there are more than 20 (twenty) valid Applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of, know your client norms by the depositories. The Company reserves the right to reject, in our absolute discretion, all or any multiple Applications in any or all categories.

PERMANENT ACCOUNT NUMBER OR PAN

Pursuant to the circular MRD/DoP/Circ 05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number (‘PAN’) to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Applicants should mention his/her/its PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Applicants should not submit the GIR number instead of the PAN, as the Application is liable to be rejected on this ground.

The Company/Registrar/LM can, however, accept the Application(s), in which PAN is wrongly entered into by ASBA SCSBs in the ASBA system, without any fault on part of Applicant.

RIGHT TO REJECT APPLICATIONS

In case of QIB Applicants, the Company in consultation with the LM may reject Applications provided that the reasons for rejecting the same shall be provided to such Applicant in writing. In case of Non Institutional Applicants, Retail Individual Applicants who applied, the Company has a right to reject Applications based on technical grounds.

GROUNDINGS FOR REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount paid 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;
- Application by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Application Form;
- GIR number furnished instead of PAN;
- Applications for lower number of Equity Shares than specified for that category of investors;
- Applications at a price other than the Fixed Price of the Issue;
- Applications for number of Equity Shares which are not in multiples of 2000;
- Category not ticked;
- Multiple Applications as defined in this Prospectus;
- In case of Application under power of attorney or by limited companies, corporate, trust etc., where relevant documents are not submitted;
- Applications accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole Applicant is missing;
- Application Forms are not delivered by the Applicant within the time prescribed as per the Application Forms, Issue Opening Date advertisement and the Draft Prospectus and as per the instructions in the Prospectus and the Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Applicants (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Applications for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Applications where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s);
- Applications by OCBs;
- Applications by US persons other than in reliance on Regulation S or "qualified institutional buyers" as defined in Rule 144A under the Securities Act;
- Applications not duly signed by the sole Applicant;

- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by BSE

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

‘Any person who:

- makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- 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**
- 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 of the said Act.’**

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated February 21, 2014 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the RoC in terms of Section 56 and Section 60 of the Companies Act, 1956

PRE-ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, the Company shall, after registering the 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.

DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

The Company will issue and dispatch letters of allotment and/ or letters of regret (through email or otherwise) along with refund order or credit the allotted securities to the respective beneficiary accounts, if any within a period of 12 working days of the Issue Closing Date.

The Company will intimate the details of allotment of securities to Depository immediately on allotment of securities under Section 113 of the Companies Act, 1956 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, until the securities have been credited to their demat account. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Applicants depository account. Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment. Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ allotted to them pursuant to this Issue.

Applicants to whom refunds are made through electronic transfer of funds will be sent a letter intimating them about the mode of credit of refund within 15 working days of closure of Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay orders or demand drafts drawn on a bank appointed by us, as Refund Banker and payable at par at places where applications are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

PAYMENT OF REFUND

Applicants must note that on the basis of name of the Applicants, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Application Form, the Registrar will obtain, from the Depositories, the Applicants' bank account details, including the nine digit Magnetic Ink Character Recognition ('MICR') code as appearing on a cheque leaf. Hence Applicants are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Applicants' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the LM shall be liable to compensate the Applicants for any losses caused to the Applicant due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

1. **ECS (Electronic Clearing System)** – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of such centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.
2. **Direct Credit** – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
3. **RTGS (Real Time Gross Settlement)** – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds Rs. 10.00 Lakhs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to

receive refund through RTGS are required to provide the IFSC code in the application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.

4. **NEFT** (*National Electronic Fund Transfer*) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be through Speed Post/ Registered Post. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Escrow Collection Banks and payable at par at places where Applications are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Applicants.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Applicants who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchange within two working days of date of Allotment of Equity Shares.

In case of Applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 12 working days from the Issue Closing Date. A suitable communication shall be sent to the Applicants receiving refunds through this mode within 15 working days of Issue Closing Date, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at SME Platform of BSE where the Equity Shares are proposed to be listed are taken within 12 working days from the Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment of Equity Shares shall be made within 12 (Twelve) working days of the Issue Closing Date;
2. Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 12 (Twelve) working days of the Issue Closing Date would be ensured; and

3. The Company shall pay interest at 15% p.a. for any delay beyond the 15 (Fifteen) working days from the Issue Closing Date, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 12 (Twelve) working days prescribed above.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

1. That the complaints received in respect of this Issue shall be attended to by us expeditiously;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at the BSE SME Platform , where the Equity Shares are proposed to be listed within seven working days of finalization of the basis of Allotment;
3. That funds required for making refunds to unsuccessful Applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
4. That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 working days of the Issue Closing Date, as the case may be, giving details of the Bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
5. That the promoters' contribution in full, shall be brought in advance before the Issue opens for public subscription and the balance, if any, shall be brought in pro rata basis before the calls are made on public;
6. That the certificates of the securities/ refund orders to the Non-resident Indians shall be dispatched within specified time;
7. That no further issue of Equity Shares shall be made till the Equity Shares offered through this Prospectus are listed or until the Application monies are refunded on account of non-listing, under subscription etc.;
8. That adequate arrangements shall be made to collect all Applications Supported by Blocked Amount and to consider them similar to non- ASBA applications while finalizing the basis of allotment

UTILIZATION OF ISSUE PROCEEDS

Our Board certifies that:

1. All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub section (3) of Section 40 of the Companies Act, 2013;
2. Details of all monies utilized out of the issue referred to in point 1 above shall be disclosed and continued to be disclosed till the time any part of the issue proceeds remains unutilized under an appropriate separate head in the balance-sheet of the issuer indicating the purpose for which such monies had been utilized;
3. Details of all unutilized monies out of the Issue referred to in 1, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilized monies have been invested;

4. Our Company shall comply with the requirements of Clause 52 of the SME Listing Agreement in relation to the disclosure and monitoring of the utilization of the proceeds of the Issue; and
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the BSE SME Platform where listing is sought has been received.

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI (ICDR) Regulations, the Company in consultation with Lead Manager, reserves the right not to proceed with this Issue any time after the Issue Opening Date, without assigning the reasons thereof.

However, if our Company withdraws the Issue after the Issue Closing Date but before allotment, our Company will issue a public notice within two days, providing reasons for not proceeding with the Issue. The LM, through the Registrar to the Issue, will instruct the SCSBs to unblock the ASBA Accounts within one Working Day from the day of receipt of such instruction. 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.

If our Company withdraws the Issue after the Issue Closing Date and thereafter determines that it will proceed with an initial public offering of Equity Shares, our Company shall file a fresh prospectus with stock exchange(s).

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company had signed the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

- (a) Agreement dated February 18, 2014 between NSDL, the Company and the Registrar to the Issue;
- (b) Agreement dated February 19, 2014 between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN No. INE174Q01011

- An Applicant applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Application.
- The Applicant must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Application Form or Revision Form.
- Allotment to a successful Applicant will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Applicant.
- Names in the Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.
- If incomplete or incorrect details are given under the heading 'Applicants Depository Account Details' in the Application Form or Revision Form, it is liable to be rejected.
- The Applicant is responsible for the correctness of his or her or its demographic details given in the Application Form vis à vis those with his or her or its Depository Participant.

- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The BSE SME Platform where our Equity Shares are proposed to be listed, has electronic connectivity with CDSL and NSDL.
- The trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICATIONS

All future communications in connection with the Applications made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or First Applicant, Application Form number, Applicants Depository Account Details, number of Equity Shares applied for, date of Application form, name and address of the Banker to the Issue where the Application was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip. Investors can contact the Compliance Officer or the Registrar to the Issue 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, refund orders etc.

ISSUE PROCEDURE FOR ASBA (APPLICATION SUPPORTED BY BLOCKED ACCOUNT) APPLICANTS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the LM are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Prospectus. ASBA Applicants are advised to make their independent investigations and to ensure that the ASBA Application Form is correctly filled up, as described in this section.

The lists of banks that have been notified by SEBI to act as SCSB (Self Certified Syndicate Banks) for the ASBA Process are provided on http://www.sebi.gov.in/cms/sebi_data/attachdocs/1366178697250.html. For details on designated branches of SCSB collecting the Application Form, please refer to the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Application through an Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Applicant or bank account utilized by the ASBA Applicant ('**ASBA Account**') is maintained. The SCSB shall block an amount equal to the Application Amount in the bank account specified in the ASBA Application Form, physical or electronic, on the basis of an authorization to this effect given by the account holder at the time of submitting the Application.

The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Application, as the case may be.

The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchange. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Applicants to the ASBA Public Issue Account.

In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the LM.

ASBA Applicants are required to submit their Applications, either in physical or electronic mode. In case of application in physical mode, the ASBA Applicant shall submit the ASBA Application Form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Applicant shall submit the Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for applying and blocking funds in the ASBA account held with SCSB, and accordingly registering such Applications.

Who can apply?

In accordance with the SEBI (ICDR) Regulations, 2009 in public issues w.e.f. May 01, 2010 all the investors can apply through ASBA process and w.e.f May 02, 2011, the Non-Institutional applicants and the QIB Applicants have to compulsorily apply through the ASBA Process.

Mode of Payment

Upon submission of an Application Form with the SCSB, whether in physical or electronic mode, each ASBA Applicant shall be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount, in the bank account maintained with the SCSB.

Application Amount paid in cash, by money order or by postal order or by stockinvest or ASBA Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the ASBA Application Form till the Designated Date.

On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Applicants from the respective ASBA Account, in terms of the SEBI Regulations, into the Public Issue Account. The balance amount, if any against the said Application in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Application Amount, as per the Application Form submitted by the respective ASBA Applicants, would be required to be blocked in the respective ASBA Accounts until finalization of the Basis of Allotment in the Issue and consequent transfer of the Application Amount against allocated shares to the Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Application, as the case may be.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Applicant to the Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Application Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalization of the Basis of Allotment in the Issue, in the event of withdrawal/failure of the Issue or rejection of the ASBA Application, as the case may be.

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. Foreign investment is allowed up to 100% under automatic route in our Company.

India's current Foreign Direct Investment ("FDI") Policy issued by the Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, GoI ("DIPP") by circular 1 of 2013, with effect from April 05, 2013 ("Circular 1 of 2013"), consolidates and supersedes all previous press notes, press releases and clarifications on FDI issued by the DIPP. The Government usually updates the consolidated circular on FDI Policy once every Year and therefore, Circular 1 of 2013 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 prior approval of FIPB or RBI, subject to fulfillment of certain conditions as specified by DIPP / RBI, from time to time. Such conditions include (i) the activities of the investee company are under the automatic route under the foreign direct investment ("FDI") Policy and the non-resident shareholding is within the sectoral limits under the FDI policy; and (ii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI. Investors are advised to refer to the exact text of the relevant statutory provisions of law before investing and / or subsequent purchase or sale transaction in the Equity Shares of Our Company.

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

The above information is given for the benefit of the Applicants. Our Company and the LM are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that the Applications are not in violation of laws or regulations applicable to them.

SECTION VIII – MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, *inter alia*, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

1.	No regulation contained in Table “A” in the First Schedule to Companies Act, 1956 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 1956 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 1956 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 1956 or any re-enactment thereof.	Table A Applicable.
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 1956 and includes any statutory modification or re-enactment thereof for the time being in force.	Act
	(b) “These Articles” means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	Articles
	(c) “Auditors” means and includes those persons appointed as such for the time being of the Company.	Auditors
	(d) “Board” or “Board of Directors” means a meeting of the directors duly called and constituted or as the case may be, the Directors assembled at Board.	Board or Board of Directors
	(e) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	Capital
	(f) "Charge" includes a mortgage.	Charge
	(g) * “The Company” shall mean WOMEN'S NEXT	

	LOUNGERIES LIMITED.	
(h)	"Debenture" includes debenture stock, bonds and any other securities of the Company, whether constituting a charge on the assets of the Company or not.	Debenture
(i)	"Directors" means the Board of Directors for the time being of the Company or as the case may be, the Directors assembled at a Board, or acting under a circular resolution under the Articles.	Directors
(j)	"Dividend" includes bonus unless otherwise stated.	Dividend
(k)	"Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	Executor or Administrator
(l)	"Legal Representative" means a person who in law represents the estate of a deceased Member.	Legal Representative
(m)	Words importing the masculine gender also include the feminine gender.	Gender
(n)	"In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	In Writing and Written
(o)	The marginal notes hereto shall not affect the construction thereof.	Marginal notes
(p)	"Member" means the duly registered holder from time to time of the shares of the Company and includes the subscribers of the Memorandum of Association of the Company.	Member
(q)	"Meeting" or "General Meeting" means a meeting of members. *Altered wide Special resolution passed at Extra-Ordinary General meeting dated 15 th October, 2013	Meeting or General Meeting
(r)	"Memorandum" means the Memorandum of Association	Memorandum

	of the Company as originally framed and/or altered from time to time.	
(s)	"Month" means a calendar month.	Month
(t)	"Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 166 of the Act.	Annual General Meeting
(u)	"Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	Extra-Ordinary General Meeting
(v)	"Non-retiring Directors" means a director not subject to retirement by rotation.	Non-retiring Directors
(w)	"Office" means the registered Office for the time being of the Company.	Office
(x)	"Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 189 of the Act.	Ordinary and Special Resolution
(y)	"Paid-up" includes capital credited as paid up.	Paid-up
(z)	"Person" shall be deemed to include corporations and firms as well as individuals.	Person
(aa)	"Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting or Poll and includes attorney duly constituted under the power of attorney.	Proxy
(bb)	"Public Holiday" means public holiday within the meaning of the Negotiable Instruments Act, 1881 provided that no date declared by the Central Government to be a public 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
(cc)	"The Register of Members" means the Register of Members to be kept pursuant to Section 150 of the Act.	Register of Members
(dd)	"The Registrar" means the Registrar of Companies of the State in which the Registered Office of the Company is for the time being situated.	Registrar
(ee)	"Secretary" means a Company Secretary within the meaning of clause(c) of sub section (i) of section 2 of the Company Secretaries Act, 1980 (56 of 1980) and includes any other individual possessing the prescribed	Secretary

	qualifications and appointed to perform the duties which may be performed by a Secretary under this Act and any other ministerial or administrative duties.	
	(ff) "Seal" means the common seal for the time being of the Company.	Seal
	(gg) "Shares" means share in the share capital of the Company and includes stock where a distinction between stocks and share is expressed or implied.	Shares
	(hh) "Special Resolution" shall have the meanings assigned to it by Section 189 of the Act.	Special Resolution
	(ii) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	Singular number
	(jj) "The Statutes" means the Companies Act, 1956 and every other Act for the time being in force affecting the Company.	Statutes
	(kk) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	These presents
	(ll) "Variation" shall include abrogation; and "vary" shall include abrogate.	Variation
	(mm) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(17) of the Act.	Year and Financial Year
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	Expressions in the Act to bear the same meaning in Articles
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	Authorized Capital.
	b) The minimum paid up Share capital of the Company shall be Rs.5,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by	Increase of capital by

	Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 87 and 88 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 97 of the Act.	the Company how carried into effect
5.	Except so far as otherwise provided by the conditions of issue or by These Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender, transfer and transmission, voting and otherwise.	New Capital same as existing capital
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	Non Voting Shares
7.	Subject to the provisions of the Act and these Articles, the shares/securities (whether Equity or Preference) shall be under the control of the Directors who may allot, forfeit or otherwise dispose of the same to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par or at discount, and with full power to give any person the option to call for or be allotted shares of any class of the company either at premium or at par or at discount, such option being exercisable at such times and for such consideration as the Board thinks fit.	Redeemable Preference Shares
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	Voting rights of preference shares
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof , the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of	Provisions to apply on issue of Redeemable Preference Shares

	<p>the redemption;</p> <p>(b) No such Shares shall be redeemed unless they are fully paid;</p> <p>(c) The premium, if any payable on redemption shall have been provided for out of the profits of the Company or out of the Company's security premium account, before the Shares are redeemed;</p> <p>(d) Where any such Shares are redeemed otherwise then out of the proceeds of a fresh issue, there shall out of profits which would otherwise have been available for dividend, be transferred to a reserve fund, to be called "the Capital Redemption Reserve Account", a sum equal to the nominal amount of the Shares redeemed, and the provisions of the Act relating to the reduction of the share capital of the Company shall, except as provided in Section 80 of the Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and</p> <p>(e) Subject to the provisions of Section 80 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its Authorized Share Capital</p>	
10.	<p>The Company may (subject to the provisions of section 78, 80 and 100 to 105, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce</p> <p>(a) the share capital;</p> <p>(b) any capital redemption reserve account; or</p> <p>(c) any security premium account</p> <p>In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.</p>	Reduction of capital
11.	<p>Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent</p>	Debentures

	of the Company in the General Meeting by a Special Resolution.	
	<p>(a) The Company shall not issue any debentures carrying voting rights at any Meeting of the Company whether generally or in respect of particular classes of business.</p> <p>(b) The Company shall have power to reissue redeemed debentures in certain cases in accordance with Section 121 of the Act.</p> <p>(c) Payments of certain debts out of assets subject to floating charge in priority to claims under the charge may be made in accordance with the provisions of Section 123 of the Act.</p> <p>(d) Certain charges (which expression includes mortgage) mentioned in Section 125 of the Act, shall be void against the Liquidator or creditor unless registered as provided in Section 125 of the Act.</p> <p>(e) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance.</p> <p>(f) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 113 of the Act) within three months after the allotment of its debentures or debenture-stock and within one month after the application for the registration of the transfer of any such debentures or debentures-stock have completed and ready for delivery the certificate of all debenture-stock allotted or transferred.</p> <p>(g) The Company shall comply with the provisions of Section 118 of the Act, as regards supply of copies of debenture Trust Deed and inspection thereof.</p> <p>(h) The Company shall comply with the provisions of Section 124 to 145 (inclusive) of the Act as regards registration of charges.</p>	Debentures with voting rights not to be issued
12.	<p>The Company may exercise the powers of issuing sweat equity shares conferred by Section 79A of the Act of a class of shares already issued subject to the following conditions:</p> <p>(a) the issue of sweat equity shares is authorized by a special resolution passed by the Company in general meeting;</p> <p>(b) the resolution specifies the number of shares, their value and the class or classes of directors or employees to whom such equity shares are to be issued; and</p>	Issue of Sweat Equity Shares

	(c) Not less than one year has at the date of issue elapsed since the date on which the Company was entitled to commence business.	
13.	Subject to the provisions of Section 79A and other applicable provisions of the Act and the Rules made there under, the Company may issue Sweat Equity Shares if such issue is authorized by a Special Resolution passed by the Company in the general meeting. The Company may also issue shares to Employees including its Directors, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act and the Rules and applicable guidelines made there under, by whatever name called.	ESOP
14.	<p>(a) Pursuant to Section 77A of the Act, the Company may purchase its own shares or other specified securities out of its free reserves or out of its securities premium account or out of the proceeds of an earlier issue other than fresh issue of shares made specifically for buy-back purposes by passing a special resolution in the General Meeting of the Company.</p> <p>(b) Notwithstanding anything contained in these Articles, the Board of Directors may, when and if thought fit, buy-back such of the Company's own shares or securities, subject to such limits, upon such terms and conditions and subject to such approvals, as may be permitted under Section 77A of the Act and the applicable guidelines and regulations that may be issued in this regard.</p> <p>Provided that nothing in this clause shall be taken to prohibit:</p> <p>(i) the provision by the Company, in accordance with any scheme for the time being in force, of money for the purchase of, or subscription for fully paid shares in the Company or its holding company, being a purchase or subscription by trustees of or for shares to be held by or for the benefit of employees of the Company, including any Director holding a salaried office or employment in the Company; or</p> <p>(ii) the making by the Company of loans, within the limit laid down in subsection (3) of Section 77 of the Act, to persons (other than Directors or Managers) bonafide in the employment of the Company, with a view to enabling those persons to purchase or subscribe for fully paid shares in the Company or its holding Company to be held by themselves by way of beneficial ownership;</p>	Buy Back of shares

	(c) No loan made to any person in pursuance of clause (b) of the foregoing proviso shall exceed in amount, his salary or wages at that time for a period of six months.	
15.	Subject to the provisions of Section 94 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (I) of Section 94; and the resolution whereby any share is sub-divided, may determine that, as between the holders of the share resulting from such sub-division one or more of such shares shall have some preference or special advantage as regards dividend, capital or otherwise over or as compared with the others or other. Subject as aforesaid the Company in general meeting may also cancel shares which have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled.	Consolidation, Sub-Division And Cancellation
	MODIFICATION OF CLASS RIGHTS	
16.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 106 and 107 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting.	Modification of rights
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any) of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking paripassu therewith.	New Issue of Shares not to affect rights attached to existing shares of that class.
17.	Subject to the provisions of Section 81 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such	Shares at the disposal of the Directors.

	<p>persons, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 79 of the Act) at a discount and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares. Provided that option or right to call of shares shall not be given to any person or persons without the sanction of the company in the General Meeting.</p>	
18.	<p>(a) Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares either out of the unissued capital or out of the increased share capital then:</p> <p>(i) such further shares shall be offered to the persons who at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid up on those shares at that date;</p> <p>(ii) such offer shall be made by a notice specifying the number of shares offered and limiting a time not less than fifteen days from the date of the offer and the offer if not accepted, will be deemed to have been declined;</p> <p>(iii) the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to them in favour of any other person and the notice referred to in sub clause (ii) hereof shall contain a statement of this right; PROVIDED THAT the Directors may decline, without assigning any reason to allot any shares to any person in whose favour any member may, renounce the shares offered to him; and</p> <p>(iv) After expiry of the time specified in the aforesaid notice or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose off them in such manner and to such person(s) as they may think fit, in their sole discretion;</p> <p>(b) Notwithstanding anything contained in sub-clause a(i) thereof, the further shares aforesaid may be offered to any</p>	<p>Power to Further issue shares.</p>

	<p>persons (whether or not those persons include the persons referred to in clause (i) of sub-clause (a) hereof) in any manner whatsoever:</p> <ul style="list-style-type: none"> (i) if a special resolution to that effect is passed by the company in General Meeting; or (ii) where no such special resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in the general meeting (including the casting vote, if any, of the Chairman) by the members who, being entitled to do so, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf that the proposal is most beneficial to the company. <ul style="list-style-type: none"> (c) Nothing in sub-clause (iii) of (a) hereof shall be deemed: <ul style="list-style-type: none"> (i) to extend the time within which the offer should be accepted; or (ii) to authorise any person to exercise the right of renunciation for a second time on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation. (d) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debenture issued or loans raised by the company: <ul style="list-style-type: none"> (i) to convert such debentures or loans into shares in the company; or (ii) to subscribe for shares in the company (whether such option is conferred in these Articles or otherwise). <p>PROVIDED THAT the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:</p> <ul style="list-style-type: none"> (i) either has been approved by the Central Government before the issue of the debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and (ii) in the case of debentures or loans other than debentures issued to, or loans obtained from Government or any institution specified by the Central Government in this behalf, has also been approved by a special resolution passed by the company in General Meeting before the issue of the debentures or raising of the loans. <p>(d) In addition to and without derogating from the powers for that purpose conferred on the Board under Article 16</p>	

	<p>the Company in General Meeting may, subject to the provisions of Section 81 of the Act, determine that any shares (whether forming part of the original capital or of any increased capital of the company) shall be offered to such persons (whether members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount, as such General Meeting shall determine and with full power to give any persons (whether members or not) the option to call for or be allotted shares of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount as the meeting shall determine and with full power to give any person (whether a member or not) the option of any class of the Company either (subject to compliance with the provisions of Section 78 and 79 of the Act) at a premium or at par or at a discount such option being exercisable at such times and for such consideration as may be directed by such General Meeting or the Company in General Meeting may make any other provision whatsoever for the issue, allotment or disposal of any shares.</p>	
19.	<p>The shares in the capital shall be numbered progressively according to their several denominations, and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.</p>	<p>Shares should be numbered progressively and no share to be subdivided.</p>
20	<p>An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.</p>	<p>Acceptance of Shares.</p>
21.	<p>Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash, and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.</p>	<p>Directors may allot shares as full paid-up</p>

22.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him, accordingly.	Deposit and call etc. to be a debt payable immediately.
23.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	Liability of Members.
24.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind. RETURN ON ALLOTMENTS TO BE MADE OR RESTRICTIONS ON ALLOTMENT	Registration of Shares.
25.	The Board shall observe the restrictions as regards allotment of shares to the public contained in Sections 69 and 70 of the Act, and as regards return on allotments, the Directors shall comply with Section 75 of the Act.” CERTIFICATES	
26.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of	Share Certificates.

	<p>shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue.</p> <p>(b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to prescribe a charge not exceeding Rupee One. The Company shall comply with the provisions of Section 113 of the Act.</p> <p>(c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.</p>	
27.	<p>If any certificate be worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if any certificate lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, being given, a new Certificate in lieu thereof shall be given to the party entitled to such lost or destroyed Certificate. Every Certificate under the Article shall be issued without payment of fees if the Directors so decide, or on payment of such fees (not exceeding Rs.2/- for each</p>	<p>Issue of new certificates in place of those defaced, lost or destroyed.</p>

	<p>certificate) as the Directors shall prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.</p> <p>Provided that notwithstanding what is stated above the Directors shall comply with such Rules or Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf.</p> <p>The provisions of this Article shall mutatis mutandis apply to debentures of the Company.</p>	
28.	<p>(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings, and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.</p>	The first named joint holder deemed Sole holder.
	<p>(b) The Company shall not be bound to register more than three persons as the joint holders of any share.</p>	Maximum number or joint holders.
29.	<p>Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.</p>	Company not bound to recognise any interest in share other than that of registered holders.
30.	<p>If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.</p>	Installment on shares to be duly paid.
	UNDERWRITING AND BROKERAGE	
31.	<p>Subject to the provisions of Section 76 of the Act, the Company may at any time pay a commission to any person in</p>	Commission

	consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring, or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	
32.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	Brokerage
33.	Where the Company has paid any sum by way of commission in respect of any Shares or Debentures or allowed any sums by way of discount in respect to any Shares or Debentures, such statement thereof shall be made in the annual return as required by Part I of Schedule V to the Act.	Commission to be included in the annual return
	INTEREST OUT OF CAPITAL	
34.	Where any shares are issued for the purpose of raising money to defray the expenses of the construction of any work or building the provision of any plant, or onshore or offshore rigs, which cannot be made profitable for a lengthy period, the Company may pay interest on so much of that share capital at a rate and subject to the conditions and restrictions provided by Section 208 of the Act and may charge the same to capital as part of the cost of construction of the work or building, or the provision of plant.	Interest may be paid out of capital.
	CALLS	
35.	<p>(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board.</p> <p>(2) A call may be revoked or postponed at the discretion of the Board.</p> <p>(3) A call may be made payable by installments.</p>	Directors may make calls

36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	Notice of Calls
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be fixed by Directors.	Calls to date from resolution.
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	Calls on uniform basis.
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	Directors may extend time.
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	Calls to carry interest.
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	Sums deemed to be calls.
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of	Proof on trial of suit for money due on shares.

	Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the Company of a portion of any money which shall from time to time be due from any Member of 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 thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	Judgment, decree, partial payment motto proceed for forfeiture.
44.	<p>(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance, or upon so much thereof, from time to time, and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits.</p> <p>(b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.</p>	Payments in Anticipation of calls may carry interest.
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures)	Company to have Lien on shares.

	registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	As to enforcing lien by sale.
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to 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.	Application of proceeds of sale.
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring	If call or installment not paid, notice may be given.

	him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	
49.	<p>The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid.</p> <p>The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.</p>	Terms of notice.
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	On default of payment, shares to be forfeited.
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture, and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	Notice of forfeiture to a Member
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	Forfeited shares to be property of the Company and may be sold etc.
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments,	Members still liable to pay money owing at time of forfeiture

	interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	and interest.
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	Effect of forfeiture.
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	Evidence of Forfeiture.
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: 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, re-allotment or other disposal of the shares.	Title of purchaser and allottee of Forfeited shares.
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	Cancellation of share certificate in respect of forfeited shares.
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour, and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	Forfeiture may be remitted.

59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	Validity of sale
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	Surrender of shares.
	TRANSFER AND TRANSMISSION OF SHARES	
61.	<p>(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee.</p> <p>(b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.</p>	Execution of the instrument of shares.
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 108 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof.	Transfer Form.
63.	The Company shall not register a transfer in the Company unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall	Transfer not to be registered except on production of instrument of transfer.

	<p>prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.</p> <p>Apart from complying with such other terms and conditions as may be laid down by a recognized stock exchange, the company shall satisfy the stock exchange that:</p> <p>(a) Its articles of association provide for the following among others—</p> <p>(1) that the company shall use a common form of transfer</p>	
64.	<p>Subject to the provisions of Section 111 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, at their own absolute and uncontrolled discretion and by giving reasons, decline to register or acknowledge any transfer of shares whether fully paid or not and the right of refusal, shall not be affected by the circumstances that the proposed transferee is already a member of the Company but in such cases, the Directors shall within one month from the date on which the instrument of transfer was lodged with the Company, send to the transferee and transferor notice of the refusal to register such transfer provided that registration of transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except when the company has a lien on the shares. However, no transfer of shares/debentures shall be refused on the ground of them not being held in marketable lots.</p>	Directors may refuse to register transfer.
65.	<p>If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be, and there upon the provisions of Section 111 of the Act or any statutory modification thereof for the time being in force shall apply.</p>	Notice of refusal to be given to transferor and transferee.
66.	<p>No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.</p>	No fee on transfer.
67.	<p>The Board of Directors shall have power on giving not less than seven days previous notice by advertisement in some newspaper circulating in the district in which the registered office of the Company is situated to close the Register of Members and/or the</p>	Closure of Register of Members.

	Register of debentures holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time, and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	Custody of transfer Deeds.
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	Application for transfer of partly paid shares.
	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	Notice to transferee.
70.	<p>(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder, and his legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares.</p> <p>(b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India.</p> <p>Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate.</p> <p>(c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.</p>	Recognition of legal representative.

71.	The Executors or Administrators of a deceased Member or holders of a Succession Certificate or the Legal Representatives in respect of the Shares of a deceased Member (not being one of two or more joint holders) shall be the only persons recognized by the Company as having any title to the Shares registered in the name of such Members, and the Company shall not be bound to recognize such Executors or Administrators or holders of Succession Certificate or the Legal Representative unless such Executors or Administrators or Legal Representative shall have first obtained Probate or Letters of Administration or Succession Certificate as the case may be from a duly constituted Court in the Union of India provided that in any case where the Board of Directors in its absolute discretion thinks it, the Board upon such terms as to indemnity or otherwise as the Directors may deem proper dispense with production of Probate or Letters of Administration or Succession Certificate and register Shares standing in the name of a deceased Member, as a Member. However, provisions of this Article are subject to Sections 109A and 109B of the Companies Act.	Titles of Shares of deceased Member
72.	Where, in case of partly paid Shares, an application for registration is made by the transferor, the Company shall give notice of the application to the transferee in accordance with the provisions of Section 110 of the Act.	Notice of application when to be given
73.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	Registration of persons entitled to share otherwise than by transfer. (transmission clause).
74.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	Refusal to register nominee.

75.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	Board may require evidence of transmission.
76.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	Company not liable for disregard of a notice prohibiting registration of transfer.
77.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Article 60 hereof as circumstances permit.	Form of transfer Outside India.
78.	No transfer shall be made to any minor, insolvent or person of unsound mind.	No transfer to insolvent etc.
	NOMINATION	
79.	i) Notwithstanding anything contained in the articles, every holder of shares or debentures of the Company may, at any time, nominate a person in whom his/her shares or debentures shall vest in the event of his/her death and the provisions of Section 109A and 109B of the Companies Act, 1956 shall apply in respect of such nomination.	Nomination

	<p>ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the shares or debentures of the Company in the manner specified under Section 109A of the Companies Act, 1956</p> <p>iii) The Company shall not be in any way responsible for transferring the shares and/or debentures consequent upon such nomination.</p> <p>iv) If the holder(s) of the shares or debentures survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.</p>	
80.	<p>A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either-</p> <p>(i) to be registered himself as holder of the share or debenture, as the case may be; or</p> <p>(ii) to make such transfer of the share or debenture, as the case may be, as the deceased shareholder or debenture holder, could have made;</p> <p>(iii) if the nominee elects to be registered as holder of the share or debenture, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating that he so elects and such notice shall be accompanied with the death certificate of the deceased shareholder or debenture holder as the case may be;</p> <p>(iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the share or debenture except that he shall not, before being registered as a member in respect of his share or debenture, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company.</p> <p>Provided further 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 or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.</p>	<p>Transmission of Securities by nominee</p>
	DEMATERIALISATION OF SHARES	

81.	<p>For the purpose of this Article, unless the context otherwise requires:</p> <p>A. Definitions:</p> <p>“Beneficial Owner” means a person whose name is recorded as such with a depository.</p> <p>“Bye-Laws” mean Bye-laws made by a Depository under Section 26 of the Depositories Act, 1996.</p> <p>“Depositories Act” means the Depository Act, 1996, including any statutory modifications or re-enactment for the time being in force.</p> <p>“Depository” means a Company formed and registered under the Act and which has been granted a Certificate of Registration under the Securities and Exchange Board of India Act 1992.</p> <p>“Member” means the duly registered holder from time to time of the shares of the Company and includes every person whose name is entered as beneficial owner in the records of the depository.</p> <p>“Participant” means a person registered as such under Section 12(1A) of the Securities and Exchange Board of India Act, 1992.</p> <p>“Record” includes the records maintained in the form of books or stored in a computer or in such other form as may be determined by the Regulations issued by the Securities and Exchange Board of India in relation to the Depository Act, 1996.</p> <p>“Registered Owner” means a depository whose name is entered as such in the records of the Company.</p> <p>“SEBI” means the Securities and Exchange Board of India</p> <p>“Security” means such security as may be specified by the Securities and Exchange Board of India from time to time.</p> <p>Words imparting the singular number only includes the plural number and vice versa.</p> <p>Words imparting persons include corporations.</p> <p>Words and expressions used and not defined in the Act but defined in the Depositories Act, 1996 shall have</p>	Dematerialisation of Securities

	<p>the same meaning respectively assigned to them in that Act.</p> <p>A. Company to Recognize Interest In Dematerialized Securities Under The Depositories Act, 1996:</p> <p>Either the Company or the investor may exercise an option to issue, de-link, hold the securities (including shares) with a depository in Electronic form and the certificates in respect thereof shall be dematerialized, in which event the rights and obligations of the parties concerned and matters connected therewith or incidental thereto shall be governed by the provisions of the Depositories Act, 1996 as amended from time to time or any statutory modification(s) thereto or re-enactment thereof</p> <p>B. Dematerialisation/Re-Materialisation of Securities :</p> <p>Notwithstanding anything to the contrary or inconsistent contained in these Articles, the Company shall be entitled to dematerialize its existing securities, re-materialize its securities held in Depositories and/or offer its fresh securities in the de-materialized form pursuant to the Depositories Act, 1996 and the rules framed there under, if any;</p> <p>C. Option To Receive Security Certificate Or Hold Securities With Depository :</p> <p>Every person subscribing to securities offered by the Company shall have the option to receive the security certificates or to hold 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 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 of securities.</p> <p>Where a person opts to hold his security with a Depository, the Company shall intimate such Depository the details of allotment of the security, and on receipt of such information, the Depository shall enter in its record the name of the allottee as the beneficial owner of the security;</p> <p>D. Securities in Depositories to be Electronic Form :</p> <p>All securities held by a Depository shall be dematerialized and held in electronic form. No certificate shall be issued for the securities held by the Depository. Nothing contained in Section</p>	

	<p>153, 153A, 153B, 187 B, 187 C and 372 of the Act, shall apply to a Depository in respect of the securities held by it on behalf of the beneficial owners;</p> <p>E. Beneficial Owner Deemed As Absolute Owner: Except as ordered by the Court of competent jurisdiction or by law required, the Company shall be entitled to treat the person whose name appears on the register of members as the holders of any share or whose name appears as the beneficial owner of the shares in the records of the Depository as the absolute owner thereof and accordingly shall not be bound to recognize any benami trust or equity, equitable contingent, future, partial interest, other claim to or interest in respect of such shares or (except only as by these Articles otherwise expressly provided) any right in respect of a share other than an absolute right thereto in accordance with these Articles, on the part of any other person whether or not it has expressed or implied notice thereof but the Board shall at their sole discretion register any share in the joint names of any two or more persons or the survivor or survivors of them</p> <p>F. Rights of Depositories and Beneficial Owners :</p> <ul style="list-style-type: none"> i) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the beneficial owner; ii) Save as otherwise provided in (i) above, the Depository as a registered owner of the securities shall not have any voting rights or any other right in respect of the securities held by it; iii) Every person holding securities of the Company and whose name is entered as a beneficial owner in the records of the Depository shall be deemed to be a member of the Company. The beneficial owner of the securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities held by a Depository. <p>G. Cancellation Of Certificates Upon Surrender By Person: Upon receipt of certificate of securities on surrender by a person who has entered into an agreement with the Depository through a participant, the Company shall cancel such certificates and shall substitute in its record, the name of the depository as the Registered Owner in respect of the said securities and shall also inform the Depository accordingly.</p>	

	<p>H. Service of Documents :</p> <p>Notwithstanding anything to the contrary contained in these Articles, where the securities are held in a Depository, the records of the beneficial ownership may be served by such depository on the Company by means of electronic mode or by delivery of floppies and discs.</p> <p>I. Allotment Of Securities:</p> <p>Where the securities are dealt within a Depository, the Company shall intimate the details of allotment of relevant securities to the Depository on allotment of such securities.</p> <p>J. Transfer of Security :</p> <p>The Company shall keep a Register of Transfers and shall have recorded therein fairly and distinctly, particulars of every transfer or transmission of any share held in material form. Nothing contained in these Articles shall apply to transfer of securities held in depository.</p> <p>K. Sections 83 and 108 of the Act not apply :</p> <p>Notwithstanding anything to the contrary contained in the Articles -</p> <ol style="list-style-type: none"> Section 83 of the Act shall not apply to the shares with a Depository; Section 108 of the Act shall not apply to transfer of security effected by the transferor and the transferee both of whom are entered as beneficial owners in the records of a Depository. <p>L. Register and Index of beneficial owners :</p> <p>The Company shall cause to be kept a Register and Index of members with details of shares and debentures held in materialized and dematerialized forms in any media as may be permitted by law including any form of electronic media.</p> <p>The Register and Index of beneficial owners maintained by a Depository under the Depositories Act, 1996 shall be deemed to be a Register and Index of members for the purposes of this Act. The Company shall have the power to keep in any state or country outside India a Branch register of Members resident in that State or Country.</p>	

	<p>M. Intimation to Depository :</p> <p>Notwithstanding anything contained in the Act or these Articles, where securities are dealt with in a Depository, the Company shall intimate the details of allotment of securities thereof to the Depository immediately on allotment of such securities.</p> <p>N. Stamp duty on securities held in dematerialized form :</p> <p>No stamp duty would be payable on shares and securities held in dematerialized form in any medium as may be permitted by law including any form of electronic medium.</p> <p>O. Applicability of the Depositories Act :</p> <p>In case of transfer of shares, debentures and other marketable securities, where the Company has not issued any certificate and where such shares, debentures or securities are being held in an electronic and fungible form in a Depository, the provisions of the Depositories Act, 1996 shall apply.</p> <p>P. Company to recognise the rights of registered Holders as also the beneficial Owners in the records of the Depository :</p> <p>Save as herein otherwise provided, the Company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share, as also the Beneficial Owner of the shares in records of the Depository as the absolute owner thereof as regards to receipt of dividend or bonus or service of notices and all or any other matters connected with the Company and accordingly, the Company shall not except as ordered by a Court of competent jurisdiction or as by law required be bound to recognise any benami trust or equity or equitable, contingent or other claim to or interest in such share on the part of any other person whether or not it shall have express or implied notice thereof.</p> <p>Q. Declaration by person not holding beneficial interest in any Shares</p> <p>(1) Notwithstanding anything herein contained a person whose name is at any time entered in Register of Member of the Company as the holder of a Share in the Company, but who does not hold the beneficial interest in such Shares, shall, if so required by the Act within such time and in such forms as may be prescribed, make declaration to the Company specifying the name and other particulars of the</p>	

	<p>person or persons who hold the beneficial interest in such Share in the manner provided in the Act.</p> <p>(2) A person who holds a beneficial interest in a Share or a class of Shares of the Company, shall if so required by the Act, within the time prescribed, after his becoming such Beneficial Owner, make a declaration to the Company specifying the nature of his interest, particulars of the person in whose name the Shares stand in the Register of Members of the Company and such other particulars as may be prescribed as provided in the Act.</p> <p>(3) Whenever there is a change in the beneficial interest in a Share referred to above, the Beneficial Owner shall, of so required by the Act, within the time prescribed, from the date of such change, make a declaration to the Company in such form and containing such particulars as may be prescribed in the Act.</p> <p>(4) Notwithstanding anything contained in the Act and Articles 37 and 38 hereof, where any declaration referred to above is made to the Company, the Company shall, if so required by the Act, make a note of such declaration in the Register of Members and file within the time prescribed from the date of receipt of the declaration a return in the prescribed form with the Registrar with regard to such declaration.</p> <p>R. Distinctive Number Of Securities Held In A Depository:</p> <p>The shares in the capital shall be numbered Progressively according to their several denominations, provided, however that the provisions relating to progressive numbering shall not apply to the share of the Company which are in dematerialized form. Except in the manner provided under these Articles, No share shall be subdivided. Every forfeited or surrendered share be held in material form shall continue to bear the number by which the same was originally distinguished.</p> <p>S. Option To Opt Out In Respect Of Any Such Security: If a beneficial owner seeks to opt out of a Depository in respect of any security, he shall inform the Depository accordingly. The Depository shall on receipt of such information make appropriate entries In its records and shall inform the Company. The Company shall within 30 (thirty) days of the receipt of intimation from a Depository and on fulfillment of such conditions and on payment of such fees as may be</p>	

	specified by the regulations, issue the certificate of securities to the beneficial owner or the transferee as the case may be.	
	T.Overriding Effect Of This Article: Provisions of this Article will have full effect and force not withstanding anything to the contrary or inconsistent contained in any other Articles of these presents	
	JOINT HOLDER	
82.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles :	Joint Holders
	(a) the Joint holders of any share 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.	Joint and several liabilities for all payments in respect of shares.
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	Title of survivors.
	(c) only the person whose name stands first in the Register of Members may give effectual receipts of any dividends or other moneys payable in respect of share; and	Receipts of one sufficient.
	(d) 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 relating to such share or to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	Delivery of certificate and giving of notices to first named holders.
	SHARE WARRANTS	
83.	The Company may issue warrants subject to and in accordance with provisions of Sections 114 and 115 of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share, and authenticated by such evidence(if any) as the Board may, from time to time, require as to the identity of the persons signing the application	Power to issue share warrants

	and on receiving the certificate (if any) of the Share, and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	
84.	<p>(a) The bearer of a share warrant may at any time deposit the warrant at 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 call in 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 clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant.</p> <p>(b) Not more than one person shall be recognized as depositor of the Share warrant.</p> <p>(c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.</p>	Deposit of share warrants
85.	<p>(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company.</p> <p>(b) The bearer of a 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 holder of the Share included in the warrant, and he shall be a Member of the Company.</p>	Privileges and disabilities of the holders of share warrant
86.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	Issue of new share warrant coupons
	CONVERSION OF SHARES INTO STOCK	
87.	<p>The Company may, by ordinary resolution in General Meeting.</p> <p>a) convert any fully paid-up shares into stock; and</p> <p>b) re-convert any stock into fully paid-up shares of any denomination.</p>	Conversion of shares into stock or reconversion.
88.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under	Transfer of stock.

	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.	
89.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose.	Rights of stock holders.
90.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	Regulations.
	BORROWING POWERS	
91.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board receive deposits or loans from members either as an advance of call or otherwise and generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner, or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting 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 specified purpose.	Power to borrow.
92.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares shall not be issued except with the sanction of the Company in General Meeting.	Issue of discount etc. or with special privileges.

93.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit, and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	Securing payment or repayment of Moneys borrowed.
94.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	Bonds, Debentures etc. to be under the control of the Directors.
95.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	Mortgage of uncalled Capital.
96.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	Indemnity may be given.
	MEETINGS OF MEMBERS	
97.	(a) The Company shall, in each year, hold, in addition to any other meetings, a General Meeting as its Annual General meeting, and shall specify the meeting as such in the notice calling it, and not more than 15 months shall elapse between the date of one Annual General Meeting of the Company and that of the next and the Annual General Meeting shall be held within six months of the expiry of its financial year.	Annual General Meeting.

	<p>Provided that if the Registrar shall have, for any special reason, extended the time within which any Annual General Meeting shall be held, by a period not exceeding three month, then such Annual General Meeting may be held within such extended period.</p> <p>(b) Every Annual General Meeting shall be called at a time during business hours and on such day (not being a public holiday) as the Directors may from time to time determine and it shall be held either at the Registered Office of the Company or at some other place within the City, town or village in which the Registered office is situated.</p> <p>(c) The Statutory Meeting of the Company shall be held at such place and at such time (not less than one month nor more than six months from the date at which the Company is entitled to commence business) as the Directors may determine and in connection therewith, the Directors shall comply with the provisions of Section 165 of the Act.</p>	
98.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	Distinction between AGM & EGM.
99.	<p>(1) Subject to the provisions of Section 188 of the Act, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified and (unless the General Meeting otherwise resolves) at the expense of the requisitionists:-</p> <p>(a) Give to the Members of the Company entitled to receive notice of the next Annual General Meeting, notice of any resolution which may properly be moved and is intended to be moved at that meeting.</p> <p>(b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement of not more than one thousand words with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting.</p> <p>(2) The number of Members necessary for a requisition under clause (1) hereof shall be -</p> <p>(a) Such number of Members as represent not less than one-twentieth of the total voting power of all the Members having at the date of the resolution a right to vote on the resolution or business to which the requisition relates; or</p> <p>(b) not less than one hundred Members having the rights aforesaid and holding Shares in the Company on which</p>	Requisitionists' meeting

	<p>there has been paid up an aggregate sum of not less than Rupees one lac in all.</p> <p>(3) Notice of any such resolution shall be given and any such statement shall be circulated, to Members of the Company entitled to have notice of the Meeting sent to them by serving a copy of the resolution or statement to each Member in any manner permitted by the Act for service of notice of the Meeting and notice of any such resolution shall be given to any other Member of the Company by giving notice of the general effect of the resolution in any manner permitted by the Act for giving him notice of meeting of the Company. The copy of the resolution shall be served, or notice of the effect of the resolution shall be given, as the case may be in the same manner, and so far as practicable, at the same time as notice of the Meeting and where it is not practicable for it to be served or given at the time it shall be served or given as soon as practicable thereafter.</p> <p>(4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless:</p> <p>(a) A copy of the requisition signed by, the requisitionists (or two or more copies which between them contain the signature of all the requisitionists) is deposited at the Registered Office of the Company.</p> <p>(i) In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting.</p> <p>(ii) the case of any other requisition, not less than two weeks before the Meeting, and</p> <p>(b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company expenses in giving effect thereto.</p> <p>PROVIDED THAT if after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, and an Annual General Meeting is called for a date six weeks or less after such copy has been deposited, the copy although not deposited within the time required by this clause, shall be deemed to have been properly deposited for the purposes also thereof.</p> <p>(5) The Company shall also not be bound under this Article to circulate any statement, if on the application either of the Company or of any other person who claims to be aggrieved, the Court is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter.</p> <p>(6) Notwithstanding anything in these Articles, the business</p>	

	which may be dealt with at Annual General Meeting shall include any resolution for which notice is given in accordance with this Article, and for the purposes of this clause, notice shall be deemed to have been so given, notwithstanding the accidental omission in giving it to one or more Members.	
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of the Members as herein provided, forthwith proceed to convene Extra-Ordinary General Meeting of	Extra-Ordinary General Meeting by Board and by requisition
101.	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	When a Director or any two Members may call an Extra Ordinary General Meeting
102.	<p>(1) In case of requisition the following provisions shall have effect:</p> <p>(a) The requisition shall set out the matter for the purpose of which the Meeting is to be called and shall be signed by the requisitionists and shall be deposited at the Registered Office of the Company.</p> <p>(b) The requisition may consist of several documents in like form each signed by one or more requisitionists.</p> <p>(c) The number of Members entitled to requisition a Meeting in regard to any matter shall be such number as hold at the date of the deposit of the requisition, not less than one-tenth of such of the paid-up share capital of the Company as that date carried the right of voting in regard to that matter.</p> <p>(d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (3) shall apply separately in regard to such matter, and the requisition shall accordingly be valid only in respect of those matters in regard to which the conditions specified in that clause are fulfilled.</p> <p>(e) If the Board does not within twenty-one days from the date of the deposit of a valid requisition in regard to any matters, proceed, duly to call a Meeting for the consideration of those matters on a day not later than forty-five days from the date of the deposit of the requisition, the</p>	Contents of requisition, and number of requisitionists required and the conduct of Meeting

	<p>Meeting may be called:</p> <ul style="list-style-type: none"> (i) By the requisitionists themselves ; or (ii) by such of the requisitionists as represent either a majority in value of the paid up share capital held by all of them or not less than one tenth of the paid-up share capital of the Company as is referred to in sub clauses (c) of clause (I) whichever is less. <p>PROVIDED THAT for the purpose of this sub-clause, the Board shall, in the case of a Meeting at which a resolution is to be proposed as a Special Resolution, be deemed not to have duly convened the Meeting if they do not give such notice thereof as is required by sub-section (2) of Section 189 of the Act.</p> <ul style="list-style-type: none"> (2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them: <ul style="list-style-type: none"> (a) shall be called in the same manner as, nearly as possible, as that in which meeting is to be called by the Board; but (b) shall not be held after the expiration of three months from the date of deposit of the requisition. <p>PROVIDED THAT nothing in sub-clause (b) shall be deemed to prevent a Meeting duly commenced before the expiry of the period of three months aforesaid, from adjourning to some days after the expiry of that period.</p> <ul style="list-style-type: none"> (3) Where two or more Persons hold any Shares in the Company jointly; a requisition or a notice calling a Meeting signed by one or some only of them shall, for the purpose of this Article, have the same force and effect as if it has been signed by all of them. (4) Any reasonable expenses incurred by the requisitionists by reason of the failure of the Board to duly to call a Meeting shall be repaid to the requisitionists by the Company; and any sum repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration for their services to such of the Directors as were in default. 	
103.	<ul style="list-style-type: none"> (a) A General Meeting of the Company, Annual or Extraordinary and by whomsoever called, may be called by giving not less than 21 days clear notice in writing. (b) A General Meeting may be called by giving shorter notice than that specified in clause (1) hereof if consent is accorded thereto (a) in the case of an Annual General Meeting by all the members entitled to vote thereto and (b) in case of any other general meeting, by members of the Company holding not less than ninety-five per cent of the 	Length of notice of General Meeting.

	total voting power exercisable at that meeting.	
	PROVIDED THAT where any members of the Company are entitled to vote only on some resolution or resolutions to be moved at a meeting and not on the others, those members shall be taken into account for the purpose of this clause in respect of the former resolution and not in respect of the latter.	
104.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	Meeting not to transact business not mentioned in notice.
105.	At every General Meeting the Chair shall be taken by the Chairman of the Board of Directors. If at any Meeting, the Chairman of the Board of Directors is not present within ten minutes after the time appointed for holding the Meeting or though present, is unwilling to act as Chairman, the Vice Chairman of the Board of Directors would act as Chairman of the Meeting and if Vice Chairman of the Board of Directors is not present or, though present, is unwilling to act as Chairman, the Directors present may choose one of themselves to be a Chairman, and in default or their doing so or if no Directors shall be present and willing to take the Chair, then the Members present shall choose one of themselves, being a Member entitled to vote, to be Chairman.	Chairman of General Meeting
106.	For all purposes the quorum at a general meeting shall be five members personally present. A body corporate being a member shall be deemed to be personally present if it is represented in accordance with Section 187 of the Act.	Quorum for General Meeting.
107.	<p>(a) The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman, and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.</p> <p>(b) No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.</p>	Business confined to election of Chairman whilst chair is vacant.

108.	<p>The Chairman with the consent of the Members may adjourn any Meeting from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.</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 original meeting. Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or any business to be transacted at an adjourned meeting.</p>	Chairman with consent may adjourn meeting.
109.	In the case of an equality of votes the Chairman shall both on a show of hands and on a poll (if any) have casting vote in addition to the vote or votes to which he may be entitled as a Member.	Chairman's casting vote.
110.	Any poll duly demanded on the election of Chairman of the meeting or any question of adjournment shall be taken at the meeting forthwith.	In what case poll taken without adjournment.
111.	<p>At any general meeting a resolution including a special resolution put to the vote at the meeting shall be decided on a show of hands, unless a poll is (before or on the declaration of a show of hands) demanded :</p> <p>(a) by the Chairman; or</p> <p>(b) by any member or members present in person or by proxy and having not less than one-tenth of the total voting power in respect of the resolution; or</p> <p>(c) by any member or members present in person or by proxy and holding shares in the company on which an aggregate sum of not less than Rupees fifty thousand has been paid up.</p>	Questions at general meetings, how decided.
112.	A declaration by the Chairman that in pursuance of voting on a show of hands, a resolution has or has not been carried, either unanimously or by a particular majority, and any entry to that effect in the books containing the minutes of the proceedings of the meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes in favor or against such resolution.	
113.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	Demand for poll not to prevent transaction of other business.
	VOTES OF MEMBERS	

114.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands or upon a poll or be reckoned in a quorum 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 or lien.	Members in arrears not to vote.
115.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in clause (b) of sub-section (2) of Section 87 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	Number of votes each member entitled.
116.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	Casting of votes by a member entitled to more than one vote.
117.	If any Member is lunatic, minor, unsound mind or, idiot, the vote in respect of his/ her shares shall be cast by his/her legal guardian(s) may vote whether on a show of hands or on a poll vote by proxy, provided that such evidence of the authority of the person claiming to vote as shall be accepted by the Directors shall have been deposited at the office of the Company not less than forty eight hours before the time of holding a meeting.	Vote of member of unsound mind and of minor
118.	Notwithstanding anything contained in the provisions of the Companies Act, 1956, and the Rules made there under, the Company may, and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the Company.	Postal Ballot
119.	If there are joint holders of any shares, any one of such persons	Votes of joint

	may vote at any meeting or appoint another person (whether a Member or not) as his proxy in respect of such shares, as if he were solely entitled thereto but the proxy so appointed shall not have any right to speak at the meeting and if more than one of the said persons remain present than the person whose name stands higher on the Register shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joint holders thereof.	members.
120.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Article 104.	Votes may be given by proxy or by representative
121.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 187 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	Representation of a body corporate.
122.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	Members paying money in advance.
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	Members not prohibited if share not held for any specified period.
123.	Any person entitled under Article 65 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may be at which he proposes to vote provided he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors	Votes in respect of shares of deceased or insolvent members.

	shall have previously admitted his right to vote at such meeting in respect thereof.	
124.	No Member personally present shall be entitled to vote on a show of hands unless such member is present by attorney or is a corporation present by proxy or a company present by a representative duly Authorised under the provisions of the Act in which case such attorney, proxy or representative may vote on a show of hands as if he were a Member of the Company. In the case of a company the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such company and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	No votes by proxy on show of hands.
125.	Any member of the Company entitled to attend and vote at a Meeting of the Company shall be entitled to appoint another person (whether a member or not) as his proxy to attend and vote on a poll, instead of himself PROVIDED ALWAYS THAT a proxy so appointed shall not have any right whatsoever to speak at the Meeting. Every notice convening a Meeting of the Company shall state that a member entitled to attend and vote is entitled to one or more proxies.	Appointment of a proxy.
126.	Every instrument of proxy whether for a specified meeting or otherwise shall, as nearly as circumstances will admit, be in any one of the forms set out in Schedule IX of the Act, or if the appointer is a body corporate be under its seal or be signed by any Officer or attorney duly Authorised by it.	Form of proxy.
127.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting.	Validity of votes given by proxy notwithstanding death of a member.
128.	Every member entitled to vote at a Meeting of the Company according to the provisions of these Articles on any resolution to be moved thereof shall be entitled during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting, to inspect proxies lodged, at any time during the business hours of the Company provided not less than three days notice in writing of the intention to inspect is given to the Company.	inspection of proxies.
129.	No objection shall be made to the validity of any vote, except at	Time for objections

	any meeting or poll at which such vote shall be tendered, and every vote whether given personally or by proxy, not disallowed at such meeting or poll shall be deemed valid for all purposes of such meeting or poll whatsoever.	to votes.
130.	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 time of taking a poll shall be the sole judge of the validity of every vote tendered at such poll.	Chairman of the Meeting to be the judge of validity of any vote.
131.	<p>(1) Whereby any provision contained in the Act or in these Articles special notice is required for any resolution, notice of the intention to move the resolution shall be given to the Company not less than fourteen days before the Meeting at which it is to be moved exclusive of the day on which the notice is served or deemed to be served and the day of the meeting.</p> <p>(2) The Company shall, immediately after the notice of the intention to move any such resolution has been received by it, give its members notice of the resolution in the same manner as it gives notice of the Meeting, or if that is not practicable, shall give them notice thereof either by advertisement in a newspaper having an appropriate circulation or in any other mode allowed by these presents not less than seven days before the Meeting.</p> <p>(3) The following resolution shall require special notice :</p> <p>(a) resolution under Section 225 of the Act at an Annual General Meeting for appointing a person as Auditor other than a retiring Auditor or providing expressly that a retiring Auditor shall not be re-appointed.</p> <p>(b) resolution under Section 284 of the Act removing a Director before the expiry of his period of office.</p> <p>(c) resolution under Section 284 of the Act appointing a Director in place of the Directors so removed.</p>	Resolutions requiring special notice.
	DIRECTORS	
132.	<p>Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 252 of the Act, the number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than twelve.</p> <p>As the date of adoption of these Articles, i.e., 2013 the following are the Directors of the Company:</p> <p>1. BHAVESH TULSIDAS BHANUSHALI</p>	Number of Directors

	2. MITESH JAGDISH LAXMIDAS GANATRA	
133.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	Qualification shares.
134.	<p>(a) Subject to the provisions of the Companies Act, 1956 and notwithstanding anything to the contrary contained in these Articles, any Financing Company or Body Corporate or Bank or Insurance Corporation (hereinafter referred to as “the Financial Institution”) shall have a right to appoint, remove, reappoint, substitute from time to time, its nominee as a Director (hereinafter referred to as the “Nominee Director”) on the Board of the Company, so long as any moneys remain owing to them or any of them, by the Company, out of any Financial assistance granted by them or any of them to the Company by way of loan and/or by holding debentures and/or share in the Company and/or a result of underwriting or direct subscription and/or any liability of the Company arising out of the guarantee furnished by the Financial Institution on behalf of the Company remains outstanding.</p> <p>(b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. Subject to the aforesaid Article 133(a) the said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled.</p> <p>(c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board.</p> <p>(d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.</p>	Nominee Directors.
135.	Any trust deed for securing the debentures or debenture-stock	Debenture Directors

	<p>(or a deed or mortgage of any assets of the Company) may if so arranged, provide for the appointment from time to time by the trustees thereof or by the holders of the debentures or debenture-stock (or in the case of a deed of mortgage by the person or persons having such power) of some person to be a Director of the Company and may empower such trustees or holders of debentures or debenture stocks (or such person or persons) from time to time, remove any Director so appointed. The Director appointed under the article is herein referred to as the "Debenture Director" (or a "Mortgage Director") and the term "Debenture Director" (or "Mortgage Director") means the Director for the time being in office under this article. This Debenture Director (or the Mortgage Director) shall not be liable to retire by rotation, or be removed by the Company. The trust deed (or the mortgage deed) may contain such ancillary provisions as may be arranged between the Company and the trustees (or mortgage) and all such provisions shall (subject to the provisions of the Act) have effect notwithstanding any of the other provisions herein contained.</p>	<p>or mortgage, Directors.</p>
<p>136.</p>	<p>Any advocate or Chartered Accountant or any professional who may for the time being be a Director of the Company :</p> <ul style="list-style-type: none"> (a) shall be entitled to charge the Company, professional remuneration for all work done by him for or on behalf of the Company at the rate agreed upon and on such terms and conditions as may be agreed upon; (b) shall be entitled to vote on all resolutions on all matters in any way he thinks fit irrespective of the fact that he has advised upon or been concerned with any matters relating to the said resolution prior to the passing thereof or is likely to advise upon or may have to deal with matters relating to any resolution after the same has been passed; (c) shall not be liable or responsible for the day to day or routine management and running of the Company and its affairs including setting aside, appropriations or payment of any statutory dues by or on behalf of the Company; and (d) shall be indemnified by the Company in respect of and fines or penalties that may be imposed upon him as a Director of the Company as a result of any act or omission of the Company and/or any of its Officers in failing to comply with any requirements of the law whether with regard to any payments to be made or otherwise howsoever, and also against all costs, charges and expenses that may be incurred by him in any proceeding against or relating to the said Professional Director in his capacity as a Director. 	<p>Professional Directors.</p>

137.	<p>(1) In connection with any collaboration arrangement with any company or corporation or any firm or person for supply of technical know-how and/or machinery or technical advice the directors may authorize such company , corporation ,firm or person herein-after in this clause referred to as “collaboration” to appoint from time to time any person as director of the company (hereinafter referred to as “special director”) and may agree that such special director shall not be liable to retire by rotation and need not possess any qualification shares to qualify him for office of such director, so however that such special director shall hold office so long as such collaboration arrangement remains in force unless otherwise agreed upon between the Company and such collaborator under the collaboration arrangements or at any time thereafter.</p> <p>(2) The collaborators may at any time and from time to time remove any such special director appointed by it and may at the time of such removal and also in the case of death or resignation of the person so appointed, at any time appoint any other person as special director in his place and such appointment or removal shall be made in writing signed by such company or corporation or any partner or such person and shall be delivered to the Company at its registered office.</p> <p>(3) It is clarified that every collaborator entitled to appoint a director under this article may appoint one such person as a director and so that if more than one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.</p>	Special Director
138.	<p>The Board may appoint an Alternate Director to act for a Director (hereinafter called “The Original Director”) during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to that State. If the term of Office of the Original Director is determined before he so returns to that State, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.</p>	Appointment of alternate Director.
139.	<p>Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General</p>	Additional Director

	Meeting.	
	<p>CONSENT OF CANDIDATE FOR DIRECTORSHIP TO BE FILED WITH THE REGISTRAR</p> <p>In accordance with Section 264 of the Companies Act, 1956, every person proposed as a Candidate for the office of Director shall sign and file with the Company his consent to act as a Director if appointed and every person other than a Director reappointed after retirement by rotation shall not act as a Director of the Company unless he has within 30 days of his appointment, signed and filed with Registrar his consent in writing to act as such Director</p>	
140.		
141.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	Directors power to fill casual vacancies.
142.	(a) Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	Sitting Fees.
	<p>(b) The remuneration of a Director for his service shall be such sum as may be determined by the Board of Directors but not exceeding such sum as may be prescribed by the Act or Central Government and/or the listing agreement with Stock Exchange. The Directors subject to the sanction of the Central Government (if any required) may be paid such further remuneration as the Company in General Meeting shall, from time to time, determine and such further remuneration shall be divided among the Directors in such proportion and manner as the Board may from time to time determine, and in default of such determination shall be divided amongst the Directors equally.</p> <p>(c) Subject to the provisions of the Act, a Director who is neither in the whole time employment of the Company nor a Managing Director, may be paid remuneration either;</p> <p>(i) by way of monthly, quarterly or annual payment with the approval of the Central Government; or</p> <p>(ii) by way of commission if the Company by a special resolution authorizes such payment.</p>	Remuneration of Directors.

143.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	Travelling expenses Incurred by Director on Company's business.
144.	If any Director, being willing, shall be called upon to perform extra services or to make any special exertions in going or residing out of the city of his normal residence or otherwise for any of the purposes of the Company, the Company shall subject as aforesaid, remunerate such Director either by a fixed sum or by a percentage of profits or otherwise as may be determined by the Directors and such remuneration may be either in addition to or in substitution for his remuneration above provided.	Special remuneration to Directors
145.	The continuing Directors may act notwithstanding any vacancy in their body, provided that if the number falls below the minimum number fixed by Article 131 hereof the continuing Directors may act for the purpose of increasing the number of Directors to that minimum number, or for summoning a General Meeting of the Company or in emergencies but no other purpose.	Directors may act notwithstanding any vacancy.
146.	Subject to the provisions of the Act and observance and fulfillment thereof and subject to restrictions imposed by Articles, no Director shall be disqualified by his office of a Director in the Company from contracting with the Company either as vendor, purchaser, agent, broker or otherwise, nor shall any such contract or any contract or arrangement entered into by or on behalf of the Company in which any Director shall be in any way interested, be avoided nor shall any Director so contracting or being so interested be liable to account to the Company for any profit realised by any such contract or arrangement by reason only of such Director holding that office, or of the fiduciary relationship thereby established, but it is declared that the nature of his interest must be disclosed by him as provided by the Act.	Directors may contract with the Company.
147.	A Director of the Company may become a Director of any Company promoted by the Company, or in which he may be interested as a vendor or Member and subject to the provisions of the Act and these Articles no such Director shall be accountable for any benefits received as a Director or Member of such Company.	Directors may be Directors of Companies promoted by the Company.
148.	The Company shall observe the restrictions imposed on the Company in regard to grant of loans to Directors and other	Loans to Directors.

	persons as provided in Section 295 and other applicable provisions, if any, of the Act.	
149.	Subject to the provisions of the Act and these Articles, the Company may by an Ordinary Resolution in General Meeting from time to time increase or reduce within the maximum limit permissible the number of Directors provided that any increase in the number of Directors exceeding the limit in that behalf provided in the Act shall not have any effect unless approved by the Central Government and shall become void if and so far it is disapproved by the Government.	The Company may increase or reduce the number of Directors.
150.	<p>(1) Subject to the provisions of Section 297 of the Act, except with the consent of the Board of Directors of the Company, a Director of the Company or his relative, a firm in which such a Director or relative is partner, any other partner in such a firm or a private company of which the Director is a member or director, shall not enter into any contract with the Company.</p> <p>(a) For the sale, purchase or supply of goods, materials or services; or</p> <p>(b) for underwriting the subscription of any Share in or debentures of the Company;</p> <p>(c) nothing contained in clause (a) of sub-clause (1) shall affect:-</p> <p>(i) the purchase of goods and materials from the Company, or the sale of goods and materials to the Company by any Director, relative, firm, partner or private company as aforesaid for cash at prevailing market prices; or</p> <p>(ii) any contract or contracts between the Company on one side and any such Director, relative, firm, partner or private company on the other for sale, purchase or supply of any goods, materials and services in which either the Company, or the Director, relative, firm, partner or private company, as the case may be regularly trades or does business, PROVIDED THAT such contract or contracts do not relate to goods and materials the value of which, or services the cost of which, exceeds five thousand rupees in the aggregate in any year comprised in the period of the contract or contracts;</p> <p>(2) Notwithstanding any contained in sub-clause(1) hereof, a Director, relative, firm partner or private company as aforesaid may, in circumstances of urgent necessity, enter without obtaining the consent of the Board, into any contract with the Company for the sale, purchase or supply of any goods, materials or services even if the value of such goods or cost of such services exceeds rupees five</p>	Board resolution necessary for certain contracts

	<p>thousand in the aggregate in any year comprised in the period of the contract; but in such a case the consent of the Board shall be obtained at a Meeting within three months of the date on which the contract was entered into.</p> <p>(3) Every consent of the Board required under this Article shall be accorded by a resolution passed at a meeting of the Board required under clause (1) and the same shall not be deemed to have been given within the meaning of that clause unless the consent is accorded before the contract is entered into or within three months of the data on which was entered into.</p> <p>(4) If consent is not accorded to any contract under this Article, anything done in pursuance of the contract will be voidable at the option of the Board.</p> <p>(5) The Directors, so contracting or being so interested shall not be liable to the Company for any profit realised by any such contract or the fiduciary relation thereby established.</p>	
151.	<p>When the Company:-</p> <p>(a) enters into a contract for the appointment of a Managing Director or Whole time Director in which contract any Director of the Company is whether directly or indirectly, concerned or interested; or</p> <p>(b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 302 of the Act shall be complied with.</p>	Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole time Director
152.	<p>(1) A Director of the Company who is in any way, whether directly or indirectly concerned or interested in a contract entered into or to be entered into by or on behalf of the Company shall disclose the nature of his concern or interest at a meeting of the Board in the manner provided in Section 299 (2) of the Act.</p>	Disclosure of interest of Directors
153.	<p>(2) A general notice, given to the Board by the Director to the effect that he is a director or is a member of a specified body corporate or is a member of a specified firm under Sections 299(3)(a) shall expire at the end of the financial year in which it shall be given but may be renewed for a further period of one financial year at a time by fresh notice given in the last month of the financial year in which it would have otherwise expired. No such general notice and no renewal thereof shall be of effect unless, either it is given at a meeting of the Board or the Director concerned takes reasonable steps to secure that is brought up and read at the first meeting of the Board after it is given.</p>	General notice of disclosure

154.	<p>A person shall not be capable of being appointed Director of the Company if:-</p> <ul style="list-style-type: none"> (a) he has been found to be of unsound mind by a Court of competent jurisdiction and the finding is in force; (b) he is an undischarged insolvent; (c) he has applied to be adjudged an insolvent and his application is pending; (d) he has been convicted by a Court of any offence involving moral turpitude sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed form the date of expiry of the sentence; (e) he has not paid any call in respect of Shares of the Company held by him whether alone or jointly with others and six months have lapsed from the last day fixed for the payment of the call; or (f) an order disqualifying him for appointment as Director has been passed by a Court in pursuance of Section 203 of the Act and is in force; unless the leave of the Court has been obtained for his appointment in pursuance of that Section. 	Disqualification of the Director
155.	<p>The office of Director shall become vacant if:-</p> <ul style="list-style-type: none"> (a) he is found to be of unsound mind by a Court of competent jurisdiction; or (b) he applies to be adjudged an insolvent; or (c) he is adjudged an insolvent; or (d) he is convicted by a Court of any offence involving moral turpitude and sentenced in respect thereof to imprisonment for less than six months; or (e) he fails to pay any call in respect of Shares of the Company held by him, whether alone or jointly with others within six months from the last date fixed for the payment of the call unless the Central Government, by a notification in the Official Gazette removes the disqualification incurred by such failure; or (f) absents himself from three consecutive meetings of the Board of Directors, or from all meetings of the Board for a continuous period of three months, whichever is longer, without obtaining leave of absence from the Board; or (g) he(whether by himself or by any person for his benefit or on his account or any firm in which he is a partner or any private company of which he is a director), accepts a loan, or any guarantee or security for a loan, from the Company in contravention of Section 295 of the Act; or (h) he being in any way whether directly or indirectly concerned or interested in a contract or arrangement or proposed contract or arrangement, entered into or to be entered into by or on behalf of the Company fails to disclose the nature of his concern or interest at a meeting of 	Vacation of office by Directors

	<p>the Board of Directors as required by Section 299 of the Act; or</p> <ul style="list-style-type: none"> (i) he becomes disqualified by an order of the Court under Section 203 of the Act; or (j) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or (k) if by notice in writing to the Company, he resigns his office, or (l) having been appointed as a Director by virtue of his holding any office or other employment in the Company, he ceases to hold such office or other employment in the Company. <p>Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 153 hereof, the disqualification referred to in these clauses shall not take effect:</p> <ul style="list-style-type: none"> (a) for thirty days from the date of the adjudication, sentence or order; (b) where any appeal or petition is preferred within thirty days aforesaid against the adjudication, sentence or conviction resulting in the sentence or order until the expiry of seven days from the date on which such appeal or petition is disposed of; or (c) where within the seven days aforesaid, any further appeal or petition is preferred in respect of the adjudication, sentence, conviction or order, and the appeal or petition, if allowed, would result in the removal of the disqualification, until such further appeal or petition is disposed of. 	
156.	<ul style="list-style-type: none"> (1) The Company may subject to the provisions of Section 284 and other applicable provisions of the Act and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 408 of the Act before the expiry of his period of office. (2) Special Notice as provided by these Articles or Section 190 of the Act; shall be required of any resolution to remove a Director under the Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed. (3) On receipt of notice of a resolution to remove a Director under this Article; the Company shall forthwith send a copy; thereof to the Director concerned and the Director (whether or not he is a Member of a Company) shall be entitled to be heard on the resolution at the Meeting. (4) where notice is given of a resolution to remove a Director 	Removal of Directors

	<p>under this Article and the Director concerned makes with respect thereto representations in writing to the Company (not exceeding reasonable length) and requests their notification to Members of the Company, the Company shall, unless the representations are, received by it too late for it to do so:</p> <p>(a) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and</p> <p>(b) send a copy of the representations to every Member of the Company to whom notice of the Meeting is sent (before or after the representations by the Company) and if a copy of the representations is not sent as aforesaid because they were received too late\ or because of the Company's default the Director may (without prejudice to his right to be heard orally) require that the representation shall be read out at the Meeting; provided that copies of the representation need not be sent or read out at the Meeting if on the application, either of the Company or of any other person who claims to be aggrieved by the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.</p> <p>(5) A vacancy created by the removal of the Director under this Article may, if he had been appointed by the Company in General Meeting or by the Board, in pursuance of Article 157 or Section 262 of the Act be filled by the: appointment of another Director in his place by the Meeting at which he is removed, provided special notice of the intended appointment has been given under Article 167 hereof. A Director so appointed shall hold office until the date upto which his predecessor would have held office if he had not been removed as aforesaid.</p> <p>(6) If the vacancy is not filled under sub-clause(e), it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 157 or Section 162 of the Act, and all the provisions of that Article and Section shall apply accordingly.</p> <p>(7) A Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors.</p> <p>(8) Nothing contained in this Article shall be taken:-</p> <p>(a) as depriving a person removed hereunder of any compensation of damages payable to him in respect of the termination of his appointment as Director, or</p> <p>(b) as derogating from any power to remove a Director which may exist apart from this Article.</p>	

157.	<p>No Director shall as a Director take part in the discussion of or vote on any contract arrangement or proceedings entered into or to be entered into by or on behalf of the Company, if he is in any way, whether directly or indirectly, concerned or interested in such contract or arrangement, not shall his presence count for the purpose of forming a quorum at the time of any such discussion or voting, and if he does vote, his vote shall be void. Provided however, that nothing herein contained shall apply to:-</p> <ul style="list-style-type: none"> (a) any contract of indemnity against any loss which the Directors, or any one or more of them, may suffer by reason of becoming or being sureties or a surety for the Company; (b) any contract or arrangement entered into or to be entered into with a public company or a private company which is a subsidiary of a public company in which the interest of the Director consists solely; <ul style="list-style-type: none"> (i) in his being: <ul style="list-style-type: none"> (a) a director of such company; and (b) the holder of not more than shares of such number of value therein as is requisite to qualify him for appointment as a director, thereof, he having been nominated as director by the company, or (ii) in his being a member holding not more than two percent of its paid-up share capital. 	Interested Directors not to participate or vote in Board's proceedings
158.	<ul style="list-style-type: none"> (1) The appointment, re-appointment and extension of the term of a sole selling agent, shall be regulated in accordance with the provisions of Section 294 of the Act and any Rules or Notifications issued by the competent authority in accordance with that Section and the Directors and/or the Company in General Meeting may make the appointment, re-appointment or extension of the term of office in accordance with and subject to the provisions of the said Section and such rules or notifications, if any, as may be applicable. (2) The payment of any compensation to a sole selling agent shall be subject to the provisions of Section 294A of the Act. 	Appointment of Sole Selling Agents
	PROCEEDING OF THE BOARD OF DIRECTORS	
159.	<ul style="list-style-type: none"> (a) The Board of Directors may meet for the despatch of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) The Chairman of the Board of Directors or the Managing Director or any two- Directors may at any time convene a 	Meetings of Directors.

	<p>meeting of the Board of Directors.</p> <p>The Board of Directors shall meet at least once in every three months for the dispatch of business, adjourn and otherwise regulate its meetings and proceedings as it thinks fit in accordance with section 288 of the Companies Act, 1956 provided that at least four such meetings shall be held in every year.</p>	
160.	The Directors may from time to time elect from among their members a Chairman of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within fifteen minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting.	Chairman.
161.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	Questions at Board meeting how decided.
162.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	Directors may appoint committee.
163.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	Committee Meetings how to be governed.
164.	<p>(a) A resolution passed by circular without a meeting of the Board or a committee of the Board appointed under Article 135 shall, subject to the provisions of sub-clause (b) hereof and the Act be as valid and effectual as a Resolution duly passed at a meeting of the Board or of a committee duly called and held.</p> <p>(b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by a circular, if the Resolution has been circulated in draft together with the</p>	Resolution by Circular.

	<p>necessary papers, if any, to all the Directors or to all the members of the Committee then in India (not being less in number than the quorum requisite for a Meeting of the Board or the committee as the case may be) and to all other Directors or other members of the Committee at their usual addresses in India and has been approved by such of the Directors or members of the committee as are then in India or by a majority of such of them as are entitled to vote on the Resolution.</p> <p>(c) Subject to the provisions of the Act, a statement signed by the Managing Director, Secretary or other person authorised in that behalf by the directors certifying the absence from India of any Directors shall for the purposes of this Article be prima facie conclusive.</p>	
165.	<p>Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.</p>	<p>Acts of Board or Committee shall be valid notwithstanding defect in appointment.</p>
166.	<p>Subject to the provisions of Section 287 of the Act, the quorum for a Meeting of the Directors shall be one-third of the total strength of the Board of Directors, or two Directors whichever is higher.</p>	<p>Quorum for Meeting of the Board.</p>
	RETIREMENT AND ROTATION OF DIRECTORS	
167.	<p>(a) Not less than two-third of the total number of directors of the Company shall be person 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>(b) The remaining Directors shall be appointed in accordance with the provisions of the Articles.</p> <p>(c) The Permanent Directors or Permanent Director if any shall not be liable to retirement by rotation from office of Directors nor shall they or he or she be counted in the number of retiring Directors or retiring Director so long as they or he or she shall fill the office of Permanent Director.</p> <p>(d) In accordance with Section 264 of the Companies Act, 1956,</p>	<p>Retirement by Rotation.</p>

	every person proposed as a Candidate for the office of Director shall sign and file with the Company his consent to act as a Director if appointed and every person other than a Director reappointed after retirement by rotation shall not act as a Director of the Company unless he has within 30 days of his appointment, signed and filed with Registrar his consent in writing to act as such Director	Consent of candidate for Directorship to be filed with the Registrar
168.	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 multiple of three then the number nearest to one-third shall retire from office.	Directors to retire annually how determined.
169.	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 office since their last appointment, but as between persons who became Directors on the same day, those who are to retire shall in default of and subject to any agreement among themselves, be determined by lot. Subject to the provisions of the Act, a retiring Director shall retain office until the dissolution of the meeting at which the re-appointment is decided or his successor is appointed.	Ascertainment of Directors retiring by rotation.
170.	<p>(1) The Board of Directors shall have the right from time to time to appoint any person or persons as Technical Director or Executive Director/s and remove any such persons from time to time without assigning any reason whatsoever. A Technical Director or Executive Director shall not be required to hold any qualification shares and shall not be entitled to vote at any meeting of the Board of Directors.</p> <p>(2) Subject to the provisions of Section 262 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of Directors at the meeting of the Board and the Director so appointed shall hold office only up to the date up to which the Director in whose place he is appointed would have held office if had not been vacated as aforesaid.</p>	Appointment Of Technical or Executive Directors
171.	Subject to the provisions of the Act and these Articles, a retiring Director shall be eligible for re-appointment.	Eligibility for reappointment.
172.	Subject to the applicable provisions of the Act and these Articles, the Company, at the Annual General Meeting at which a Director retires in manner aforesaid may fill up the vacated	Company to fill up vacancy.

	office by selecting the retiring Director or some other person thereto.	
173.	<p>(1) If the place of the retiring Director is not so filled up and the meeting had not expressly resolved not to fill the vacancy, the meeting shall stand adjourned till the same day in the next week, at the same time and place, or if that day is a public holiday, till the next succeeding day which is not a public holiday, at the same time and place.</p> <p>(2) If at the adjourned meeting also, the place of the retiring Director is not filled up and that meeting also has not expressly resolved not to fill the vacancy the retiring Director shall be deemed to have been re-appointed at the adjourned meeting unless:</p> <p>(a) At the meeting or at the previous meeting a resolution for the reappointment of such Director has been put to the meeting and lost;</p> <p>(b) The retiring Director has by a notice in writing addressed to the Company or its Board of Directors, expressed his unwillingness to be so reappointed;</p> <p>(c) He is not qualified or is disqualified for appointment;</p> <p>(d) A resolution whether special or ordinary is required for the appointment or re-appointment by virtue of any provisions of the Act;</p> <p>(e) Sub-clause (2) of Section 263 of the Act is applicable to the case.</p>	Provisions in default in appointment.
174.	<p>(1) Subject to the provisions of the Act and these Articles, any person who is not a retiring Director shall be eligible for appointment to the Office of Director at any General Meeting if he or any member intending to propose him, has at least 14 clear days before the meeting, left at the office of the Company a notice in writing under his hand signifying his candidature for that office or the intention of such member to propose him as a candidate for that office as the case may be. The Company shall duly comply with the provisions of Section 257 of the Act for informing its members of the candidature of the Director concerned.</p> <p>(2) Every person (other than a Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 257, signifying his candidature for the office of a Director) proposed as candidate for the office of a Director shall sign and file with the company, his consent in writing to act as a Director, if appointed.</p> <p>(3) A person other than a Director re-appointed after retirement by rotation or immediately on the expiry of his</p>	Notice of candidature for office of Director.

	term of office, or an additional or alternate Director, or a person filling a casual vacancy in the office of a Director under Section 262 of the Act, appointed as a Director or re-appointed as an additional or alternate Director immediately on the expiry of his term of office, shall not act as a Director of the company, unless he has within 30 days of his appointment signed and filed with the Registrar his concerned in writing to act as such Director.	
175.	At a General Meeting of the Company, a motion shall not be made for the appointment of two or more persons as Directors of the Company by a single resolution unless a resolution that it shall be so made has first been agreed to by the meeting without any vote being given against it. A resolution moved in contravention of this Article shall be void whether or not objection was taken at the time to its being so moved: Provided that where a resolution so moved is passed and no provision for the automatic re-appointment of retiring Directors by virtue of these Articles or the Act in default of another appointment shall apply.	Individual resolutions for Directors appointments.
176.	The provisions of Section 314 of the Act shall be complied with when applicable in regard to holding of office or place of profit under the Company or under any subsidiary of the Company by any person mentioned in the said section. The words 'office' or 'place of profit' shall have the meaning assigned to them by Section 314 of the Act.	Directors etc. not to hold office or place of profit.
177.	<p>The Board of Directors 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 Company 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 the Company in respect of the compulsory acquisition of any such undertaking as is referred in sub-clause (a) above, or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on with difficulty or only after a considerable time; (d) borrow moneys in excess of the limits prescribed in the 	Consent of Company necessary for the exercise of certain powers.

	<p>Act.</p> <p>(e) contribute, to charitable and other funds not directly relating to the business of the Company or the Welfare of its employees, any amounts the aggregate of which will in any financial year exceed Fifty Thousand Rupees or five percent of its average net profits as determined in accordance with the Act during the three financial years, immediately preceding, whichever is greater.</p>	
178.	<p>(1) The Board shall exercise the following powers on behalf of the Company and it shall do so only by means of resolution passed at the meetings of the Board of Directors :</p> <p>(a) the power to make calls on members in respect of money unpaid on their shares;</p> <p>(b) the power to issue debentures;</p> <p>(c) the power to borrow moneys otherwise than on debentures;</p> <p>(d) the power to invest the funds of the Company.</p> <p>(e) the power to make loans.</p> <p>Provided that the Board may, by resolution passed at a meeting, delegate to any Committee of Directors or the Managing Director, or the Secretary, or any principal officer of the Company or of any of its branch offices the powers specified to in (c), (d) and (e) of this sub-clause to the extent specified below on such conditions as the Board may prescribe. Every resolution delegating the power referred to in sub-clause (1) (c) shall specify the total amount outstanding at any one time upto which moneys may be borrowed by the delegatee. Provided, however, that where the Company has an arrangement with its bankers for the borrowing of money by way of overdraft, cash credit or otherwise, the actual day-to-day operation of the overdraft, cash credit or the accounts by means of which the arrangement made is availed of shall not require sanction of Board.</p> <p>(2) Every resolution delegating the power referred to in sub-clause (1) (d) shall specify the total amounts upto which the funds may be invested and the nature of the investments which may be made by the delegates.</p> <p>(3) Every resolution delegating the power referred to in sub-clause (1) (e) shall specify the total amount upto which loans may be made by the delegates, the purpose for which the loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.</p>	<p>Powers to be exercised by Board only at Board meetings</p>

	(4) Nothing contained 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 and any of the powers referred to in (a), (b), (c) and (d) of clause (1) above.	
	POWERS OF THE BOARD	
179.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act, or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	Powers of the Board
180.	Without prejudice to the general powers conferred by the Article 150 and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding two Articles, it is hereby, declared that the Directors shall have the following powers, that is to say :	Certain powers of the Board
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	To acquire any property , rights etc.
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	To take on Lease.
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or	To erect & construct.

	any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	
(4)	At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other securities of the Company, and any such share 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 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.	To pay for property.
(5)	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 buildings, 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.	To insure properties of the Company.
(6)	To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	To open Bank accounts.
(7)	To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	To secure contracts by way of mortgage.
(8)	To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	To accept surrender of shares.
(9)	To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	To appoint trustees for the Company.
(10)	To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer,	To conduct legal proceedings.

	or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	Bankruptcy & Insolvency
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	To issue receipts & give discharge.
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 49 of the Act, all investments shall be made and held in the Company's own name.	To invest and deal with money of the Company.
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	To give Security by way of indemnity.
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	To determine signing powers.
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	Commission or share in profits.
	(17) To give, award or allow any bonus, pension, gratuity or	Bonus etc. to

	compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	employees.
	(18) Before recommending any dividend subject to provisions of Section 205 of the Act, to set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 292 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the deprecation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	Transfer to Reserve Funds.
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for	To appoint and remove officers and other employees.

	the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	
	(20) To comply with the requirement of any local law which in their opinion it would be in the interest of the Company be necessary or expedient to comply with.	To comply with the provisions of local law.
	(21) From time to time and at any time to establish any local board for managing the affairs of the Company in any specified locality in India or elsewhere and to appoint any persons to be members of such local Boards, and to fix their remunerations;	To appoint local Boards.
	(22) Subject to Section 292 of the Act, from time to time, and at any time to delegate to any person so appointed any of the powers, authorities, and discretions for the time being vested in the Board, other than their power to make calls or to make loans or borrow moneys; and to authorise the members for the time being of any local Board, or any of them to fill up any vacancies, and such appointment or delegation may be made on such terms and conditions to the Board may think fit, and the Board may at any time remove any person so appointed and may revoke or vary such delegation.	To delegate powers to Local Boards.
	(23) At any time and from time to time by power of attorney under the seal of the Company, 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 Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any	To appoint Attorneys.

	of the powers, authorities and discretion for the time being vested in them.	
	(24) Subject to Sections 294 and 300 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	To enter into contracts.
	(25) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	To make rules.
	(26) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	To effect contracts etc.
	(27) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	To apply & obtain concessions licenses etc.
	(28) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 76 and 208 of the Act and of the provisions contained in these presents.	To pay commissions or interest.
	(29) To redeem preference shares.	To redeem preference shares.
	(30) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	To assist charitable or benevolent institutions.
	(31) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company.	

	(32) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 76 and 208 of the Act.	
	(33) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 293(1)(e) of the Act, to subscribe or contribute or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or other institutions or object which shall have any moral or other claim to support or aid by the Company, either by reason of locality of operation, or of the public and general utility or otherwise.	
	<p>(34) To purchase or otherwise acquire or obtain license for the use of and to sell, exchange or grant license for the use of any trade mark, patent, invention or technical know-how.</p> <p>(35) To sell from time to time any Articles, materials, machinery, plants, stores and other Articles and thing belonging to the Company as the Board may think proper and to manufacture, prepare and sell waste and by-products.</p> <p>(36) From time to time to extend the business and undertaking of the Company by adding, altering or enlarging all or any of the buildings, factories, workshops, premises, plant and machinery, for the time being the property of or in the possession of the Company, or by erecting new or additional buildings, and to expend such sum of money for the purpose aforesaid or any of them as they be thought necessary or expedient.</p> <p>(37) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate.</p>	

	<p>(38) To improve, manage, develop, exchange, lease, sell, resell and re-purchase, dispose off, deal or otherwise turn to account, any property (movable or immovable) or any rights or privileges belonging to or at the disposal of the Company or in which the Company is interested.</p> <p>(39) To let, sell or otherwise dispose of subject to the provisions of Section 293 of the Act and of the other Articles any property of the Company, either absolutely or conditionally and in such manner and upon such terms and conditions in all respects as it thinks fit and to accept payment in satisfaction for the same in cash or otherwise as it thinks fit.</p> <p>(40) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid.</p> <p>(41) To comply with the requirements of any local law which in their opinion it shall in the interest of the Company be necessary or expedient to comply with.</p>	
	MANAGING AND WHOLE-TIME DIRECTORS	
181.	Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places.	Powers to appoint Managing/Wholetime Directors.
182.	Subject to the provisions of the Act and to these Articles, a Managing Director or a Whole-time Director shall not, while he continues to hold that office, be subject to retirement by rotation in accordance with the provisions of the Act but he shall subject to the provisions of any contract between him and company be subject to the same provisions as to resignation and removal as the other Directors of the Company and he shall ipso facto and immediately cease to be a Managing Director or Whole-time Director if he ceased to hold the office of Director from any cause. Provided that if at any time the number of Directors (including the Managing Director or Whole-time Director) as are not subject to retirement by rotation shall exceed one-third	What provisions Managing or Wholetime Director shall be subject to.

	<p>of the total number of the Directors for the time being then such Managing Director or Managing Directors' or Whole-time Director or Whole-time Directors as the Directors shall from time to time determine as to who shall be made liable to retirement by rotation in accordance with the provisions of the Act to the intent that the number of directors not liable to retirement by rotation shall not exceed one-third of the total number of Directors for the time being. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.</p>	
183.	<p>The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors, and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.</p>	Remuneration of Managing or Wholetime Director.
184.	<p>(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board.</p> <p>(2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers.</p> <p>(3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles.</p>	Powers and duties of Managing Director or Whole-time Director.

	<p>(4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit.</p> <p>(5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.</p>	
185.	If at any time the total number of Managing Directors and Whole Time Directors is more than one-third who shall retire shall be determined by and in accordance with their respective seniorities. For the purpose of this Article the seniorities of the Whole Time Directors and Managing Directors shall be determined by the date of their respective appointments as Whole Time Directors and Managing Directors of the Company.	Seniority of Whole Time Director and Managing Director
	THE SECRETARY/MANAGER	
186.	The Directors may from time to time appoint a duly qualified person to be the Secretary/Manager of the Company and on such terms and conditions as they shall deem fit and may from time to time suspend, remove or dismiss him from office and appoint another in his place. Subject to the provisions of the Act and these Articles the Directors may delegate to the Secretary such powers and entrust him with such duties as they may deem fit from time to time and revoke, cancel, alter or modify the same, and in particular, entrust to him the performance of the functions which, by the Act, are to be performed by the Secretary of the Company and other administrative and ministerial duties. The remuneration of the Secretary shall be such as may be determined by the Directors from time to time.	Board to appoint Secretary/Manager
	THE SEAL	
187.	(a) The Board shall provide a Common Seal for the purposes of the Company, and shall have power from time to time to destroy the same and substitute a new Seal in lieu thereof, and the Board shall provide for the safe custody of the Seal	The seal, its custody and use.

	for the time being, and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given.	
	(b) The Company shall also be at liberty to have an Official Seal in accordance with Section 50 of the Act, for use in any territory, district or place outside India.	
188.	Every Deed or other instrument, to which the Seal of the Company is required to be affixed, shall, unless the same is executed by a duly constituted attorney, be signed by any Director or a Secretary or some other person appointed by the Board for the purpose provided that in respect of the Share Certificate the Seal shall be affixed in accordance with Article 22(a).	Deeds how executed.
	DIVIDEND WARRANTS	
189.	<p>(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares.</p> <p>(2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share.</p> <p>(3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.</p>	Division of profits.
190.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 207 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	The company in General Meeting may declare Dividends.
191.	(1) No Dividend shall be declared or paid by the Company for any financial year except out of the profits of the Company for that year arrived at after providing for depreciation in	Dividend out of profits only.

	<p>accordance with the provisions of sub-clause (2) or out of the profits of the Company for any previous financial year or years arrived at after providing for depreciation in accordance with those provisions and remaining undistributed or out of both or out of moneys provided by the Central Government or State Government for the payment of dividend in pursuance of a Guarantee given by the Government and except after the transfer to the reserves of the Company of such percentage out of the profits for that year not exceeding ten per cent as may be prescribed or voluntarily such higher percentage in accordance with the rules as may be made by the Central Government in that behalf.</p> <p>PROVIDED HOWEVER whether owing to inadequacy or absence of profits in any year, the Company proposes to declare out of the accumulated profits earned by the Company in previous years and transferred by it to the reserves, such declaration of dividend shall not be made except in accordance with such rules as may be made by the Central Government in this behalf, and whether any such declaration is not in accordance with such rules, such declaration shall not be made except with the previous approval of the Central Government.</p> <p>(2) The depreciation shall be provided either —</p> <p>(a) to the extent specified in Section 350 of the Act; or</p> <p>(b) in respect of each item of a depreciable asset, for such an amount as is arrived at by dividing 95 per cent of the original cost thereof to the Company by the specified period in respect of such asset; or</p> <p>(c) on any other basis approved by the Central Government which has the effect of writing off by way of depreciation 95 per cent of the original cost of the Company of its such depreciable asset on the expiry of the specified period; or</p> <p>(d) as regards any other depreciation assets for which no rate of depreciation has been laid down by the Indian Income-tax Act, 1961 or the rules made there-under on such basis as may be approved by the Central Government by any general order published in the Official Gazette or by any special order in the case of the Company;</p>	
	<p>Provided that where depreciation is provided for in the manner laid down in Clause (b) or Clause (c), then in the event of the depreciated assets being sold, discarded, demolished or destroyed, the written down value thereof at the end of the financial year in which the asset is sold,</p>	

	discarded, demolished or destroyed shall be written off in accordance with the proviso to Section 350 of the Act.	
	<p>(3) No dividend shall be payable except, in cash, provided that nothing in this Article shall be deemed to prohibit the capitalization of the profits or reserves of the Company for the purpose of issuing fully paid up bonus shares or paying up any amount for the time being unpaid on any shares held by members of the Company.</p> <p>(4) Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.</p> <p>(5) For the purposes of this Article 'Specified period' in respect of any depreciable asset shall mean the number of years at the end of which at least 95 per cent of the original cost of that asset to the Company will have been provided for by way of depreciation, if depreciation were to be calculated in accordance with the provisions of Section 350 of the Act.</p>	
192.	The Board of Directors may from time to time, pay to the members such interim dividends as in their judgment the position of the Company justifies.	Interim Dividend.
193.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	Debts may be deducted.
194.	Where the capital is paid in advance of the calls upon the footing that the same shall carry interest, such capital shall not, whilst carrying interest, confer a right to dividend or to participate in profits.	Capital paid up in advance at interest not to earn dividend.
195.	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 dividends as from a particular date such share shall rank for dividend accordingly.	Dividends in proportion to amount paid-up.
196.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Article 65 has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	Retention of dividends until completion of transfer under Article 64.

197.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.
198.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	Effect of transfer of shares.
199.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	Dividend to joint holders.
200.	The dividend payable in cash may be paid by cheque or warrant sent through post direct to the registered address of the shareholder entitled to the payment of the dividend or in case of joint holders to the registered address of that one of the joint holders which is first named on the register of members or to such person and to such address as the holder or the joint holder may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay-slip or receipt lost in transmission or for any dividend lost, to the member or person entitled thereto by forged endorsement of any cheque or warrant or the fraudulent recovery of the dividend by any other means.	Dividends how remitted. Notice of dividend. Dividend to be paid within thirty days.
201.	Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holder of share in the manner herein provided.	Notice of dividend.
202.	The Directors may, before recommending or declaring any dividend set aside out of the profits of the Company such sums as they think proper as reserve or reserves, which shall, at the discretion of the Directors, be applicable for meeting contingencies or for any other purposes to which the profits of the Company may be properly applied and pending such application, may at the like discretion, either be employed in the business of the Company or be invested in such investments (other than Shares of the Company) as the Directors may from time to time think fit.	Reserves
203.	(1) The Company shall pay the dividend or send the warrant in respect thereof to the shareholder entitled to the payment	Dividend to be paid within thirty days.

	<p>of dividend, within “thirty” or such days as may be prescribed from the date of the declaration of the dividend unless -</p> <ul style="list-style-type: none"> (a) where the dividend could not be paid by reason of the operation of any law; (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; (c) where there is a dispute regarding the right to receive the dividend; (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from the shareholder; or (e) where for any other reasons, the failure to pay the dividend or to post the warrant within the period aforesaid was not due to any default on the part of the Company. 	
	<p>(2) (a) The amount of dividend, including interim dividend, declared shall be deposited in a separate bank account within five days from the date of declaration of such dividend or such time as may be prescribed in the Act from time to time.</p> <p>* (b) If the dividend has not been paid within thirty days or such time as may be prescribed in the Act from time to time to a share holder, then the Company shall within seven days from the date of expiry of the said thirty days or such days as prescribed transfer the whole of the dividend amount to a special account called “Unpaid/Unclaimed Dividend Account- MOMAI APPRELS LIMITED” to be opened with a scheduled bank.</p> <p>(c) Any money transferred to the unpaid/Unclaimed dividend account of the Company, which remains unpaid or unclaimed for a period of seven years or such time as may be prescribed in the Act from time to time from the date of such transfer shall be transferred by the Company to Investor Education and Protection Fund established under Section 205C of the Act and transfer to the said account the total amount of dividend which remains unpaid or in relation to which no dividend warrant has been posted.</p>	
204.	<p>All amounts due as provided in Section 205C of the Companies Act, 1956, which remains unpaid or unclaimed for a period of seven years from the date of transfer to the prescribed accounts provided in the Act shall be transferred by the Company to the general revenue account of the Central Government. Any claims to any money so transferred to the general account may be</p>	<p>Unclaimed amounts as per Section 205C.</p>

	preferred to the Central Government by the shareholders to whom the money is due.	
205.	No unclaimed dividend shall be forfeited and no unpaid dividend shall bear interest as against the Company.	No interest on Dividends.
206.	Any General Meeting declaring a dividend may on the recommendations of the Directors make a call of the Members of such amount as the meeting fixes, but so that the call on each member shall not exceed the dividend payable to him, and so that the call be made payable at the same time as the dividend; and the dividend may, if so arranged between the Company and members be set off against the calls.	Dividend and call together.
	CAPITALIZATION	
207.	<p>(1) 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 (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.</p> <p>(2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards:</p> <p>(i) paying up any amounts for the time being unpaid on any shares held by such members respectively;</p> <p>(ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or</p> <p>(iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii).</p> <p>(3) A Securities Premium Account, Share Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be issued to members of the Company and fully paid bonus shares.</p> <p>(4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.</p>	Capitalization.

208.	<p>(1) 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>(2) The Board shall have full power -</p> <p>(a) to make such provision, by the issue of fractional certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also</p> <p>(b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such 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 the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares.</p> <p>(3) Any agreement made under such authority shall be effective and binding on all such members.</p> <p>(4) That for the purpose of giving effect to any resolution, under the preceding paragraph of this Article, the Directors may give such directions as may be necessary and settle any questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.</p>	Fractional Certificates.
	MINUTES	
209.	<p>(1) The Company shall cause minutes of all proceeding 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 that purpose with their pages consecutively numbered.</p> <p>(2) Each page of every such book shall be initialed or signed and the last page of the record of proceedings of each</p>	Minutes to be considered evidence.

	<p>meeting in such books shall be dated and signed;</p> <p>(a) in the case of minutes of proceedings of a meeting of the Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting; and</p> <p>(b) in case of minutes of proceedings of the General Meeting, by the Chairman of the said meeting within the aforesaid period of thirty days or in the event of the death or inability of that Chairman within that period by a Director duly authorized by the Board for the purpose.</p> <p>(3) 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>(4) the minutes of each meeting shall contain a fair and correct summary of the proceedings thereat.</p> <p>(5) all appointments of officers made at any of the meetings aforesaid shall be included in the minutes of the meeting.</p> <p>(6) in the case of a meeting of the Board of Directors or of a Committee of the Board, the minutes shall contain -</p> <p>(a) the names of the Directors present at the meeting; 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>(7) nothing contained in Clauses (1) to (6) 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) is 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 sub-clause.</p>	
210.	<p>(a) The minutes of meeting kept in accordance with the provisions of Section 193 of the Act shall be evidence of the proceedings recorded therein.</p>	Minutes to be evidence of the proceedings.
	<p>(b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company.</p>	Books of minutes of General Meeting to be kept

211.	Where the minutes of the proceedings of any General Meeting of the Company or of any meeting of the Board or of a Committee of Directors have been kept in accordance with the provisions of Section 193 of the Act until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings, there at to have been duly taken place and in particular all appointments of Directors or liquidators made at the meeting shall be deemed to be valid.	Presumptions to be drawn where minutes duly drawn and signed.
	<p>(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 196 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges.</p> <p>(2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of thirty-seven paise for every hundred words or fractional part thereof required to be copied.</p>	Inspection of Minutes Books of General Meetings.
212.	No document purporting to be a report of the proceedings of any General Meeting of the Company shall be circulated or advertised at the expense of the Company unless it includes the matters required by Section 193 of the Act, to be contained in the Minutes of the proceedings of such meeting.	Publication of Report of proceedings of General Meeting.
	ACCOUNTS & AUDIT	
213.	<p>(1) The company shall keep at its head office proper Books of Account with respect to :</p> <p>(a) all sums of money received or expended by the Company and the matters in respect of which the receipt and expenditure take place.</p> <p>(b) all sales and purchases of goods by the Company.</p> <p>(c) the assets and liabilities of the Company.</p> <p>(d) such particulars relating to utilisation of material or labour or other items of cost as may be prescribed by Section 209(1)(d) of the Act.</p> <p>All or any of the books of account aforesaid may be kept at such other place In India as the Board of Director may decide and</p>	Books to be kept by the Company.

	<p>when the Board of Directors so decides the Company shall, within 7 days of the decision, file with the Registrar a notice in writing giving the full address of that other place.</p> <p>(3) Where the Company has a branch office, whether in or outside India, the company shall be deemed to have complied with the provisions of clause (1) If proper books of account relating to the transactions effected at the branch office are kept at that office and proper summarised return</p> <p>(4)</p> <p>(5) s are made upto dates at intervals of not more than three months are sent by the branch office to the Company at Its Registered Office or other place referred to in clause (1).</p> <p>(3) The books of account and other books and papers shall be open to inspection by any Director during business hours.</p> <p>(4) The books of account relating to a period of not less than eight years Immediately preceding the current year together with the vouchers relating to any entry in such books of account shall be preserved in good order.</p>	
214.	<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 by Members not being Directors, and no Member (not being a Director) shall have the right of inspecting any account or books or documents of the Company except as conferred by law or authorised by the Board.</p>	As to inspection of Accounts & books by members.
215.	<p>The Directors shall from time to time, in accordance with the provisions of the Act cause to be prepared and to be laid before the Company in General Meeting, such Balance Sheet, Profit and Loss Accounts and Reports as are required by the Act and within the periods therein mentioned.</p>	Statement of Accounts to be furnished to General Meeting.
216.	<p>The Company shall at each Annual General Meeting appoint an Auditor or Auditors to hold office from the conclusion of that Meeting until the conclusion of the next Annual General Meeting and shall, within 7 days of the appointment, give intimation thereto to every Auditor so appointed.</p> <p>Provided that before any appointment or reappointment of Auditor or Auditors is made by the Company at any Annual General Meeting a written certificate shall be obtained by the Company from the auditor or Auditors proposed to be so</p>	Appointment of Auditors.

	appointed to the effect that the appointment or reappointment if made will be in accordance with the limits specified in subsection (IB) of Section 224 of the Act.	
217.	Every Auditor of the Company shall have a right of access at all times to the books and accounts and vouchers of the Company whether kept at the head office of the Company or elsewhere and shall be entitled to require from the officers of the Company such information and explanations as he may think necessary for the performance of his duties as Auditor.	Powers and duties of Auditors.
218.	The Auditor shall make a report to the members of the Company on the accounts examined by him and on every Balance Sheet and Profit and Loss Account and on every other document declared by the Act to be part of or annexed to the Balance sheet and Profit and Loss Account which are to be laid before the Company in General Meeting in terms of the Act.	Auditors Report.
219.	The Auditor's Report shall be read before the Company in General Meeting and shall be open to inspection by any member of the Company.	Inspection of Auditors' Report.
220.	Every account when audited and approved by a General Meeting shall be conclusive except as regards any errors discovered therein within the next three months after the approval thereof. Whenever any such error is discovered within that period, the account shall be corrected, and amendments effected by the Directors in pursuance of this Article shall be placed before the Members in General Meeting for their consideration and approval and, on such approval, shall be conclusive.	Accounts when audited and approved to be conclusive except as to errors discovered within 3 months
	FOREIGN REGISTER	
221.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	Foreign Register.
	DOCUMENTS AND SERVICE OF NOTICES	
222.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	Signing of documents & notices to be served or given.

223.	Documents or notices of every General Meeting shall be served or given in the same manner hereinbefore authorised on or to every member, every person entitled to a share in consequence of the death or insolvency of a member and the Auditor or Auditors for the time being of the Company. Provided that when the notice of the meeting is given by advertising the same in newspaper circulating in the neighborhood of the office of the Company pursuant to sub-section 3 of Section 53 of the Act, the statement of material facts referred to in Section 173 need not be annexed to the notice, as is required by that Section, but is shall merely be mentioned in the advertisement that the statement has been forwarded to the members of the Company.	To whom the notices or documents must be served.
224.	(a) A document may be served on the Company or an Officer thereof by sending it to the Company or Officer at the Registered Office or by leaving it at its Registered Office.	Service of documents on company.
	(b) Subject to provisions of the Act, any notice or document delivered or sent by post to or left at the Registered address of any member in pursuance of these presents shall notwithstanding such member be then deceased and whether or not the Company have notice of his decease be deemed to have been duly served in respect of any registered share whether held solely or jointly with other person by such Member until some other person be registered in his place as the holder or joint holders thereof and such service shall for all purposes of these presents be deemed a sufficient service of such notice or document on his or her heirs, executors or administrators and all persons, if any, jointly interested with him or her in any such shares.	Notice valid.
225.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	Authentication of documents and proceedings.
	REGISTERS AND DOCUMENTS	
226.	The Company shall keep and maintain Registers, Books and Documents as required by the Act or these Articles, including the following: (1) Register of Investment made by the Company but not held in its own name, as required by Section 49(7) of the Act and shall keep it open for inspection by any member or debenture holder of the Company without charge. (2) Register of Mortgages and Charges as required by Section	Registers Books and Documents to be kept by the Company.

	<p>143 of the Act and copies of instruments creating any charge requiring registration according to Section 134 of the Act and shall keep open for inspection of any creditor or member of the Company without fee and for inspection by any person on payment of a fee of such sum as may be prescribed by Central Government.</p> <p>(3) Register and Index of Members as required by Sections 150 and 151 of the Act and shall keep the same open for inspection of any member or debenture holder without fee and of any other person on payment of such sum as may be prescribed by Central Government.</p> <p>(4) Register and Index of Debenture Holders under Section 152 of the Act and keep it open for inspection by any member or debenture holder without fee and by any other person on payment of such sum as may be prescribed by Central Government.</p> <p>(5) Foreign Register if thought fit as required by Section 157 of the Act and it shall be open for inspection and may be closed and extracts may be taken there from and copies thereof as may be required, in the manner mutatis mutandis, as is applicable to the Principal Register.</p> <p>(6) Register of Contracts, and Companies and firms in which Directors are interested, as required, by Section 301 of the Act and shall keep it open for inspection of any member free of charge.</p> <p>(7) Register of Directors, and Secretary etc., as required by Section 303 of the Act and shall keep it open for inspection by any member of the Company without charge and of any other person on payment of a fee of Rupee one for each inspection.</p> <p>(8) Register as to Holdings by Directors of shares and/or debentures in the Company as required by Section 307 of the Act and shall keep it open for inspection by any member or debenture holder of the Company on any working day during the period beginning fourteen days before the date of the Company's Annual General Meeting and ending three days after the date of its conclusion.</p> <p>(9) Register of Loans and Investments made by the Company in shares and debentures of the bodies corporate as required by Section 372A of the Act.</p>	
	WINDING UP	

227.	<p>If the Company is to be wound up and the assets available for distribution among the Members as such are insufficient to repay the whole of the paid-up capital, such assets shall be distributed so that as nearly as may be, the losses shall be borne by the Members in proportion to the capital paid-up, or which ought to have been paid-up, at the commencement of the winding up, on the shares held by them respectively. And if in winding up, the assets available for distribution among the Members are more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up paid-up or which ought to have been paid on the shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.</p>	Distribution of Assets
228.	<p>a) If the Company is to be wound up, whether voluntarily or otherwise, the liquidators may with the sanction of a Special Resolution, divide amongst the contributories, in specie or kind any part of the assets of the company and may, with the like sanction, vest any part of the assets of the Company in Trustees upon such trusts for the benefit of the contributories, or any of them, as the liquidators, shall think fit.</p>	Distribution in specie or kind.
	<p>(b) If thought expedient any such division may subject to the provisions of the Act be otherwise than in accordance with the legal rights of the contributories (except where unalterably fixed by the Memorandum of Association) and in particular any class may be given preferential or special rights or may be excluded altogether or in part but in case any division otherwise than in accordance with the legal rights of the contributories shall be determined on, any contributory who would be prejudiced thereby shall have a right to dissent and have ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act.</p>	
	<p>(c) In case any share to be divided as aforesaid involve a liability to calls or otherwise any person entitled under such division to any of the said shares may within ten days after passing of the Special Resolution by notice in writing direct the liquidators to sell his portion and pay him the net proceeds and the liquidators shall if practicable act accordingly.</p>	
229.	<p>A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 494 of the Act may subject to</p>	Rights of Shareholders in case of

	the provisions of the Act in like manner as aforesaid determine that any shares or other consideration receivable by the liquidators be distributed amongst the members otherwise than in accordance with their existing rights and any such determination shall be binding upon all the members subject to the rights of dissent and consequential rights conferred by the said section.	sale.
	INDEMNITY	
230.	Subject to provisions of Section 201 of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 633 of the Act on which relief is granted to him by the Court.	Directors' and others right to indemnity.
231.	Subject to the provisions of Section 201 of the Act, no Director, Auditor or other Officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Director or Officer or for joining in any receipt or other act for conformity or for any loss or expenses happening to the Company through the insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested or for any loss or damages arising from the insolvency or tortuous act of any person, firm or company to or with whom any moneys, securities or effects shall be entrusted or deposited or any loss occasioned by any error of judgment, omission, default or oversight on his part or for any other loss, damage or misfortune whatever which shall happen in relation to execution of the duties of his office or in relation thereto unless the same shall happen through his own dishonesty.	Director Officer not responsible for acts of others.
232.	Subject to the provisions of the Act, no Director, Managing	Not responsible for

	Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	acts of others
	SECRECY	
233.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except so far as may be necessary in order to comply with any of the provisions in these presents contained.	Secrecy
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company	Access to property information etc.

	to disclose or to communicate.	

SECTION IX-OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

MATERIAL CONTRACTS

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company) which are or may be deemed material have been entered or are to be entered into by our Company:

1. Mandate letter dated January 12, 2014 between our Company and the Lead manager.
2. Issue Agreement dated February 21, 2014 between our Company and the Lead Manager.
3. Agreement dated February 20, 2014 between our Company and the Registrar to the Issue.
4. Escrow agreement dated March 3, 2014 among our Company, the Lead Manager, the Escrow Collection Banks, and the Registrar to the Issue.
5. Underwriting agreement dated February 21, 2014 between our Company, Lead Manager and Market Maker.
6. Market Making Agreement dated February 21, 2014 between our Company, the Lead Manager and the Market Maker.
7. Agreement among NSDL, our Company and the Registrar to the Issue dated February 18, 2014
8. Agreement among CDSL, our Company and the Registrar to the Issue dated February 19, 2014.

MATERIAL DOCUMENTS

1. Certified true copy of the Memorandum and Articles of Association of our Company, as amended from time to time including certificates of incorporation.
2. Resolution of the Board dated January 23, 2014 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra Ordinary General Meeting dated February 14, 2014 authorizing the Issue.
4. Statement of Tax Benefits dated March 12, 2014, issued by Peer Reviewed Auditors, M/s. R.T. Jain & Co.
5. Report of the Peer Reviewed Auditors, M/s R.T. Jain & Co. on the Restated Financial Statements for the Financial Year ended as on March 31, 2011, 2012, 2013, and period ended September 30, 2013 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory Auditors, Underwriter, Market Maker, Peer Reviewed Auditors, Bankers to our Company, the Lead Manager, Registrar to the Issue, Bankers to the Issue/Escrow Collection Banks, Refund Banker to the Issue, to act in their respective capacities.
7. Copy of approval from BSE *vide* letter dated March 12, 2014 to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE.

8. Due Diligence Certificate dated February 24, 2014 to Stock Exchange from the Lead Manager.

These contracts, copies of which will be attached to the copy of Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereinabove, may be inspected at the Registered Office of our Company located at 101-105, Indian Complex, Building No.28, 1st Floor, Dapode Village, Bhiwandi, Thane, Maharashtra-421329, India., from date of filing the Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Any of the contracts or documents mentioned in this Prospectus may be amended or modified at any time if so required in the interest of our Company or if required by other parties, without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the Directors, hereby certify and declare that, all relevant provisions of the Companies Act, 1956, or other applicable replaced provision of Companies Act 2013 and the guidelines issued by the Government of India or the regulations / guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in the Prospectus is contrary to the provisions of the Companies Act, 1956 or other applicable replaced provision of Companies Act 2013, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by the Directors of our Company

Name	Designation	Signature
Mr. Bhavesh Bhanushali	Managing Director	
Mrs. Premila Bhanushali	Executive Director	
Mr. Anand Bhanushali	Executive Director	
Mr. Gaurav Arora	Independent Director	
Mr. Pawan Puri	Independent Director	
Mr. Jaiprakash Singh	Independent Director	

Date: March 14, 2014

Place: Mumbai

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	Closing price on listing date	% change in price on listing date (closing) vs issue price	Benchmark index on listing date (closing)	Closing price as on 10 th calendar day from listing day	Benchmark index as on 10 th calendar day from listing day (closing)	Closing price as on 20 th calendar day from listing agreement	Benchmark index as on 20 th calendar day from listing day (closing)	Closing price as on 30 th calendar day from listing day	Benchmark index as on 30 th calendar day from listing day (closing)
1	Si. Vi. Shipping Corporation Limited	6.855	25.00	March 06, 2014	26.10	26.10	4.40	21,513.87	NA*	NA*	NA*	NA*	NA*	NA*

Sources: All share price data is from www.bseindia.com

* The script of M/s. Si. Vi. Shipping Corporation Limited was listed on March 06, 2014. Hence prices on 10th, 20th or 30th calendar day are not available.

Note:-

1. The BSE Sensex is considered as the Benchmark Index
2. Price on BSE is considered for all of the above calculations
3. In case 10th/20th/30th day is not a trading day, closing price on BSE of the next trading day has been considered

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on listing date			Nos of IPOs trading at Premium on listing date			Nos of IPOs trading at discount on 30 th Calender day from listing date			Nos of IPOs trading at premium on 30 th Calender day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
12-13	1	6.855	-	-	-	-	-	1*	-	-	-	-	-	-

*The script of M/s. Si. Vi. Shipping Corporation Limited was listed on March 06, 2014.