Prospectus
Dated: July 06, 2015
Please read section 32 of Companies Act, 2013
(To be updated upon ROC filing)
100% Fixed Price Issue

PECOS HOTELS AND PUBS LIMITED

Our Company was incorporated as PECOS Hotels And Pubs Private Limited under the provisions of the Companies Act, 1956 vide certificate of incorporation dated February 14, 2005, in Bangalore. Further, our Company was converted into public limited company vide fresh certificate of incorporation dated March 26, 2015. The Corporate Identification Number of Our Company is U55101KA2005PLC035603. For details of change in registered office of our Company please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 90 of this Prospectus.

Registered Office: No.189/1,1st, 2nd, 3rd & 4th Floor, Brigade Road, Bangalore- 560001
Tel No: (080) 25580971; **Fax No:** (080) 41464692; **E-mail:** pecoshotels@gmail.com; **Website:** www.pecospub.com
Contact Person: Mr. Collin Richard Timms, Managing Director
Promoters of our Company: Mr. Collin Richard Timms & Ms. Olinda Timms

THE ISSUE

PUBLIC ISSUE OF 4,59,000 EQUITY SHARES OF FACE VALUE OF Rs. 10/- EACH FULLY PAID UP OF PECOS HOTELS AND PUBS LIMITED ("PECOS" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. 50/- PER EQUITY SHARE (THE "ISSUE PRICE") (INCLUDING A SHARE PREMIUM OF Rs. 40/- PER EQUITY SHARE AGGREGATING Rs. 229.50 LAKHS (THE "ISSUE") BY OUR COMPANY, OF WHICH 27,000 EQUITY SHARES OF Rs.10/- FULLY PAID UP EACH WILL BE RESERVED FOR SUBSCRIPTION BY MARKET MAKER TO THE ISSUE ("MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS THE MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 4,32,000 EQUITY SHARES OF Rs.10/- EACH FULLY PAID UP IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 35.04 % AND 32.98 %, RESPECTIVELY OF THE POST ISSUE PAID UP EQUITY SHARE CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS Rs. 10/- EACH. THE ISSUE PRICE IS Rs. 50/- THE ISSUE PRICE IS 5.00 TIMES THE FACE VALUE.

THIS ISSUE IS BEING IN TERMS OF CHAPTER XB OF THE SEBI (ICDR) REGULATIONS, 2009 (AS AMENDED FROM TIME TO TIME)

For further details please refer to "Section VII - Issue Information" beginning on Page 184 of this Prospectus.

All potential investors may participate in the Issue through 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" on page 190 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.

RISK IN RELATION TO THE FIRST ISSUE

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 5.00 times of the face value. The Issue Price (as determined and justified by the Company and the Lead Manager as stated under chapter titled "Basis for Issue Price" beginning on page 62 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after the Equity Shares are listed. No assurance can be given regarding an active 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.

GENERAL RISKS

Investment 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 this Prospectus. **Specific attention of the investors is invited to the section titled "Risk Factors" on page 16 of this Prospectus.**

COMPANY'S ABSOLUTE RESPONSIBILITY

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 this 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.

LISTING

The Equity Shares offered through this Prospectus are proposed to be listed on the BSE SME Platform. In terms of the Chapter XB of the SEBI (ICDR) Regulations, 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 May 07, 2015 from BSE for using its name in this offer document for listing of our Equity Shares on the SME Platform of BSE. For the purpose of this Issue, the Designated Stock Exchange will be the BSE Limited ("BSE").

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
SARTHI CAPITAL ADVISORS PRIVATE LIMITED 159/11, Amar Brass Compound, Vidyanagari Marg, Kalina, Santacruz (E), Mumbai - 400098 **Tel:** (022) 26528671/72 **Fax:**(022) 26528673 **Investor Grievance Email:**pecosipo@sarthiwm.in **Website:** www.sarthi.in **Contact Person:** Mr. Deepak Sharma **SEBI Registration No.:** INM000012011	**LINK INTIME INDIA PVT LTD** C-13, Pannalal Silk Mills Compound, L.B.S.Marg, Bhandup (West), Mumbai - 400078. **Tel:** (022) 61715400, **Fax:** (022) 2596 0329 **Email:** phpl.ipo@linkintime.co.in **Website:**www.linkintime.co.in **Contact Person:** Mr. Sachin Achar **SEBI Regn. Number:** INR000004058

ISSUE PROGRAMME	
ISSUE OPENS ON : JULY 23, 2015	**ISSUE CLOSES ON : JULY 28, 2015**

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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

DEFINITION AND ABBREVIATIONS

In this Prospectus, unless the context otherwise indicates, the following terms and abbreviations stated hereunder shall have the meaning as assigned therewith. References to statutes, rules, regulations, guidelines and policies will be deemed to include all amendments and modifications notified thereto.

CONVENTIONAL/ GENERAL TERMS

Term	Description
Act/ Companies Act	The Companies Act, 2013 and amendments thereto. The Companies Act, 1956, to the extent of such of the provisions which are in force and not been repealed.
Depositories Act	The Depositories Act, 1996 and amendments thereto.
Depository / Depositories	A Depository registered with SEBI under the SEBI (Depositories and Participants) Regulations, 1996, as amended from time to time, in this case being CDSL and NSDL.
ROC / Registrar of Companies	The Registrar of Companies located at RoC Bangalore.
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time.
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI Act	Securities and Exchange Board of India Act, 1992 and amendments thereto.
SEBI Regulations/SEBI ICDR Regulations	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 issued by SEBI on August 26, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Insider Trading Regulations	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations / Takeover Code/ Takeover Regulations/ SEBI (SAST) Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 issued by SEBI on February 20, 1997 and subsequent amendments thereto. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 has been repealed and been replaced by the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 on September 23, 2011.The SEBI (SAST) Regulations 2011 which came into effect from October 22, 2011 and subsequent amendments thereto.
Securities Act	United States Securities Act of 1933, as amended.
Wealth Tax Act	The Wealth Tax Act, 1957 and amendments thereto.

COMPANY RELATED TERMS

Term	Description
" PECOS or "The Company" or "Our Company" or "The Issuer" or " The Issuer Company" or "We" or "us" or "our"	Unless the context otherwise indicates, refers to Pecos Hotels and Pubs Limited, a Company incorporated under the Companies Act 1956.
Articles /Articles of Association / AOA	The Articles of Association of our Company, as amended.
Board of Directors / Board / Director(s) / Our Board	The Board of Directors of our Company or a duly constituted committee thereof.
Director(s)	The director(s) of our Company, unless otherwise specified.
Equity Shares / Shares	Equity Shares of our Company having a face value of Rs. 10/- each, fully paid-up, unless otherwise specified in the context thereof.
Group Companies	Includes those companies, firms and ventures promoted by our Promoters, irrespective of whether such entities are covered under Section 370(1)(B) of the Companies Act and disclosed in " Our Promoter Group and Group Entities" beginning on page 104 of this Prospectus.
Key Managerial Personnel / KMP	The personnel listed as Key Managerial Personnel in the chapter titled "Our Management" beginning on page 93 of this Prospectus.
Listing Agreement	The equity listing agreement to be entered into by our Company with the Stock Exchanges.
Memorandum of Association / Memorandum / MOA	Memorandum of Association of our Company, as amended from time to time.
Promoters / Our Promoters	Promoters of our Company, being Mr. Collins Richard Timms and Mrs. Olinda Timms.
Promoter Group	Unless the context otherwise requires, refers to such persons and entities constituting the promoter group of our Company in terms of Regulation 2(1)(zb) of the SEBI (ICDR) Regulations and as disclosed in " Our Promoter Group and Group Entities" beginning on page 104 of this Prospectus.
Pubs	Namely Pecos / Mojo / Stones / RnB operated by our Company
Registered office	The Registered Office of Our Company situated at No. 189/1, 1st 2nd, 3rd Floor & 4th Floor , Brigade Road ,Bangalore Karntakaka ,560001.
SME Exchange	Unless the context otherwise requires, refer to the BSE SME Platform.
Statutory Auditor	The statutory auditor of our company, being K .Venkatachalam Aiyer & Co. Chartered Accountants.
Stock Exchange	Unless the context otherwise requires, refers to, the SME Platform of BSE Limited".

ISSUE RELATED TERMS

Term	Description
Allot / Allotment / Allotment of Equity Shares	Unless the Context otherwise requires, the allotment of Equity Shares pursuant to this Issue to the successful Applicants.
Allocation / Allocation of Equity Shares	Unless the Context otherwise requires, the allocation of Equity Shares pursuant to this Issue to successful Applicants.
Allottee(s)	Successful applicant(s) to whom Equity Shares are / have been allotted.
Applicant	Any prospective investor who makes an application for Equity Shares 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 investor shall apply for the Equity Shares in this Issue.
Application Supported by Blocked Amount / ASBA	Application Supported by Blocked Amount (ASBA) means an application for subscribing to the Issue containing an authorisation to block the application money in a bank account maintained with SCSB.
ASBA Account	Account maintained by an ASBA Applicants with an SCSB which will be blocked by such SCSB to the extent of the Application Amount.
ASBA Application Location(s)/ 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)/applicant(s) in this Issue who apply(ies) through the ASBA Process.
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled "General Information" on page 34.
Bankers to the Issue/Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Banker to an Issue with whom Escrow Account will be opened and in this case being ICICI Bank Limited.
Basis of Allotment	The basis on which the equity shares will be Allotted to successful Applicants under the Issue in consultation with the Stock Exchange which is described in the Chapter titled "Issue Procedure" beginning on page 190 of this Prospectus.
Business Day	Any day on which commercial banks in Mumbai are open for business and shall not include a Saturday, Sunday or a public holiday.
Company Secretary and Compliance Officer	Company Secretary & Compliance Officer i.e. Ms. Swapnil Kshirsagar
Controlling Branch	Such branches of the SCSBs which coordinate Applications made 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.
Depository Participant /DP	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 on 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 to the Public Issue Account or the Refund Account, as appropriate, or the amount blocked by the SCSBs is transferred from the ASBA Account

	specified by the ASBA Applicants to the Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Applicants
Designated Stock Exchange	" SME Platform of (BSE) Limited (BSE)
Prospectus	The Prospectus dated July 06, 2015 issued in accordance with section 32 of the Companies Act, 2013 and filed with the BSE under SEBI (ICDR) Regulation
Eligible NRIs	NRIs from such jurisdiction outside India where it is not unlawful for our Company to make this Issue or an invitation under this Issue and in relation to whom the Prospectus constitutes an invitation to subscribe to the Equity Shares offered herein
Escrow Account	Account opened with Escrow Collection Bank(s) and in whose favour the Applicant will issue cheque(s) or draft(s) in respect of the Application Amount when submitting any Application(s)
Escrow Agreement	Agreement 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 from 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/ IPO/Initial Public Offering/Public Issue	Public Issue of 4,59,000 Equity Shares of Rs. 10/- each fully paid of PECOS HOTELS AND PUBS LIMITED (" PECOS or the "Company" or the "Issuer") for cash at a price of Rs. 50/- per Equity Share (including a share premium of Rs. 40 /- per Equity Shares) aggregating to Rs. 229.50 lacs. The Issue will constitute 35.04% of the post issue paid up capital of the Company
Issue Agreement	The agreement dated March 27, 2015 between our Company and the Lead Manager, pursuant to which certain arrangements are agreed to in relation to the Issue.
Issue Period	The Issue period shall be July 23, 2015, being the Issue Opening Date, to July 28, 2015, being the Issue Closing Date.
Issue Closing Date	July 28, 2015The Date on which Issue closes for subscription
Issue Opening Date	July 23, 2015The Date on which Issue opens for subscription
Issue Price	The price at which the Equity Shares are being issued by our Company under this Prospectus being Rs. 50/-
Issue Proceeds	Proceeds to be raised by our Company through this Issue 229.50 lacs
LM / Lead Manager	Lead Manager to this Issue, being Sarthi Capital Advisors Private Limited, SEBI Registered Category I Merchant Bankers.
Listing Agreement	Unless the context specifies otherwise, this means the Equity Listing Agreement to be signed between our Company and the BSE SME Platform
Market Making Agreement	Market Making Agreement dated March 27, 2015 between our Company, Lead Manager and Market Maker.
Market Maker	Choice Equity Broking Private Limited 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 any other period as may be notified by SEBI from time to time.
Market Maker Reservation Portion	The Reserved portion of 27,000 Equity Shares of Rs. 10/- each at Rs. 50/- (including share premium of Rs.40/-) per Equity Shares aggregating

	to Rs. 13.50 lacs/- (Rupees Thirteen Lakh Fifty Thousand Only) for Market Maker in the Initial Public Issue of PECOS Hotels and Pubs Limited
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 4,32,000 Equity Shares of Rs. 10/- each at Rs.50 /- (including share premium of Rs. 40/-) per Equity Shares aggregating to Rs. 216.00 lacs (Two Hundred Sixteen Lakhs Only) of PECOS Hotels and Pubs Limited
Net Proceeds	The Issue Proceeds, less the Issue related expenses, received by the Company. For further information about use of the Issue Proceeds. Please refer page no 57 of this Prospectus.
Non-Institutional Applicants	All Applicants that are not Qualified Institutional Buyers or Individual Investors and who have applied for Equity Shares for an amount more than Rs. 2,00,000 (but not including NRIs other than Eligible NRSs)
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 trust in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under Foreign Exchange Management (Deposit) Regulations, 2000. OCBs are not allowed to invest in this Issue.
Payment through electronic transfer of funds	Payment through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable.
Person/Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organisation, body corporate, corporation, company, partnership, limited liability company, joint venture, or trust or any other entity or organisation validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires.
Public Issue Account	Account opened with the Banker to the Issue i.e. ICICI Bank Limited 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.
Prospectus	The Prospectus, filed with the ROC containing, inter alia, the Issue opening and closing dates and other information
QIBs / Qualified Institutional Buyers	As defined under the SEBI ICDR Regulations including public financial institutions as specified in Section 2(72) of the Companies Act, scheduled commercial bank, mutual funds registered with SEBI, FII and sub-account (other than sub-account which is a foreign corporate or foreign individual) 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. 250 million, Pension Fund with minimum corpus of Rs. 250 million, National Investment Fund set up by resolution no. F. No. 2/3/2005-DDII dated November 23, 2005 of the Government of India published in the Gazette of India and insurance funds set up and managed by army, navy or air force of the Union of India, insurance funds set up and managed by the Department of Posts,

	India
Refund Account(s)	Account(s) to which subscription monies to be refunded to the investors (excluding the ASBA Applicants) shall be transferred from the Public Issue Account
Refund through electronic transfer of funds	Refund through ECS / NECS, Direct Credit, RTGS or NEFT, as applicable
Refund Banker(s)	The bank(s) which is/are clearing members and registered with SEBI as Banker(s) to the Issue, at which the Refund Account for the Issue will be opened, in this case being ICICI Bank Limited
Registrar / Registrar to the Issue	Registrar to this Issue being M/s Link InTime India Private Limited C-C–13, Pannalal Silk Milks Compound, L.B.S Marg Bhandup (West), Mumbai 400 078.
Retail Individual Investors	Individual Applicants, or minors applying through their natural guardians, including HUF (applying through their Karta) and ASBA Applicants, who have applied for an amount less than or equal to Rs. 2,00,000
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)
Self-Certified Syndicate Banks (SCSBs)	Shall mean a Banker to an Issue registered with SEBI(Banker to an Issue) Regulations, 1994, as amended from time to time, and which offers the service of making Application/s supported by Blocked Amount including blocking of bank account and a list of which is available on www.sebi.gov.in, or at such other website as may be prescribed by SEBI from time to time
SCSB Agreement	The deemed agreement between the SCSBs, the Lead Manager, the Registrar to the Issue and our Company, in relation to the collection of Applications from the ASBA Applicants and payment of funds by the SCSBs to the Public Issue Account
SME Platform of BSE	The SME platform of BSE for listing of equity shares offered under Chapter X-B of the SEBI (ICDR) Regulations which was approved by SEBI as an SME Exchange on September 27, 2011.
Underwriters	Sarthi Capital Advisors Private Limited.
Underwriting Agreement	The agreement dated March 27, 2015 entered into between the Sarthi Capital Advisors Private Limited and Our Company
Working Days	Unless the context otherwise requires: (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 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.

INDUSTRY RELATED TERMS

Term	Description
APC/Average per Cover	Total Revenue for a restaurant /hotel divided by guest served during a particular period
Cover Turnaround Per day	The number of guests served divided by the product of number of covers of restaurant and number of days the restaurant is open for business during a particular period
Covers	The Seating capacity of a restaurant
F&B	Food & Beverages
FOCO	Franchisee Owned, Company Operated
FSI	Food Service Industry
HCAPP	Hazard Analysis and Critical Control Point
NCAER	National Council of Applied Economic Research
NRAI	National Restaurant Association of India
QSR	Quick Service Restaurants

CONVENTIONAL AND GENERAL TERMS/ ABBREVIATIONS

Term	Description
A/c	Account
AGM	Annual General Meeting
Alternative Investment Funds	Alternative Investment Funds as defined in and registered under SEBI AIF Regulations
Approx.	Approximately
AS	Accounting Standard issued by the Institute of Chartered Accountants of India
Assessment Year	Period of twelve months commencing on 1st April every year and ending on 31st March of the next year
AY	Assessment Year
B.Com	Bachelor Degree in Commerce
BSE	Bombay Stock Exchange Limited
Shops and Establishments Act	Shops and Establishments Act, as in force in city of Bangalore , from time to time
CC	Cash Credit
CAGR	Compounded Annual Growth Rate
CLRA	The Contract Labour (Regulation and Abolition)Act,1970
CDSL	Central Depository Services (India) Limited
CESTAT	Customs, Excise and Service Tax Appellate Tribunal
CENVAT	Central Value Added Tax
CST	Central Sales Tax
CII	Confederation of Indian Industry
CIN	Corporate Identification Number
CLPR	The Child Labour Prohibition and Regulation Act, 1986 as amended from time to time
DIN	Director Identification Number
DP	Depository Participant
DP ID	Depository Participant's Identity
DB	Designated Branch
ECGC	Export Credit Guarantee Corporation
EBIDTA	Earnings before Interest, Depreciation, Tax and Amortisation
ECB	External Commercial Borrowings
ECS	Electronic Clearing Services
EGM	Extraordinary General Meeting
EPA	The Environment Protection Act,1986
EPS	Earnings Per Share
Excise Act	The Central Excise Act, 1944 as amended from time to time
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act,1952
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999, together with rules and regulations framed thereunder, as amended from time to time.
FEMA Regulations	Foreign Exchange Management (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 as amended from time to time.
FIs	Financial Institutions
FII(s)	Foreign Institutional Investor, as defined under the FII Regulations and

	registered with the SEBI under applicable laws in India
FII Regulations	Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995, as amended from time to time.
FIPB	Foreign Investment Promotion Board
FPIs	Foreign Portfolio Investor
FTP	Foreign Trade Policy,2009
FY / Fiscal / Financial Year	Period of twelve months ended March 31 of that particular year, unless otherwise stated
FV	Face Value
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time
FVCI Regulations	Securities and Exchange Board of India (Foreign Venture Capital Investors) Regulations, 2000, as amended from time to time.
GDP	Gross Domestic Product
GIR Number	General Index Registry Number
GoI / Government	Government of India
HNI	High Networth Individual
HSC	Higher Secondary Education
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
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
IPO	Initial Public Offer
IPR	Intellectual Property Rights
IRDA	Insurance Regulatory and Development Authority
IT	Information Technology
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 "OUR Management" beginning on page 93 of this Prospectus
L/C	Letter of Credit
Ltd.	Limited
MBA	Masters of Business Administration
Merchant Banker	Merchant Banker as defined under the Securities and Exchange Board of India (Merchant Bankers) Regulations, 1992, as amended
MICR	Magnetic Ink Character Recognition
MoA	Memorandum of Association
MoU	Memorandum of Understanding
Mn	Million
MNC	Multi National Company
MRTP Act	The Monopolies and Restrictive Trade Practices Act, 1969 as amended from time to time

MSP	Minimum Selling Price
MVA	Manufacturing Value Added
N.A.	Not Applicable
NAV	Net Asset value
NECS	National Electronic Clearing System
NEFT	National Electronic Fund Transfer
Net Worth	The aggregate of the paid-up capital, share premium account, and reserves and surplus (excluding revaluation reserves) 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
NBFC	Non- Banking Finance Company
NOC	No Objection Certificate
NPV	Net Present Value
No.	Number
NSDL	National Securities Depository Limited
NSE	National Stock Exchange of India Limited
NTA	Net Tangible Assets
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 Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
OCB/Overseas Corporate Body	A company, partnership, society or other corporate body owned directly or indirectly to the extent of at least 60.00% by NRIs including overseas trusts, in which not less than 60.00% of beneficial interest is irrevocably held by NRIs directly or indirectly as defined under FEMA Regulations, OCBs are not allowed to invest in India.
p.a.	Per Annum
PAN	Permanent Account Number
Person (s)	A natural person or an artificial person constituted under applicable laws in India or outside India
PAT	Profit After Tax
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	Reserve Bank of India Act, 1934, as amended from time to time
RoNW	Return on Net Worth
Rs. / Rupees / INR	Indian Rupees, the legal currency of the Republic of India
RTGS	Real Time Gross Settlement
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contract (Regulation) Rules, 1957, as amended from time to time.
SEBI VCF Regulations	Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996, as amended.
Sec.	Section

Securities Act	The U.S. Securities Act as amended from time to time
Sub-Account	Sub-accounts registered with SEBI under the Securities and Exchange Board of India (Foreign Institutional Investor) Regulations, 1995, as amended
SSI Undertaking	Small Scale Industrial Undertaking
TIN	Tax Identification Number
TAN	Tax Deduction and Collection Account Number
TRS	Transaction Registration Slip
TNW	Total Net Worth
Trade Marks Act	The Trade Marks Act, 1999 as amended from time to time
u/s	Under Section
UOI	Union of India
Venture Capital Fund(s)/ VCF(s)	Venture Capital Funds as defined and registered with SEBI under Securities and Exchange Board of India (Venture Capital Fund) Regulations, 1996, as amended from time to time
VAT	Value Added Tax
WDV	Written Down Value
w.e.f.	With Effect From
WTO	World Trade Organization
YoY	Year over year

Notwithstanding the following**:-**

i. In the section titled 'Main Provisions of the Articles of Association' beginning on page 208 of the Prospectus, defined terms shall have the meaning given to such terms in that section.
ii. In the section titled 'Financial Information' beginning on page 125 of this 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 64 of the Prospectus, defined terms shall have the same 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 which is included in this Prospectus is derived from the restated financial statements of the Company, prepared in accordance with Indian GAAP, the Companies Act, 2013, (Such provisions of the Companies Act, 1956 which are in force as on date) and the SEBI (ICDR) Regulations, 2009.

The fiscal year of the Company 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 discrepancy in any table between the total and the sum of the amounts listed is due to rounding-off.

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 the Prospectus would accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Business Overview", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in the Prospectus unless otherwise indicated, have been calculated on the basis of the Company's restated financial statements prepared in accordance with Indian GAAP.

Currency of Presentation

In this Prospectus, reference to the words "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 the United State 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 lakhs', the word "Lacs / Lakhs / Lac' means 'one hundred thousand' and 'Crore' means 'ten millions' and 'billion / bn / Billions' means 'one hundred crores'

Industry and Market Data

Unless stated otherwise, industry data used throughout this Prospectus have been obtained from industry publications. Such publications generally state that content therein 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 the industry data used in this Prospectus is reliable, it has not been verified by any independent source.

Further, the extent to which the market data is presented in the 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

We have included statement in the Prospectus which contain words or phrases such as "will", "may", "aim", "is likely to result", "believe", "expect", "will continue", "anticipate", "estimate", "intend", "plan", "contemplate", "seek to", "future", "objective", "goal", "project", "should", "will pursue" and similar expressions or variations of such expressions, that are "forward-looking statements". Similarly, statements that describe our objectives, strategies, plans or goals are also forward looking statements.

These forward-looking statements are subject to a number of risks, uncertainties and assumptions that could significantly affect our current plans and expectations and our future financial condition and results of operations. Important factors that could cause actual results to differ materially from our expectations include but are not limited to, the following:

- General economic and business conditions in the markets in which our company operate and in the local, regional, national and international economies;
- Changes in laws and regulations relating to the sectors/areas in which our company operates;
- The performance of the Indian and the Global financial markets;
- Increased competition in the sectors/areas in which our company operates;
- Our ability to successfully implement our growth strategy and expansion plans and to launch and implement various projects and business plans for which funds are being raised through this Issue;
- Our ability to meet our capital expenditure requirements;
- Fluctuations in operating costs and impact on the financial results;
- Our ability to attract and retain qualified personnel;
- Changes in political and social conditions in India or in countries that our company may enter, 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;
- Any adverse outcome in the legal proceedings in which our company is involved.
- Market fluctuations and industry dynamics beyond our control;
- Occurrence of natural disasters or calamities affecting the areas in which we have operations;
- Conflicts of interest with affiliated companies, the promoter group and other related parties;
- Contingent Liabilities, environmental problems and uninsured losses; and
- Changes in government policies and regulatory actions that apply to or affect our business.

For further discussions of factors that could cause our actual results to differ, kindly refer to the Chapters titled "Risk Factors", "Business Overview" and "Management Discussion and Analysis of Financial Condition and Results of Operations" beginning on page 16, 79 and 158 of this Prospectus, respectively.

By their nature, certain risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could be materially different from those that have been estimated. Forward looking statements speak only of this Prospectus. Our Company, our Directors, the Lead Managers and their respective affiliates or associates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with the SEBI requirements, our Company and the Lead Manager will ensure that the investors in India are informed of material developments until such time as grant of listing and trading approvals by the Stock Exchanges.

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 79, *"Our Industry" beginning on page* 73 *and "Management's Discussion and Analysis of Financial Condition and Results of Operations" beginning on page* 158 *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 3 *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:

A. INTERNAL RISK FACTORS

1. Our Company and Promoter Group entities are involved in certain regulatory proceeding(s). Any adverse decision in such proceeding(s) may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations.

Our Company and Promoter Group Entities are involved in certain regulatory proceedings. These proceedings are pending at different levels of adjudication before various courts and tribunals. Any adverse decision may render us/them liable to liabilities/penalties and may adversely affect our business and results of operations. For further details regarding the regulatory proceedings, please refer to Chapter titled "Outstanding litigations and material developments" beginning on page 167 of this Prospectus.

2. Past Penalty on Promoter & one of the Promoter Group Company for non-compliance of the Companies Act, 1956.

Mr Collin Richard Timms, one of our Promoter was prosecuted by the Special Court for Economic Offences, Bangalore for non-compliance of provisions of Section 162(1) & 220(3) of the Companies 1956 in the capacity of Officer in Default for one of our Promoter Group Company OTCO International Limited for non-filing of annual

accounts and annual return, where Mr Collin Richard Timms was acting as Executive Director. The Special Court for Economic offence levied a penalty of Rs. 1000/- on Mr Collin Richard Timms and other accused in various capacities. The case has been closed now.

3. Our registered office from which we operate is not owned by the Company.

We operate from our registered office situated at No. 189/1, 2nd, 3rd & 4th Floor. The registered office of our Company is owned by G. Mohan Kumar, G. Sampath Kumar, G. Dorai Raj and G. Bharathi (Lessors). The Lessors has permitted us to use the same as registered office of our company along with all office equipment at monthly rent of Rs. 60,000/- with an annual escalation of rent by 5.00% vide Lease deed dated July 02, 2011 and amendment to lease deed dated August 01, 2013. Any discontinuance of such arrangement will lead us to locate any other premises. Our inability to identify the new premises may adversely affect the operations, finances and profitability of our Company.

4. Some of our Group Entities have incurred losses in financial year ended 2013-14, 2012-13 and 2011-12.

Some of our Group Entities have incurred losses in the financial year ended 2013-14, 2012-13 and 2011-12. For further details regarding the performance of our Group Entities, please refer to Chapter titled "Our Group Entities" beginning on page 108 of this Prospectus. Sustained financial losses by our Group Entities may not be perceived positively by external parties such as customers, bankers, suppliers etc, which may affect our credibility and business operations.

5. Delay or default in filing of certain forms under Companies Act with RoC.

We have delayed in filing of certain forms under Companies Act with RoC. Any consequential losses arising due to such events will affect our operations and financial condition.

6. Our company has made default in filing of Form PAS-4 with Registrar of Companies within the prescribed time limit.

Our company has made default in filing of form PAS-4 within the period of 30 days. There was a delay of 25 days in filing the same with RoC. This amounts to violation of section 42 of the Companies Act, 2013. Our company and the officers in default have filed application(s) under section 621A of the Companies Act, 1956 with the RoC for compounding of non-complying with the provisions of the said section of the companies Act. Any penalty imposed for such non-compliance in the future by any regulatory authority could affect our financial condition to that extent.

7. We may not be successful in implementing our business strategies.

The success of our business depends substantially on our ability to implement our business strategies effectively or at all. Even though we have successfully executed our business strategies in the past, there is no guarantee that we can implement the same on time and within the estimated budget going forward, or that we will be able to meet the expectations of our targeted customers. Changes in regulations applicable to us may also make it difficult to implement our business strategies. Failure to implement our business strategies would have a material adverse effect on our business and results of operations. Further, our dependency on few suppliers in future could also affect our business operations and achieving financial performance.

8. Our Promoters 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 Promoters and Promoter Group will collectively own substantial portion of our Equity Share Capital. As a result, our Promoters, 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 have the effect of delaying, preventing or deterring a change in control of our Company.

In addition, our Promoters will continue to have the ability to cause us to take actions that may 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.

9. Any future issue of Equity Shares may dilute your shareholding and sales of our Equity Shares by our Promoter or other major shareholders may adversely affect the trading price of the Equity Shares.

Any future equity issues by us, including in a primary offering, may lead to the dilution of investors' shareholdings in us. Any future equity issuances by us or sales of its Equity Shares by the Promoter may adversely affect the trading price of the Equity Shares. In addition, any perception by investors that such issuances or sales might occur could also affect the trading price of our Equity Shares.

10. Our Company operates under several statutory and regulatory permits, licenses and approvals. Our failure to obtain and/or renew any approvals or licenses in future may have an adverse impact on our business operations.

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. Failure by our Company to renew, maintain or obtain the required permits, licenses or approvals, or cancellation, suspension or revocation of any of the permits, licenses or approvals which may result in the interruption of our Company's operations and may have a material adverse effect on the business. For details please refer to chapter titled "Government and Other Statutory Approvals" beginning on page 171 of this Prospectus.

11. Our ability to pay any dividends in the future will depend upon future earnings, financial condition, cash flows, working capital requirements and capital expenditures.

The amount of our future dividend payments, if any, will depend upon our Company's future earnings, financial condition, cash flows, working capital requirements, capital expenditures, applicable Indian legal restrictions and other factors. There can be no assurance that our Company will be able to pay dividends.

12. Our Promoters and Directors may have interest in our Company, other than reimbursement of expenses incurred or remuneration.

Our Promoters and Directors may be deemed to be interested to the extent of the Equity Shares held by them, or their relatives or our Group Entities, and benefits deriving from their directorship in our Company. For further details, please refer to the chapters titled " Our Business", "Our Promoters and Promoter Group" and "Related Party Transactions" beginning on page 79, 104 and 123, respectively of this Prospectus.

13. There is no guarantee that the Equity Shares issued pursuant to this Issue will be listed on the BSE SME Platform in a timely manner, or at all.

In terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, we are not required to obtain any in-principle approval for listing of shares issued. We have only applied to BSE to use its name as the Stock Exchange in this offer document for listing our shares on the BSE SME Platform. In accordance with Indian law and practice, permission for listing and trading of the Equity Shares issued pursuant to the Issue will not be granted until after the Equity Shares have been issued and allotted. Approval for listing and trading will require all relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE SME Platform. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

14. 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.

Following the Issue, we will be subject to a daily "circuit breaker" imposed by BSE, 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 our circuit breakers will be set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The BSE may 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 will limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, no assurance can 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.

15. Our Company has not followed Accounting Standard – 15 regarding Employee Benefits Prescribed by the Institute of Chartered Accountants of India (ICAI) till the Financial Year 2013-2014.

The Accounting Policy followed by us with respect to the gratuity and leave encashment till the Financial Year 2013-14 was not in conformity with the Accounting Standard prescribed by the Institute of Chartered Accountants of India, regarding disclosure of Present Value of Obligations with respect to the retirement benefits to be paid to the employees. The Accounting Standard stipulates that these liabilities should be accounted in the Books on Accrual Basis.

16. Our failure to renew or extend the terms of any of our pubs' leases could have a material adverse impact on our business.

The premises on which our pubs are situated within Bangalore City are generally leased. Our operating performance depends in part on our ability to secure leases for our Pubs in appropriate locations at rents we believe to be cost effective. We typically take multi-year leases which are generally subject to upward rent revisions on a periodical basis. The early termination of any of our leases due to non-compliance with the lease terms or the failure to renew leases at suitable costs or at all, could adversely affect our profitability.

17. We may be unable to select and finalise suitable locations for our new pubs, which would have a material adverse effect on our growth prospects.

In order to grow our business operations, we must identify suitable and available locations for pubs and successfully negotiate and finalise the terms of leases at these locations. Further, delays encountered in obtaining the necessary permissions and in negotiating and finalising, to our satisfaction, the terms of leases may slow the rate of new pub openings. In addition, our new pub openings may be adversely affected by other factors, some of which are beyond our control, including the following:

- The availability and cost of suitable Pub locations for development;
- Our ability to compete successfully for suitable pub locations;
- The availability of adequate financing;
- Fit-out costs;
- Obtaining and training qualified personnel;
- Securing required governmental or local authority permits and approvals; and
- General economic conditions.

Any delay in establishing fully operative and efficient Pubs may therefore impact on the growth of our revenue and profits.

18. We are dependent upon the adequate and timely delivery of quality ingredients by our suppliers and distributors, the failure of which could have an adverse effect on our business, results of operations and financial condition.

Our operations are dependent on adequate and timely deliveries of quality ingredients. We depend substantially on third-party distributors and suppliers for such deliveries and they may be unable to provide us with a sufficient quantity of quality ingredients for us to meet customer demand for our products. If the quality of our suppliers ingredients declines, we may not be able to obtain replacement for quality ingredients on commercially agreeable terms in the open market. If our food and beverage's quality declines due to the inferior quality of the food materials & beverages or due to interruptions in the flow and similar factors, customer traffic may decline and negatively affect our results.

B. EXTERNAL RISK FACTORS

19. We have not prepared, and currently do not intend to prepare, our financial statements in accordance with the International Financial Reporting Standards ("IFRS"). Our transition to IFRS reporting could have a material adverse effect on our reported results of operations or financial condition.

Public companies in India, including us, may be required to prepare annual and interim financial statements under IFRS in accordance with the roadmap for convergence with IFRS announced by the Ministry of Corporate Affairs, Government of India through a press note dated January 22, 2010 (the "IFRS Convergence Note"). The Ministry of Corporate Affairs by a press release dated February 25, 2011 has notified that 35 Indian Accounting Standards are to be converged with IFRS. The date of -implementation of such converged Indian accounting standards has not yet been determined. Our financial condition, results of operations, cash flows or changes in shareholders' equity may appear materially different under IFRS than under Indian GAAP or our adoption of converged Indian Accounting Standards 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 and in the corresponding (restated) period in the comparative Fiscal/period.

20. Political instability or changes in the Government could adversely affect economic conditions in India 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.

21. 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.

22. 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 nonresidents 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.

23. 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 sales tax, income tax and other taxes, duties or surcharges introduced on a permanent or temporary basis from time to time. Imposition of any other taxes by the Central and the State Governments may adversely affect our results of operations.

24. 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 establish

SME platforms in India are of recent origin and may take time to establish in markets. Since its launch till the date of this Prospectus, 84 companies have been listed on BSE SME Platform and another 6 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 NSE Emerge Platform. Investment in this Issue, thus, could be riskier.

25. 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.

26. Natural calamities could have a negative impact on the Indian economy and cause Our Company's business to suffer.

India has experienced natural calamities such as earthquakes, tsunami, and floods in recent years. The extent and severity of these natural disasters determine their impact on the Indian economy. Prolonged spells of abnormal rainfall or other natural calamities could have a negative impact on the Indian economy, which could adversely affect our business, prospects, financial condition and results of operation as well as the price of the Equity Shares.

27. 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 4,59,000 Equity Shares of face value of Rs. 10 each fully paid up for cash at a price of Rs. 50/- per Equity Share (including a premium of Rs. 40 per Equity Share) aggregating Rs. 229.50 Lakhs ("the Issue"). Issue of Equity Shares will constitute 34.04% of the fully diluted Post-Issue paid up capital of our Company. For more information, please refer to chapter titled "The Issue" on page 33 of this Prospectus.

b. The net worth of our Company was Rs. 72.09 Lakhs, Rs. 43.89 Lakhs and Rs. 36.86 Lakhs as of March 31, 2014, March 31, 2013 and March 31, 2012 respectively. The book value of each Equity Share was Rs. 215.99 Rs. 438.87 and Rs. 368.56 as of March 31, 2014, March 31, 2013 and March 31, 2012 respectively as per the audited restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 125 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. Collin Richard Timms	464,995	3.98
Ms. Olinda Timms	315,000	0.16

d. For details of Related Party Transactions entered into by our Company, please refer to the chapter titled "*Related Party Transactions*" beginning on page 123 of this Prospectus.

e. Except as disclosed in the chapter titled "*Capital Structure*", "*Our Promoters and Promoter Group*" and "*Our Management*" beginning on pages 42, 104 and 93 respectively, of this Prospectus, none of our Promoters, Directors or Key Management Personnel have any interest in our Company.

f. Except as disclosed in the chapter titled "*Capital Structure*" beginning on page 42 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

g. Investors may contact the LM or the 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 Compliance Officer, please refer to the chapter titled "*General Information*" beginning on page 34 of this Prospectus.

h. Investors are advised to refer to chapter titled "*Basis for Issue Price*" on page 62 of this Prospectus.

i. Trading and Allotment 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 Promoters 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 108 and chapter titled "Related Party Transactions" beginning on page 123 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 188 of this Prospectus

m. Our Company was incorporated as Pecos Hotels and Pubs Private Limited under the Companies Act, 1956 on February 14, 2005 in Bangalore, Karnataka. Our Company got converted from a private limited company to a public limited company under the Companies Act, 2013 with the name of "Pecos Hotels and Pubs Limited" and received a fresh Certificate of Incorporation dated March 26, 2015 from the Registrar of Companies, Bangalore. 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 90 of this Prospectus.

SECTION III- INTRODUCTION

SUMMARY OF OUR INDUSTRY

Once an introverted, home-driven consumer, the indulgent Indian is today waking up to a nascent yet formidable "Eating Out" culture, making food services one of the most promising business sectors in India.

Even with a contribution of just 2.3% to India's GDP, the Food Services market is worth Rs 247,680 crore (USD 48 bn). It comprises food services in the organized sector (i.e. chain and licensed standalone players across quick service restaurants, full- service casual and fine dining restaurants, hotels, bars and lounges, cafés, and frozen dessert formats) as well as the unorganized sector (dhabas, street stalls, halwais (sweet shops), roadside vendors, food carts, etc.).

Across the organized segment, the two sub-segments driving the sector's growth are QSR and CDR, accounting for 70% growth in licensed standalone outlets and 75% expansion in chain restaurants. Among the two, QSR has been outpacing the market's projected growth by 25%, making it one of the segments to watch.

The Indian Food Service industry is projected to grow to Rs 408,040 cr (USD 78 bn) by 2018 at a CAGR of 11% according to a survey commissioned by National Restaurant Association of India (NRAI). In 2013, the size of the chain casual dining market is estimated at Rs 3,950 cr (USD 760 mn), and projected to grow at a CAGR of 18% to reach a size of Rs 9,035 cr by 2018. The Fine Dining market thrives largely on the affluent consumer, the study notes. The segment is growing at a healthy rate of around 15%. The chain Fine Dining market size is estimated to be Rs 500 cr (USD 95 mn) currently and estimated to reach Rs 1,010 cr (USD 195 mn) by 2018.

Source ASSOCHAM, National Restaurant Association of India (NRAI).

LIQUOR , PUBS, BARS & HOSPITALITY INDUSTRY IN INDIA

Beer is considered to be world's most widely consumed alcoholic beverage. It is also regarded as the third most popular drink after water and tea. In India, beer is one of the fastest growing markets and is highly consumed by the people in India because of their growing disposable income, the increasing population, and rapid urbanization taking place in the country.

Liquor market in India is divided into four segments (IMFL) Indian made foreign liquor, Imported Liquor, Counrty Liquor & Beer. Although Indian Alcohol Industry has been dominated by stronger spirits (IMFL), but over the years beer has made a mark in the industry and has been able to make its presence felt. Now a day's consumer are looking for choices away from whisky and it is not just the male populace that is enamored by beer but female population equally enjoys the drink. The industry today boasts of an array of high quality varieties that were not even thought about 7-8 years ago. The players are leaving no stone unturned for wooing the Indian consumer; from fruit flavors to spice infusions. Also, rising acceptability of social drinking is a major contributor to the industry's growth and such acceptability of alcohol has opened the market to new consumers like women and youth who earlier comprised only a small proportion of alcohol consumers in the country.

Further the Beer Market can be further classified in to various segments like Strong & Mild Beer based on their alcohol content.

India consumes mere 1.64 litres beer per person which is like peanuts when compared to countries like China and US which consumes 37 litres and 78 litres of beer per person respectively. Favorable demographics, rising disposable incomes, urbanization and rising acceptability of drinking have brought the winds of change for the industry. Urbanization has helped in giving much needed acceptance to the concept of social drinking in the nation.

Indian populace in 2012 consumed 20 mn hectolitres of beer which translates to 1.6 litres of consumption per person. Per capita consumption of beer has grown at a CAGR of 9% during the period 2008-12 and beer consumption rose to 256 mn cases in 2012 from 170 mn cases in 2008, thus registering a CAGR of ~11%. Indian beer exported stood at INR 383.1 mn in 2008 and has escalated to INR 1777.8 mn in 2013, showcasing a robust CAGR of 36% whereas imports registered a CAGR of 19% over the same period and stood at INR 281.6 mn in 2013. Favorable demographics coupled with increasing focus of foreign brewers on product range and rising social acceptance of alcohol are expected to enable beer demand to grow swiftly in years to come. We estimate beer industry to register a growth of 12% y-o-y and reach a size of 452 mn cases by 2017. The growth rate of 12% is a conservative estimate; the industry has all triggers in place for exceeding the projected growth rate.

Beer is a rapidly expanding segment in the Indian Alcoholic Beverages industry. It is the third largest market and second fastest growing market in the Indian alcoholic beverages industry .The market size of Indian Beer Industry is expected to touch 452 million cases by 2017, driven by various factors like growing acceptability of social drinking, easy and convenient availability of beer along with burgeoning varieties on offer. Escalating disposable incomes, rising influence of urbanization and low per capita consumption are also anticipated to drive the consumption of beer in the nation.

The rising awareness of health benefits that beer offers will further aid the growth. Beer has more health benefits than generally known and is perfect for moderate drinking because of its lower alcohol content and larger volume compared with wine or spirits.

High growth rates and relaxation of rules on foreign direct investment in the last decade has attracted foreign investment in the beer sector. Indian beer consumption patterns have changed radically in the last few years, most of it attributed to the advent of foreign brands in Indian beer market. Not only have foreign brands entered the beer picture but are gaining popularity at an astounding rate. Some foreign brands that are available in the Indian market are Corona, Budweiser, Fosters, Carlsberg, Heineken, Shepherd Neame and Carling. Bubbling with enthusiasm and high on growth wave, Indian Beer Industry has been a magnet for many international players.

The country's big coastline is dotted with a number of attractive beaches. India ranked 13th among 184 countries in terms of travel and tourism's total contribution to gross domestic product (GDP) in 2013. The sector's direct contribution to GDP is expected to grow at 6.4 % per annum during 2014-2024 vis-à-vis the world average of 4.2 %.

Over 6.8 million foreign tourist arrivals were reported in 2013. Foreign tourist arrivals (FTAs) increased at a compound annual growth rate (CAGR) of 7.2 % during 2005-2013. By 2024, FTAs are expected to increase to 13.42 million.

Although Indian Alcohol Industry has been dominated by stronger spirits (IMFL), but over the years beer has made a mark in the industry and has been able to make its presence felt. Surveys show that beer is the preferred alcohol of the 21st century Indian. Nowadays consumers are looking for choices away from whisky and it is not just the male populace that is enamored by beer but female population equally enjoys the drink.

The industry today boasts of an array of high quality varieties that were not even thought about 7-8 years ago. The players are leaving no stone unturned for wooing the Indian consumer; from fruit flavors to spice infusions to fancy names like Basmati Blonde. The latest addition in the fancy beers is the Indus pride, India's first beer brewed with authentic Indian spices.

SUMMARY OF OUR BUSINESS

We are into business of running of hotels and pubs in Bangalore, with 4 Pubs providing 70s, 80s and 90s retro rock music since last 10 years. Our focus is to bring alive the greatest of legends in the interiors, the lighting, the paintings, pictures, posters and the sounds.

Our Promoter formed this company to establish more pubs in Bangalore. He is also the founder of Pecos Pub. Our promoter launched the first Pecos pub at Rest house (Classic) in 1989. In 2001, next joint was opened at Residency Road which was later shifted to Brigade Road (Mojos), then 2008 at 100ft Indiranagar (Stones) and in 2010 at St. Marks (R&B).

In the Initial days, our promoter used to spent most of his time at the pub with his favourite music collection (i.e rock music from the 60's & 70's , old southern blues, jazz blues and country rock) playing in the background. The music not only attracted more customer but their visits became frequent too. The pub soon became a hangout for music lovers in general and retro rock lovers in particular. Many customers donated audio cassettes to the pub to be played on its rickety sound system.

The look and feel of all our pubs is similar. Ours is a popular hangout for young creative individuals like artists, copy writers, advertising professionals, authors and software professionals despite there being nothing spectacular or unique about the beer served or the food prepared. We are one of the most crowded and frequented pubs in Bangalore. The clients themselves began to lend their creativity to the establishment they loved and soon the walls of Pecos were covered with paintings made by the artists visiting. People began to design and gift posters and artifacts to be mounted on the walls. The popularity grew by word of mouth decades before social media was ever heard of.

Draught beer is the only alcoholic beverage served at these pubs. Draught beer is unlike bottle beer, it does not contain the preservative element of glycerin. Draught beer is therefore far healthier to consume because it is always freshly brewed and has a unique flavour which is greatly appreciated by beer connoisseurs. The pub also serves a range of non alcoholic beverages and soft drinks. Each pub has developed its unique style of food based on the preference of regulars who frequent it. Each pub has atleast one special dish based on the preference and demand of locals. The Pecos breakfast is very popular and so is the pub lunch. Pub food is essentially generous servings of finger food at very reasonable prices.

Pecos has been well appreciated in the press for decades for being one of the iconic restaurants in Bangalore. It has also won accolades for customer service and sheer volume of beer sold from Zomato and Mouthshut.com

These pubs have evolved a style and culture that is quite unique within the industry. The decoration is 60's & 70's psychedelic art, the furniture simple, functional and bordering on grungy. The pubs are not very large, area is between 1000 to 2000 sq. ft., but are carefully located where there are footfalls and sufficient parking.

The theme of the pub cater to the 20-35 age group, who are in reasonably well paying jobs, unmarried with a decent disposable income and looking for fellowship in the evening. The staffs are trained to engage the lonely ones in conversation or offer them a magazine or board games. With the advent of satellite TV, sports events have begun to emerge as congregating point. However music is still the key draw factor for almost all the clientele. The style and content of the music cuts across age and economic barriers, and forms a common bond of fellowship among the Pecos regulars.

With the takeover of the Pecos Pubs (A proprietorship concern) on December 31, 2014 on a going concern basis, the Company now has four pubs under its management vide agreement dated January 14, 2015.

Our Competitive Strengths

We believe that the following strength have contributed to success and will be competitive advantages for us, supporting our strategy and contribution to improvements in financial performance:

Retro Theme:

In all the 4 locations of pubs, we have implemented a theme as Retro Pubs where we play the rock music of late 1960s ,1970s and 1980s and we believe that it has assisted us in creating a base of loyal guests.

Focus on Guest needs:

We focus on our guest needs therefore we have customised menu for each of our 4 Pubs & Hotels, depending upon the foods and beverages demanded by the Customers.

Dedicated Staff:

To assist our management, we have a dedicated team of staff across our network of company owned and operated Pubs & Hotels. Our staff is a critical link to our guests and we seek to develop skills that can enhance their work experience by providing training as well as appropriate recognition. We place strong emphasis on instilling our core values in each of our staff. We have also provided restaurant managers with authority in certain matters such as regular restaurant maintenance in the interest of maintaining brand standards. Our efforts are geared towards aligning the goals of our staff with our vision of strengthening staff engagement. We also emphasise staff welfare including offering our staff regular training and skill enhancement, free meals, transportation to and from work and annual bonuses. In addition, we decided not to implement staff redundancy measures during the recent economic downturn which we believe has led to an increase in our staff retention rates.

Strategic Location:

We have strategically-located Hotels & Pubs across 4 locations in city of Bangalore. Our restaurant location portfolio consists of quality sites, located in business districts, neighbourhoods and high streets, each of which we believe has guest traffic. Our mix of locations, including both geographic spread and location type, leads to guest diversification.

Strong Process:

We benefit from strong processes established over the past 10 years of our Company's operations. Our process-oriented model increases the institutionalisation of our standards, enabling us to have consistent brand standards across each of our brands, which we believe promotes guest satisfaction.

SUMMARY OF FINANCIAL STATEMENTS

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lacs)

Particulars			Note No.	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
I.	**EQUITY AND LIABILITIES**								
1	**Shareholders' funds**								
	(a)	Share capital	1	85.09	3.34	1.00	1.00	1.00	1.00
	(b)	Reserves and surplus	2	15.12	68.75	42.89	35.86	18.46	8.41
				100.21	**72.09**	**43.89**	**36.86**	**19.46**	**9.41**
2	**Non-current liabilities**								
	(a)	Long-term borrowings	3	16.00	19.00	47.20	57.00	53.50	42.15
	(b)	Non-Current Liabilities		-	-	-	-	-	-
	(c)	Deferred tax liabilities		-	-	-	-	-	-
	(d)	Long Term Provisions		-	-	-	-	-	-
				16.00	**19.00**	**47.20**	**57.00**	**53.50**	**42.15**
3	**Current liabilities**								
	(a)	Short-term borrowings	4	7.66	8.16	0.08	(0.42)	(0.29)	0.14
	(b)	Trade payables	5	8.40	10.78	14.20	4.05	15.94	0.94
	(c)	Other current liabilities	6	8.30	5.29	3.09	2.03	2.06	2.80
	(d)	Short-term provisions	7	12.37	10.44	1.01	5.84	(3.73)	(0.10)
				36.73	**34.67**	**18.38**	**11.50**	**13.97**	**3.78**
		TOTAL		**152.94**	**125.76**	**109.47**	**105.35**	**86.93**	**55.34**
II.	**ASSETS**								
1	**Non-current assets**								
	(a)	Fixed							

		assets							
		(i) Tangible assets Net Block	8	17.63	20.85	19.97	23.91	26.95	22.57
		Less: Revaluation reserve Adjusted		-	-	-	-	-	-
		(ii) Capital work-in-progress		-	-	-	-	-	-
		(iii) Intangible Assets Net Block		6.32	7.32	8.53	9.73	10.94	-
	(b)	Non-current investments		-	-	-	-	-	-
	(c)	Deferred tax Assets		5.98	6.19	6.43	2.34	3.67	1.90
	(d)	Long Term Loans & Advances	9	52.90	45.58	40.58	40.58	29.54	24.79
	(e)	Other Non-current Assets	10	-	0.05	0.07	0.10	0.12	0.16
				82.82	**79.98**	**75.58**	**76.66**	**71.22**	**49.43**
2	**Current assets**								
	(a)	Inventories	11	1.95	1.68	3.87	2.88	0.41	0.27
	(b)	Trade receivables	12	11.81	7.98	7.48	13.11	4.41	-
	(c)	Cash and cash equivalents	13	31.76	22.85	10.92	11.62	10.79	5.53
	(d)	Short-term loans & advances	14	23.79	12.46	11.36	0.82	-	-
	(e)	Other current assets	10	0.81	0.81	0.26	0.26	0.11	0.11
				70.12	**45.78**	**33.88**	**28.69**	**15.71**	**5.90**
		TOTAL		**152.94**	**125.76**	**109.47**	**105.35**	**86.93**	**55.34**

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. In Lacs)

Sr. No.	Particulars	Note No.	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
I	**Income**							
	Revenue from operations :							
	Sale of Food & Beverages	15	220.89	249.04	223.67	197.62	145.43	131.33
	Total Sales Excluding Taxes		**220.89**	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**
	Less: Duties & Taxes		-	-	-	-	-	-
	Total Sales		**220.89**	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**
	Other income	16	28.08	43.10	41.40	32.15	23.80	0.11
	Total Revenue		**248.96**	**292.14**	**265.07**	**229.77**	**169.24**	**131.44**
II	**Expenses**							
	Change in inventories of FG & WIP	17	(0.09)	2.18	(0.98)	(2.48)	(0.14)	(0.04)
	Purchases of Food & Beverages	18	118.40	148.08	172.12	102.98	77.91	66.74
	Employee benefits expense	19	24.02	28.06	28.01	23.05	22.77	14.14
	Finance costs	20	3.23	2.89	2.41	1.04	0.06	0.17
	Depreciation and amortization expense	21	12.06	5.21	5.76	6.53	6.74	4.59
	Other expenses	22	74.92	92.51	47.96	69.57	53.61	44.05
	Total expenses		**232.53**	**278.93**	**255.28**	**200.69**	**160.95**	**129.64**
III	**Profit before exceptional and extraordinary items and tax (I-II)**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**
IV	Exceptional items		**-**	**-**	**-**	**-**	**-**	**-**
V	**Profit before extraordinary**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**

	items and tax (III - IV)							
VI	Extraordinary Items		**-**	**-**	**-**	-	**-**	**-**
VII	**Profit before tax (V - VI)**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**
VIII	**Tax expense:**							
	(1) Current tax		6.11	11.77	6.85	10.36	-	1.43
	(3) Deferred tax Liability/(Assets)		0.21	0.24	(4.09)	1.33	(1.77)	(1.38)
	Total Tax Expense		6.31	12.01	2.77	11.69	(1.77)	0.04
IX	**Profit (Loss) for the period (VII - VIII)**		**10.12**	**1.20**	**7.03**	**17.39**	**10.05**	**1.75**

STATEMENT OF CASH FLOW FROM RESTATED FINANCIALSTATEMENT

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
A. Cash flow from operating activities						
Net Profit / (Loss) after tax	10.33	1.44	2.94	18.72	8.29	0.36
Adjustments for:						
Depreciation and amortisation	12.06	5.21	5.76	6.53	6.74	4.55
Preliminary Expenses	-	-	-	-	-	0.04
Finance costs	3.23	2.89	0.41	-	0.06	0.17
Interest Received	(0.44)	(1.30)	(0.57)	(0.83)	-	(0.11)
Operating Profit before Working capital changes	**25.17**	**8.24**	**8.55**	**24.42**	**15.08**	**5.01**
Adjusted for:						
Inventories	(0.27)	2.18	(0.98)	(2.48)	(0.14)	(0.04)
Trade receivables	(3.82)	(0.50)	5.63	(8.70)	(4.41)	-
Long Term Loans & Advances	(7.32)	(5.00)	-	(11.04)	(4.75)	(2.72)
Short-term loans and advances	(11.33)	(1.09)	(10.54)	(0.82)	-	-
Other current assets	-	(0.55)	-	(0.15)	-	(0.09)
Trade payables	(2.37)	(3.42)	10.15	(11.90)	15.01	0.57
Other current liabilities and Provisions	8.68	11.63	7.87	9.55	(2.88)	1.73
	8.74	**11.49**	**20.68**	**(1.11)**	**17.91**	**4.46**
Cash Generated from Operations						
Taxes paid	3.75	-	11.65	-	1.50	-
Net Cash Generated from Operations	**4.99**	**11.49**	**9.03**	**(1.11)**	**16.41**	**4.46**
B. Cash flow from investing activities						
Additions to Fixed assets	(7.78)	(4.85)	(0.60)	(2.26)	(22.01)	(0.99)
Interest Received	0.44	1.30	0.57	0.83	-	0.11
Net cash used in investing activities:	**(7.35)**	**(3.55)**	**(0.03)**	**(1.43)**	**(22.01)**	**(0.88)**
C. Cash flow from financing activities						
Shares Issue during the year	15.00	0.34	-	-	-	-
Security Premium on shares issue	3.00	26.66	-	-	-	-
Share issue expenses	-	-	-	-	-	-

Proceeds/(Repayments) from long-term borrowings	(3.00)	(28.20)	(9.80)	3.50	11.35	-
Proceeds /(repayments) from other short-term borrowings	(0.50)	8.08	0.51	(0.13)	(0.43)	(0.94)
Finance cost	(3.23)	(2.89)	(0.41)	-	(0.06)	(0.17)
Net cash used in financing activities	**11.27**	**3.99**	**(9.71)**	**3.37**	**10.86**	**(1.11)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**8.92**	**11.93**	**(0.71)**	**0.83**	**5.26**	**2.46**
Cash and cash equivalents at the beginning of the year	22.85	10.92	11.62	10.79	5.53	3.06
Cash and cash equivalents at the end of the year	**31.76**	**22.85**	**10.92**	**11.62**	**10.79**	**5.53**

THE ISSUE

Particulars	Number of Equity Shares
Equity Shares Offered	4,59,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 229.50 Lakhs
Fresh Issue Consisting of	
Issue Reserved for Market Makers	27,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 13.50 Lakhs
Net Issue to the Public	4,32,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share aggregating Rs. 216.00 Lakhs
	of which
	2,16,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share will be available for allocation to investors up to Rs. 2.00 Lakhs
	2,16,000 Equity Shares of face value of Rs. 10 each fully paid of the Company for cash at price of Rs. 50 per Equity Share will be available for allocation to investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	8,50,875 Equity Shares
Equity Shares outstanding after the Issue	13,09,875 Equity Shares
Objects of the Issue	See the chapter titled "Objects of the Issue" on page 57

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations. The Issue is being made through the Fixed Price Process 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 188 of this Prospectus.

GENERAL INFORMATION

Our Company was incorporated as Pecos Hotels and Pubs Private Limited under the Companies Act, 1956 vide fresh certificate of incorporation dated February 14, 2005 in Bangalore, Karnataka. Our Company got converted from a private limited company to a public limited company under the Companies Act, 2013 with the name of "Pecos Hotels and Pubs Limited" and received a fresh Certificate of Incorporation dated March 26, 2015 from the Registrar of Companies, Bangalore. For further details please refer to chapter titled "Our History and Certain Other Corporate Matters" beginning on page 90 on this Prospectus.

REGISTERED OFFICE OF OUR COMPANY

PECOS HOTELS AND PUBS LIMITED
No.189/1, 1st, 2nd, 3rd & 4th Floor
Brigade Road
Bangalore -560001
Karnataka, India.
Tel: +91-80-41142038

For details relating to changes to our Registered Office, see para titled 'Changes in Registered Office' on page 90 of chapter titled 'Our History and Certain Other Corporate Matters' of this Prospectus.

CORPORATE OFFICE OF OUR COMPANY

PECOS HOTELS AND PUBS LIMITED
No.139, 2nd Floor,
Guardian House (Gurumurthy Bhavan)
Infantry Road,
Bangalore – 560001
Tel: +91- 80- 2558 0971
Fax: +91-80-4146 4692
Email: pecoshotels@gmail.com
Website: www.pecospub.com
Registration Number: 035603
Corporate Identification Number: U55101KA2005PLC035603

REGISTRAR OF COMPANIES

Registrar of Companies, Bangalore, Karnataka
E' Wing, 2nd Floor
Kendriya Sadana
Kormangala,
Banglore-560034
Website: www.mca.gov.in

DESIGNATED STOCK EXCHANGE

SME PLATFORM OF BSE LIMITED
P. J. Towers, Dalal Street
Mumbai, Maharashtra - 400 001

For details in relation to the changes in the name of our Company, please refer to the chapter titled, "Our History and Certain Other Corporate Matters" beginning on page 90 of this Prospectus.

BOARD OF DIRECTORS OF OUR COMPANY

Sr. No	Name	Age	DIN	Address	Designation
1.	Collin Richard Timms	53	00523528	H. No.20, S.N.S Palace,, Meanee Avenue Road, Bangalore, 560042, Karnataka, India	Chairman and Managing Director
2.	Olinda Timms	55	00523561	H. No.20, S.N.S Palace,, Meanee Avenue Road, Bangalore, 560042, Karnataka, India	Non- Executive Director
3.	Liam Norman Timms	25	06453032	H. No.20, S.N.S Palace,, Meanee Avenue Road, Bangalore, 560042, Karnataka, India	Whole- time Director
4.	Nina Nayar	49	02874239	Thekke Ambady, Poonithura, Ernakulam, 682317, Kerala ,India	Non- Executive & Independent Director
5.	Lloyd John Pereira	31	05207676	Near New High School, Baad Karwar Post, Nandangadda, Karwar, Karwar – 581304, Karnataka, India.	Non- Executive & Independent Director
6.	Koilpillai Joseph Davaraj	56	01931821	225, Hollywood Town, Sadahalli Post, Bangalore – 562157, Karnataka, India.	Non- Executive & Independent Director

For further details of our Directors, please refer chapter titled "Our Management" beginning on page 93 of this Prospectus.

COMPANY SECRETARY AND COMPLIANCE OFFICER

Swapnil Kshirsagar
Pecos Hotels and Pubs Private Limited
No.139, 2nd Floor,
Guardian House (Gurumurthy Bhavan)
Infantry Road,
Bangalore - 560001
Tel: +91- 80- 2558 0971
Fax: +91-80-4146 4692
Email: pecoshotels@gmail.com

CHIEF FINANCIAL OFFICER

Shailesh B.M
Pecos Hotels and Pubs Private Limited
No.139, 2nd Floor,
Guardian House (Gurumurthy Bhavan)
Infantry Road,
Bangalore - 560001
Tel: +91- 80- 2558 0971
Fax: +91-80-4146 4692
Email: pecoshotels@gmail.com

Investor may contact the Compliance Officer and/or Registrar to the Issue and/or Lead Manager to the Issue in case of any Pre-Issue or Post-Issue related matters such as non-receipt of letter 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 copy to the concerned SCSBs to whom the Application Form was submitted, giving full details such as name, address of the applicant, number of Equity Shares applied for, Application Amount blocked, ASBA account number and the Designated Branch of the relevant SCSBs where the ASBA Form was submitted by the ASBA Applicant.

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

STATUTORY AUDITORS

K. VENKATACHALAM AIYER & CO.
IV Floor, Jelitta Towers,
21/1, Mission Road,
Bangalore – 560027*
Tel: +91-80- 22211476,
Fax: +91-80–22271591
Email: kvablr@gmail.com
Contact Person: Mr. M. Sivakumar
Firm Registration No: 004610S
Membership No.: 023844

K. Venkatachalam Aiyer & Co. holds a peer reviewed certificate dated February 01, 2013 issued by the Institute of Chartered Accountants of India.
*After April 02, 2015, the office address will be No. 1657, III Floor, HAL 3rd Stage, Jeevan Bhima Nagar Main road, Bengaluru-560075, Phone:- 40931265

LEAD MANAGER TO THE ISSUE

SARTHI CAPITAL ADVISORS PRIVATE LIMITED

159/11, Amar Brass Compound,
Vidya Nagari Marg, Kalina,
Santacruz (E), Mumbai – 400098
Tel. No. +91 22 26528671-72
Fax No: +91 22 26528673
Contact Person: Mr. Deepak Sharma
Email: pecosipo@sarthiwm.in
Website: www.sarthi.in
SEBI Registration No.: INM000012011

Anthem House, E-360,
1st Floor, Nirman Vihar,
Delhi – 110092
Tel: +91-11-2244 9817/15
Fax: +91-11-2243 9816
Contact Person: Mr. Anand Lakhotia
Mr. Abhishek Jain

REGISTRAR TO THE ISSUE

LINK INTIME INDIA PRIVATE LIMITED
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West), Mumbai – 400078, Maharashtra, India
Tel: +91-22–61715400
Fax: +91-22–25960329
Web: www.linkintime.co.in
Email: phpl.ipo@linkintime.co.in
Contact Person: Mr. Sachin Achar
SEBI Registration No: INR000004058

LEGAL ADVISORS TO THE ISSUE

STANLEY LAZARUS
683, 29th Main, BTM II Stage,
Bangalore-560076

Tel. No.: 09448046862

Contact Person: Mr. Stanley Lazarus

Email: stanleylazarus123@gmail.com

BANKERS TO THE COMPANY

GUARDIAN SOUHARDA SAHAKARI BANK NIYAMITA
No.139, 2nd Floor,
Guardian House (Gurumurthy Bhavan)
Infantry Road, Bangalore - 560001
Karnataka, India.
Tel: +91-80-30700000-23
Fax: +91-80-25582340
Email: customercare@guardianbank.co.in
Website: www.guardianbank.org
Contact Person: Mr. Prathap George

BANKERS TO THE ISSUE AND ESCROW COLLECTION BANKS

ICICI BANK LIMITED

Capital Market Division, 1st Floor, 122 Mistry Bhavan,

Dinshaw Vachha Road, Backbay Reclamation,

Churchgate, Mumbai-400020**Tel:** 022 22859932

Fax: 022 22611138

Email: rishav.bagrecha@icicibank.com/ipocmg@icicibank.com

Contact Person: Mr. Rishav Bagrecha

SEBI Registration No.: INBI00000004

REFUND BANKERS

ICICI BANK LIMITED

Capital Market Division, 1st Floor, 122 Mistry Bhavan,

Dinshaw Vachha Road, Backbay Reclamation,

Churchgate, Mumbai-400020**Tel:** 022 22859932

Fax: 022 22611138

Email: rishav.bagrecha@icicibank.com/ipocmg@icicibank.com

Contact Person: Mr. Rishav Bagrecha

SEBI Registration No.: INBI00000004

SELF CERTIFIED SYNDICATED BANKS

The list of banks that have been notified by SEBI to act as SCSBs for the ASBA Process is provided on the website of SEBI at http://www.sebi.gov.in/cms/sebi_data/attachdocs/1365051213899.html. For details of Designated Branches of SCSBs collecting ASBA Application Form, please refer the above-mentioned SEBI website.

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 SEBI (ICDR) Regulations the requirement of Monitoring Agency is not mandatory if the issue size is below Rs 50,000 Lakhs. Since this Issue Size is only of Rs. 229.50 Lakhs, our Company has not appointed any monitoring agency for this Issue. However, as per 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 Sarthi Capital Advisors Pvt. Ltd. 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 Statutory 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 March 27, 2015, pursuant to the terms of the underwriting agreement; the obligations of the underwriter are subject to certain conditions specified therein. The underwriter has indicated its intention to underwrite the following number of specified securities being offered through this Issue.

Name and Address of the Underwriter	No. of Equity Shares Underwritten	Amount Underwritten (Rs. in Lakhs)	% of Total Issue Size Underwritten
Sarthi Capital Advisors Private Limited 159/11, Amar Brass Compound, Vidya Nagari Marg, Kalina, Santacruz (E), Mumbai – 400098 **Tel:** +91 22 26528671-72 **Fax**: +91 22 26528673 **Contact Person:** Mr. Deepak Sharma **Email:** deepak.sharma@sarthiwm.in	4,59,000	229.50	100%

Website: www.sarthi.in **SEBI Registration No.:** INM000012011			
Total	**4,59,000**	**229.50**	**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. Further, the underwriter shall be paid a commission at the rate of 0.50% of the net offer to the public.

DETAILS OF THE MARKET MAKING ARRANGEMENT

Our Company has obtained the consent of Choice Equity Broking Private Limited to act as Market Maker and has entered into a tripartite agreement dated March 27, 2015 along with the Lead Manager and Market Maker, duly registered with BSE Limited to fulfill the obligations of Market Making.

CHOICE EQUITY BROKING PRIVATE LIMITED

Shree Shakambhari Corporate Park,
156-158, Chakravarti Ashok Society,
J.B. Nagar, Andheri (E),
Mumbai – 400 099
Tel: 022 – 6707 8910
Fax: 022 – 6707 9959
Contact Person: Mr. Mahavir Toshniwal
Email: mahavir.toshniwal@choiceindia.com
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 Makers 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 such period as may be notified by amendment to SEBI (ICDR), Regulations.

The Market Maker shall fulfil the applicable obligations and conditions as specified in the SEBI (ICDR) Regulations, and its amendments from time to time and the circulars issued by the BSE and SEBI regarding 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, investors with holdings of value less than Rs. 1,00,000/- shall be allowed to offer their entire holding to the Market Maker(s) (individually or jointly) in that scrip provided that they sell their entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.

3. After a period of three 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 27,000 Equity Shares out to be allotted under this Issue). Any Equity Shares allotted to Market Maker under this Issue over and above 27,000 Equity Shares would not to be taken in to consideration for 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, the concerned stock exchange 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 a script 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. Price circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.

8. The Marker maker may be present in the opening call auction, but there is no obligation on him to do so.

9. The Market Maker may be allowed to withdraw temporarily/fully from the market under special circumstances such as 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 a one month notice or on mutually acceptable terms to the Merchant Banker, 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 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, 2009. Further the Company and the Lead Manager reserve the right to appoint other Market Makers either as a replacement of the current Market Maker or as an additional Market Maker subject to the total number of Designated Market Makers not exceeding five or as specified by the relevant laws and regulations applicable at that particulars point of time. The Market Making Agreement is available for inspection at our 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 may be deemed necessary from time to time.

12. BSESME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market

Maker in case he is not present in the market (offering two way quotes) for at least 75% of the time. The nature of the penalty will be monetary as well as suspension in market making activities / trading membership.

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

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 Exchange/ 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 Crore to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

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**		
	20,00,000 Equity Shares of face value of Rs. 10 each	200.00	
B	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL**		
	8,50,875 fully paid up Equity Shares of face value of Rs. 10 each	85.09	
C	**PRESENT ISSUE IN TERMS OF PROSPECTUS***		
	4,59,000 Equity Shares of face value of Rs. 10 each	45.90	229.50
	Which comprises of		
	27,000 Equity Shares of face value of Rs.10each at a premium of Rs. 40 per Equity Share reserved as Market Maker Portion	2.70	13.50
	Net Issue to Public of 4,32,000 Equity Shares of face value of Rs. 10each at a premium of Rs. 40 per Equity Share to the Public	43.20	216.00
	Of which		
	2,16,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 40 per Equity Share will be available for allocation to Investors up to Rs. 2.00 Lakhs	21.60	108.00
	2,16,000 Equity Shares of face value of Rs. 10 each at a premium of Rs. 40 per Equity Share will be available for allocation to Investors above Rs. 2.00 Lakhs	21.60	108.00
D	**ISSUED, SUBSCRIBED AND PAID UP SHARE CAPITAL AFTER THE ISSUE**		
	13,09,875 Equity Shares of face value of Rs. 10 each	130.99	
E	**SECURITIES PREMIUM ACCOUNT**		
	Before the Issue		3.00
	After the Issue		186.60

** The Issue has been authorized pursuant to a resolution of our Board dated February 02, 201 5and by Special Resolution passed under Section 62 (1) (c) of the Companies Act, 2013 at an Extra-Ordinary General Meeting of our shareholders held on March 02, 2015.*

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. 10,00,000 (Rupees Ten Lakhs only) consisting of 1,00,000 Equity shares of face value of Rs. 10 each was increased to Rs. 2,00,00,000 (Rupees Two Crores only) consisting of 20,00,000 Equity Shares of face value of Rs.10 each pursuant to a resolution of the shareholders dated December 31, 2014.

1. Equity Share Capital History

Date of Allotment	No. of Equity Shares Allotted	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Nature of Allotment	Cumu-lative No. of Equity Shares	Cumu-lative Paid-up Share Capital (Rs.)
On Incorporation i.e. February 14, 2005	10,000	10	10	Cash	Initial subscription(1)	10,000	1,00,000
November 11, 2013	20,000	10	-	Bonus	Bonus Issue (2)	30,000	3,00,000
March 27, 2014	3,375	10	800	Cash	Preferential allotment (3)	33,375	3,33,750
January 12, 2015	6,67,500	10	-	Bonus	Bonus Issue (4)	7,00, 875	70,08,750
January 30, 2015	1,50,000	10	12	Other than cash	Preferential Allotment (5)	8,50,875	85,08,750

(1) Initial Subscribers to Memorandum of Association hold 10,000 Equity Shares each of face value of Rs. 10/- fully paid up as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Collin Richard Timms	5,000
2.	Olinda Timms	5,000
	Total	**10,000**

(2) The Company allotted 20,000 Equity Shares as Bonus Shares of face value of Rs. 10/-each in the ratio of 2:1 as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Collin Richard Timms	10,000
2.	Olinda Timms	10,000
	Total	**20,000**

(3) Pursuant to conversion of loan given to our Company by Delfin International Limited, Preferential Allotment of 3,375 Equity shares of Rs 10/- each at premium of Rs 790/- per equity share was made on March 27,2014 as per the details mentioned below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Delfin International Limited	3,375
	Total	**3,375**

(4) The Company allotted 6,67,500 Equity Shares as Bonus Shares of face value of Rs. 10/-each in the ratio of 20:1 as per the details given below:

Sr. No	Name of Person	No. of Shares Allotted
1.	Collin Richard Timms	3,00,000
2.	Olinda Timms	3,00,000
3.	Delfin International Limited	67,500
	Total	**6,67,500**

(5) Preferential Issue of Equity shares for consideration other than cash in lieu of takeover of the running business of M/s Pecos Pub.

Sr. No	Name of Person	No. of Shares Allotted
1.	Collin Richard Timms	1,50,000
	Total	**1,50,000**

2. Issue of Equity Shares for consideration other than cash

Date of Allotment	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Consideration	Reason for Allotment	Person to whom Equity shares Allotted	
						Name of the Allottees	No. of Shares Allotted
November 14, 2013	20,000	10	-	other than cash	Bonus issue of Equity Shares in the ratio of 2:1	Collin Richard Timms	10,000

						Olinda Timms	10,000
January 12, 2015	6,67,500	10	-	other than cash	Bonus issue of Equity Shares in the ratio of 20:1	Collin Richard Timms	3,00,000
						Olinda Timms	3,00,000
						Delfin International Limited	67,500
January 30, 2015	1,50,000	10	12	other than cash	Preferential Allotment in lieu of takeover of M/s Pecos Pub*	Collin Richard Timms	1,50,000
						Total	**8,37,500**

* With the above issuance, the Company has purchased the running business of M/s Pecos Pub.

No benefits have accrued to the Company out the above issuances except on takeover of running business of M/s Pecos Pub.

3. 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.
4. We have not issued any Equity Shares at a price less than the Issue Price during the preceding one year immediately from the date of filing of this Prospectus except as mentioned below:

Date of Issue	Name of the Person	No of Shares	Issue Price	Reasons for such issue	Whether part of Promoter Group
January 30, 2015	Collin Richard Timms	1,50,000	12	Preferential Allotment in lieu of takeover of M/s Pecos Pub	Yes

5. Details of shareholding of promoters

A. Mr. Collins Richard Timms

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
On Incorporation i.e. February 14, 2005	5,000	10	10	Initial Subscription to MOA upon Incorporation	0.59	0.38	3 years	0	0.00%
November 14, 2013	10,000	10	-	Bonus Issue	1.17	0.76	3 years	0	0.00%
January 12, 2015	3,00,000	10	-	Bonus Issue	35.26	22.90	3 years	0	0.00%
January 14,	(1)	10	12	Transfer	0.00	0.00	-	0	0.00%

2015									
January 14, 2015	(1)	10	12	Transfer	0.00	0.00	-	0	0.00%
January 14, 2015	(1)	10	12	Transfer	0.00	0.00	-	0	0.00%
January 14, 2015	(1)	10	12	Transfer	0.00	0.00	-	0	0.00%
January 14, 2015	(1)	10	12	Transfer	0.00	0.00	-	0	0.00%
January 30,2015	1,50,000	10	12	Preferential Allotment in lieu of takeover of M/s Pecos Pub	17.63	11.45	1 year	0	0.00%
Total	**4,64,995**				**54.64**	**35.50**		**0**	**0.00%**

B. Ms. Olinda Timms

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
On Incorporation i.e. February 14, 2005	5,000	10	10	Initial Subscription to MOA upon Incorporation	0.59	0.38	1 year	0	0.00%
November 14, 2013	10,000	10	-	Bonus Issue	1.17	0.76	1 year	0	0.00%
January 12, 2015	3,00,000	10	-	Bonus Issue	35.26	22.90	1 year	0	0.00%
Total	**3,15,000**				**37.02**	**24.05**		**0**	**0.00%**

6. Our Promoter Group, Directors and their immediate relatives have not purchased/sold Equity Shares of the Company during last 6 months except Mr. Collins Richard Timms who had sold 5 equity shares on January 14, 2015.
7. Our Promoters have confirmed to the Company and the Lead Manager that the Equity Shares held by our Promoters have been financed from their personal funds or their internal accruals, as the case may be, and no loans or financial assistance from any bank or financial institution has been availed by them for this purpose.
8. There are no financing arrangements whereby the 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 offer document with the Stock Exchanges.

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

Pursuant to Regulation 32 and 36 of SEBI (ICDR) Regulations an aggregate of 20.00% of the post-issue capital held by our Promoters 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 namely Collin Richard Timms have granted consent to include such number of Equity Shares held by them as may constitute 24.05 % 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. Collins Richard Timms (A)						
On Incorporation i.e. February 14, 2005	On Incorporation i.e. February 14, 2005	5,000	10	10	Initial Subscription to MOA upon Incorporation	0.38
November 14, 2013	November 14, 2013	10,000	10	-	Bonus Issue	0.76
January 12, 2015	January 12, 2015	3,00,000	10	-	Bonus Issue	22.90
January 14, 2015	January 14, 2015	(1)	10	12	Transfer	0.00
January 14, 2015	January 14, 2015	(1)	10	12	Transfer	0.00
January 14, 2015	January 14, 2015	(1)	10	12	Transfer	0.00
January 14, 2015	January 14, 2015	(1)	10	12	Transfer	0.00
January 14, 2015	January 14, 2015	(1)	10	12	Transfer	0.00
Total (A)		**3,14,995**				**24.05**

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 during the preceding three years 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 Promoters 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 Promoters 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.

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.

The Equity Shares held by our Promoters may be transferred to and among the Promoter Group or to new Promoters or persons in control of our Company, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the Takeover Regulations, as applicable.

10. 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 Promoters (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 Promoters 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 Regulations.

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	4	7,79,997	7,79,997	91.67	91.67	0	0.00
(b)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(c)	Bodies Corporate	1	70,875	70,875	8.32	8.32	0	0.00
(d)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (A)(1)	**5**	**8,50,872**	**8,50,872**	**99.99**	**99.99**	**0**	**0.00**
(2)	Foreign							
(a)	Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
(b)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00

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)
(c)	Institutions/FII	0	0	0	0.00	0.00	0	0.00
(d)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (A)(2)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	**5**	**8,50,872**	**8,50,872**	**99.99**	**99.99**	**0**	**0.00**
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/UTI	0	0	0	0.00	0.00	0	0.00
(b)	Financial Institutions/Banks	0	0	0	0.00	0.00	0	0.00
(c)	Central Government/State Government(s)	0	0	0	0.00	0.00	0	0.00
(d)	Venture Capital Fund	0	0	0	0.00	0.00	0	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00	0	0.00

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)
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	0	0.00
(h)	Nominated Investors (as defined in Chapter XA of SEBI (ICDR) Regulations)	0	0	0	0.00	0.00	0	0.00
(i)	Market Makers	0	0	0	0.00	0.00	0	0.00
(j)	Any other (Specify)	0	0	0	0.00	0.00	0	0.00
	SUB TOTAL (B) (1)	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
(2)	**Non-Institutions**							
(a)	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
(b)	Individuals -							
	i) Individual shareholders holding nominal share Capital up to Rs.1 lakh	3	3	2	0.01	0.01	0	0.00
	ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0.00	0.00	0	0.00
(c)	Any other (Specify)Individual (Non-Resident	0	0	0	0.00	0.00	0	0.00

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)
	individuals)							
	SUB TOTAL (B) (2)	**3**	**3**	**2**	**0.01**	**0.01**	**0**	**0.00**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**3**	**3**	**2**	**0.01**	**0.01**	**0**	**0.00**
	TOTAL (A)+(B)	**8**	**8,50,875**	**8,50,874**	**100.00**	**100.00**	**0**	**0.00**
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	**8**	**8,50,875**	**8,50,874**	**100.00**	**100.00**	**0**	**0.00**

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 Promoters and Promoter Group

The table below presents the current shareholding pattern of our Promoters 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
(I)	(II)	(III)	(IV)	(V)	(VI)
	Promoter				
1.	Collin RichardTimms	4,64,995	54.64	4,64,995	35.50
2.	Olinda Timms	3,15,000	37.02	3,15,000	24.05
	Promoter Group				
1.	Liam NormanTimms	1	0.00	1	0.00
2.	Sabina Timms	1	0.00	1	0.00
3.	Delfin International Limited	70,875	8.33	70,875	5.41
	Total	**8,50,872**	**99.99**	**8,50,872**	**64.96**

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

Name of the Promoter	No. of Shares held	Average cost of Acquisition* (in Rs.)
Collin Richard Timms	4,64,995	3.98
Olinda Timms	3,15,000	0.16

** Including the Equity Shares issued pursuant to bonus issue.*

Equity Shares held by top ten shareholders

Our top Eight* 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.	Collin Richard Timms	4,64,995	54.64
2.	Olinda Timms	3,15,000	37.02
3.	Delfin International Limited	70,875	8.33
4.	Liam Norman Timms	1	0.00
5.	Sabina Timms	1	0.00

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
6.	Vanessa Rozario	1	0.00
7.	Francis Inthru Alphopnso	1	0.00
8.	Divakar V Ellapil	1	0.00
9.	NA	NA	NA
10.	NA	NA	NA
	Total	**8,50,875**	**100.00**

** Our Company has only eight shareholders as on the date of this Prospectus.*

Our top Eight* 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.	Collin Richard Timms	4,64,995	54.64
2.	Olinda Timms	3,15,000	37.02
3.	Delfin International Limited	70,875	8.33
4.	Liam Norman Timms	1	0.00
5.	Sabina Timms	1	0.00
6.	Vanessa Rozario	1	0.00
7.	Francis Inthru Alphopnso	1	0.00
8.	Divakar V Ellapil	1	0.00
	Total	**8,50,875**	**100.00**

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

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

Sr. No.	Name of shareholder	No. of Shares	% age of pre-Issue capital
1.	Collin Richard Timms	5,000	50.00
2.	Olinda Timms	5,000	50.00
	Total	**10,000**	**100.00**

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

11. There is no "Buyback", "Standby", or similar arrangement for the purchase of Equity Shares by our Company/Promoters/Directors/Lead Manager for purchase of Equity Shares offered through this Prospectus.
12. 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.
13. As on the date of this Prospectus, none of the shares held by our Promoters/ Promoter Group are pledged with any financial institutions or banks or any third party as security for repayment of loans.
14. Except, as otherwise disclosed in the chapter titled "Objects of the Issue" beginning on page 57 of this Prospectus, we have not raised any bridge loans against the proceeds of the Issue.
15. 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 196 of this Prospectus.
16. The Equity Shares Issued pursuant to this Issue shall be fully paid-up at the time of Allotment, failing which no allotment shall be made.
17. Our Company has not issued any Equity Shares at a price less than the Issue Price in the last one year preceding the date of filing of this Prospectus except as mentioned below:

Date of Issue	Name of the Person	No of Shares	Issue Price	Reasons for such issue	Whether part of Promoter Group
January 30, 2015	Collin Richard Timms	1,50,000	12	Preferential Allotment in lieu of takeover of M/s Pecos Pub	Yes

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 Promoters 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. The Equity Shares offered through this Public Issue will be 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 Promoters 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. Sarthi 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 spilt/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 Promoters to the persons who receive allotments, if any, in this Issue.
35. Our Company has 8 (Eight) shareholders as on the date of filing of this Prospectus.

OBJECTS OF THE ISSUE

This Issue is being undertaken to meet the objects, as set forth herein, and to realise the benefits of listing of our Equity Shares on Stock Exchanges, which in our opinion would enhance our Company's brand name and create public market of our Equity Shares in India.

The Net Proceeds of the Issue, after deducting issue related expenses, are estimated to be approximately Rs 179.50 lacs.

The Net Proceeds from the Issue are proposed to be utilised by our Company for the following objects:

1. Development of New Pub
2. Upgradation, Repair and Maintenance of our existing pubs.
3. General Corporate Purposes.

The main objects clause of our Memorandum of Association enables us to undertake the activities for which funds are being raised through this Issue. Further, we confirm that the existing activities which we have been carrying out until now are in accordance with the objects clause of our Memorandum of Association. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution.

FUND REQUIREMENTS

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

Sr. No.	Particulars	Amount (in Rs. Lakhs)
1.	Development of New Pub	60.41
2.	Upgradation, Repair and Maintenance of our existing pubs	74.84
3.	General Corporate Purposes	44.25
4.	Issue Expenses*	50.00
Total		**229.50**
Means of Finance		
1.	Public Issue Proceeds	**229.50**
Total		**229.50**

* Our Company has incurred Rs. 10.74 lakhs as issue expenses till May 31, 2015. The same has been certified by our Statutory Auditors, K. Venkatachlam Aiyer & Co, Chartered Accountants vide their certificate dated June 16, 2015

The objects of the Issue detailed above are proposed to be funded from the Proceeds of the Issue and the amount expended thereon till date has been funded out of Internal Accruals. Accordingly, we confirm that there is no requirement for us to make any further arrangements for financing the same through any verifiable means towards towards at least 75% of the stated means of finance, excluding the amount to be raised from the proposed Issue.

The fund requirement as stated in the table above is based on our internal management estimates. In view of the dynamic nature of the sector and specifically that of our business, we may have to revise our expenditure and fund requirements as a result of variations in cost estimates, exchange rate fluctuations and external factors which may not be within the control of our management. This may entail rescheduling and revising the planned expenditures and fund requirements and increasing or decreasing expenditures for a particular purpose at the discretion of our management, within the overall objects. In case of any such re-schedulement, it shall be made by compliance of the relevant provisions of the Companies Act, 1956 / Companies Act, 2013.

In case of variations in the actual utilisation of funds earmarked 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. In the event of any shortfall in the Net Proceeds, we will bridge the fund requirements from internal accruals or debt/equity financing.

While we intend to utilise the Net Proceeds in the manner provided above, in the event of a surplus, we will use such surplus towards general corporate purposes including meeting future growth requirements.

No part of the proceeds of this issue will be paid as consideration to our promoters, directors, key managerial employees or group concerns/companies promoted by our promoters.

DETAILS OF USE OF THE PROCEEDS

1. **Development of New Pub**

We plan to leverage the brand equity enjoyed by our flagship brand, "PECOS" to selectively expand within our existing markets. We are targeting the area of Koramangala - Bangalore for development of new pub. We propose to utilize a sum of Rs 60.41 lakhs towards development of new pub in the Fiscal Year 2015-16. The time period for launch of new pub requires an average about six months. Suitable locations are crucial for a successful pub business.

Currently, we operate our pubs in various configurations that generally have a total area that may range from 750 sq ft – 2000 sq ft per location. We propose to lease property in Kormangala for new pub. Further, in relation to our new pub, we estimate the total area of the new pub to be in the range of 2000 square feet.

The estimated cost for development of the New Pub primarily comprises of costs towards:

(i) Interior costs
(ii) Expenses towards payment of security deposit;
(iii) Equipment Costs and

The table below sets forth the total estimated costs for development of the New Pub:

Particulars	Total Estimated Costs (Rs in Lakhs)
Interior Costs	17.96
Security Deposits	30.00
Equipment Costs	12.45
Total	**60.45**

Interior Costs: Interior costs will include expenses in relation to fit-outs, painting, plumbing and drainage works, fire-fighting and safety equipment for the restaurant and kitchen areas and furniture and fixtures for the restaurant area. We have estimated that interior costs will aggregate approximately to Rs. 17.96 lakhs. The estimates for interior costs are based on quotations received from various contractors who have worked with us for setting up our existing Company pubs.

Equipment Costs: We propose to install certain equipment at the New Pub. This will primarily include air-conditioning equipment, music systems, refrigerators, kitchen and service equipments and ventilation systems and other accessories. We do not intend to procure any second hand equipment for the New Restaurants. We have estimated that expenses towards equipment will aggregate approximately to Rs. 12.45 lakhs.

Our estimate of costs towards equipment are based on quotations received from various vendors, from whom we have purchased similar items for our Company owned and operated pubs in the past as well as our internal estimates based on our prior experience of setting up similar Company owned and operated pubs.

None of our Promoters or Directors or Group Companies have any interest in the proposed procurement of any equipment as stated above. The Promoters do not have any interest in any entities from whom quotations have been obtained for such equipment/machinery.

Security Deposits: We propose to utilize an amount of Rs 30.00 lakhs out of the Net proceeds of the Issue towards payment of security deposit for our new pub. This amount is computed on the basis of approximately ten months rent to be paid in advance, which is based on our internal estimates of rent payable for new pub.

2. **Upgradation, Repair and Maintenance of our existing pubs:**

In order to attract more customers and patrons, our existing Pubs require regular Upgradation, Repairs and Maintenance for its undisrupted operations. We intend to utilize the Rs 74.84 Lacs from the Net Issue proceeds towards the said objects. The following table depicts the breakdown of the estimated expenses related to Repairs, Maintenance & Up- gradation:

(Rs in Lacs)

Sr. No	Particulars	Total Estimated Cost			
		PECOS	MOJO	STONES	R&B
1.	Civil Works & Interiors	13.97	13.90	14.37	14.50
2.	Equipment Costs	5.16	2.69	1.76	1.82
3.	Miscellaneous Expenses	1.11	3.19	1.74	0.83
Total		**20.24**	**19.78**	**17.67**	**17.15**

Our estimate of costs towards equipment are based on quotations received from various vendors, from whom we have purchased similar items for our Company owned and operated pubs in the past as well as our internal estimates based on our prior experience of setting up similar Company owned and operated pubs

3. 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. 50.00 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	90.00	19.61
Regulatory Fees & Other Expenses	5.00	10.00	2.18
Total estimated Issue expenses	**50.00**	**100.00**	**21.79**

4. General Corporate Purposes

Our Company intends to deploy the balance Net Proceeds aggregating Rs 44.25 lakhs, if any, for general corporate purposes to drive our business growth, as may be approved by our management, including but not restricted to strategic initiatives, partnerships, meeting working capital requirements, strengthening our marketing capabilities, brand building and meeting ongoing general corporate exigencies which our Company may face in ordinary course of business or any other purposes as may be approved by the Board.

SCHEDULE OF IMPLEMENTATION AND DEPLOYMENT OF FUNDS

The net proceeds of the issue is proposed will be utilised towards the stated objects during FY 2015-16.Further, our Company has incurred the following expenditure on the project till May 31, 2015. The same has been certified by our Statutory Auditors, K. Venkatachlam Aiyer & Co, Chartered Accountants vide their certificate dated June 16, 2015

(*Rs. in Lakhs*)

Particulars	Amount
Internal Accruals	10.74
Total	**10.74**

The above funds were deployed out of the Company's internal accruals.

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. Further, our Board of Directors hereby undertake that full recovery of the said interim investments shall be made without any sort of delay as and when needarises for utilization of process for the objects of the issue.

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.

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. 50 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.50 per Equity Share and is 5 times the face value.

QUALITATIVE FACTORS

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

- Proven track record in running of pubs;
- Leveraging the experience of our Promoter;
- Experienced management team and a motivated and efficient work force;
- A renowned and trusted brand in Bangalore;

For further details, refer to heading '***Our Strengths***' under chapter titled '***Our Business'*** beginning on page 79 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 2011-12, 2012-13 and 2013-14 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2012	7.56	1
March 31, 2013	3.06	2
March 31, 2014	0.52	3
Weighted Average	**2.54**	

Note: The EPS has been computed by dividing net profit as restated, attributable to equity shareholders by weighted average number of equity shares outstanding during the year.

2. Price to Earnings (P/E) ratio in relation to Issue Price of Rs. 50 per Equity Share of face value of Rs. 10/- each.

Particulars	P/E Ratio
P/E ratio based on Basic EPS for FY 2013-14	96.15
P/E ratio based on Weighted Average EPS	19.68

3. Average Return on Net worth (Ron) for the preceding three years.

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

Year ended	Ron (%)	Weight
March 31, 2012	47.20	1
March 31, 2013	16.02	2
March 31, 2014	1.67	3
Weighted Average	**14.04**	

Note: The Ron 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 after Issue needed to maintain Pre-Issue EPS for the year ended March 31, 2014 is 2.06%**

5. **Net Asset Value (NAV)**

Particulars	Amount (Rs.)
Net Asset Value per Equity Share as of March 31, 2014	215.99
Net Asset Value per Equity Share after the Issue	25.17
Issue Price per equity share	50.00

NAV per Equity Share has been calculated as Net Worth as divided by number of Equity Shares

6. **Comparison with other listed companies/Industry peers***

We are primarily engaged in the business of running of pubs at Bangalore.

Currently there is no listed entity in India operating in this particular business segment with similar size, scale and business model and hence a strict comparison with us is not possible.

The Company in consultation with the Lead Manager and after considering various valuation fundamentals including Book Value and other relevant factors believes that the issue price of Rs 50.00 per share for the Public Issue is justified in view of the above parameters. The investors may also want to pursue the Risk Factors on page 16 and Financials of the company as set out in the Financial Statements included in the Prospectus beginning on page 125 to have more informed view about the investment proposition. The Face Value of the Equity Shares is Rs 10 per share and the Issue Price is 5 times of the face value i.e. Rs 50.00 per share.

For further details see "Risk Factors" beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the "Financial Statements" beginning on page 125 of this Prospectus for a more informed view.

STATEMENT OF TAX BENEFITS

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

To
The Board of Directors,
M/s. Pecos Hotels and Pubs Limited
No. 189/1, 1st, 2nd, 3rd, and 4th Floor,
Brigade Road,
Banglore-560001
Karnataka, India.

We hereby confirm that the enclosed annexure, prepared by **Pecos Hotels and Pubs 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'), presently in force in India. Several of these benefits are dependent on the Company or its shareholders fulfilling the conditions prescribed under the relevant provisions of the Act. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions, which is based on the business imperatives, the company or its shareholders may or may not choose to fulfill.

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

Our confirmation is based on the information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company. 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, where applicable have been/would be met.

For K. Venkatachalam Aiyer And Co.
Chartered Accountants
F.R.N. 004610S

M Sivakumar
(Partner)
M.No. 023844

Place: Bangalore
Date: 30.6.15

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO SHAIVAL REALITY 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 2015-16.

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 7% would be levied if the total income exceeds Rs.10 million but does not exceed Rs 100 million. A surcharge at the rate of 12% 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 bond 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 marginal rate.

- 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 ofNational 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 will be liable to pay dividend distribution tax (DDT) at the rate of 15%. A surcharge of 12% 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 subsidiary of the Company 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 (excluding 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 share held in a Company or any other securities 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 securities 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 bond 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 pursuant 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) 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.

- 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

- 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.

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 K. Venkatachalam Aiyer And Co.
Chartered Accountants
F.R.N. 004610S

M Sivakumar
(Partner)
M.No. 023844

Place: Bangalore
Date: 30.6.15

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

Once an introverted, home-driven consumer, the indulgent Indian is today waking up to a nascent yet formidable "Eating Out" culture, making food services one of the most promising business sectors in India.

Even with a contribution of just 2.3% to India's GDP, the Food Services market is worth Rs 247,680 crore (USD 48 bn). It comprises food services in the organized sector (i.e. chain and licensed standalone players across quick service restaurants, full- service casual and fine dining restaurants, hotels, bars and lounges, cafés, and frozen dessert formats) as well as the unorganized sector (dhabas, street stalls, halwais (sweet shops), roadside vendors, food carts, etc.).

Across the organized segment, the two sub-segments driving the sector's growth are QSR and CDR, accounting for 70% growth in licensed standalone outlets and 75% expansion in chain restaurants. Among the two, QSR has been outpacing the market's projected growth by 25%, making it one of the segments to watch.

The Indian Food Service industry is projected to grow to Rs 408,040 cr (USD 78 bn) by 2018 at a CAGR of 11% according to a survey commissioned by National Restaurant Association of India (NRAI). In 2013, the size of the chain casual dining market is estimated at Rs 3,950 cr (USD 760 mn), and projected to grow at a CAGR of 18% to reach a size of Rs 9,035 cr by 2018. The Fine Dining market thrives largely on the affluent consumer, the study notes. The segment is growing at a healthy rate of around 15%. The chain Fine Dining market size is estimated to be Rs 500 cr (USD 95 mn) currently and estimated to reach Rs 1,010 cr (USD 195 mn) by 2018.

Source ASSOCHAM, National Restaurant Association of India (NRAI).

LIQUOR , PUBS, BARS & HOSPITALITY INDUSTRY IN INDIA

Beer is considered to be world's most widely consumed alcoholic beverage. It is also regarded as the third most popular drink after water and tea. In India, beer is one of the fastest growing markets and is highly consumed by the people in India because of their growing disposable income, the increasing population, and rapid urbanization taking place in the country.

Liquor market in India is divided into four segments (IMFL) Indian made foreign liquor, Imported Liquor, Counrty Liquor & Beer. Although Indian Alcohol Industry has been dominated by stronger spirits (IMFL), but over the years beer has made a mark in the industry and has been able to make its presence felt. Now a day's consumer are looking for choices away from whisky and it is not just the male populace that is enamored by beer but female population equally enjoys the drink. The industry today boasts of an array of high quality varieties that were not even thought about 7-8 years ago. The players are leaving no stone unturned for wooing the Indian consumer; from fruit flavors to spice infusions. Also, rising acceptability of social drinking is a major contributor to the industry's growth and such acceptability of alcohol has opened the market to new consumers like women and youth who earlier comprised only a small proportion of alcohol consumers in the country.

Further the Beer Market can be further classified in to various segments like Strong & Mild Beer based on their alcohol content.

India consumes mere 1.64 litres beer per person which is like peanuts when compared to countries like China and US which consumes 37 litres and 78 litres of beer per person respectively. Favorable demographics, rising

disposable incomes, urbanization and rising acceptability of drinking have brought the winds of change for the industry. Urbanization has helped in giving much needed acceptance to the concept of social drinking in the nation.

Indian populace in 2012 consumed 20 mn hectolitres of beer which translates to 1.6 litres of consumption per person. Per capita consumption of beer has grown at a CAGR of 9% during the period 2008-12 and beer consumption rose to 256 mn cases in 2012 from 170 mn cases in 2008, thus registering a CAGR of ~11%. Indian beer exported stood at INR 383.1 mn in 2008 and has escalated to INR 1777.8 mn in 2013, showcasing a robust CAGR of 36% whereas imports registered a CAGR of 19% over the same period and stood at INR 281.6 mn in 2013. Favorable demographics coupled with increasing focus of foreign brewers on product range and rising social acceptance of alcohol are expected to enable beer demand to grow swiftly in years to come. We estimate beer industry to register a growth of 12% y-o-y and reach a size of 452 mn cases by 2017. The growth rate of 12% is a conservative estimate; the industry has all triggers in place for exceeding the projected growth rate.

Beer is a rapidly expanding segment in the Indian Alcoholic Beverages industry. It is the third largest market and second fastest growing market in the Indian alcoholic beverages industry .The market size of Indian Beer Industry is expected to touch 452 million cases by 2017, driven by various factors like growing acceptability of social drinking, easy and convenient availability of beer along with burgeoning varieties on offer. Escalating disposable incomes, rising influence of urbanization and low per capita consumption are also anticipated to drive the consumption of beer in the nation.

The rising awareness of health benefits that beer offers will further aid the growth. Beer has more health benefits than generally known and is perfect for moderate drinking because of its lower alcohol content and larger volume compared with wine or spirits.

High growth rates and relaxation of rules on foreign direct investment in the last decade has attracted foreign investment in the beer sector. Indian beer consumption patterns have changed radically in the last few years, most of it attributed to the advent of foreign brands in Indian beer market. Not only have foreign brands entered the beer picture but are gaining popularity at an astounding rate. Some foreign brands that are available in the Indian market are Corona, Budweiser, Fosters, Carlsberg, Heineken, Shepherd Neame and Carling. Bubbling with enthusiasm and high on growth wave, Indian Beer Industry has been a magnet for many international players.

The country's big coastline is dotted with a number of attractive beaches. India ranked 13th among 184 countries in terms of travel and tourism's total contribution to gross domestic product (GDP) in 2013. The sector's direct contribution to GDP is expected to grow at 6.4 % per annum during 2014-2024 vis-à-vis the world average of 4.2 %.

Over 6.8 million foreign tourist arrivals were reported in 2013. Foreign tourist arrivals (FTAs) increased at a compound annual growth rate (CAGR) of 7.2 % during 2005-2013. By 2024, FTAs are expected to increase to 13.42 million.

Although Indian Alcohol Industry has been dominated by stronger spirits (IMFL), but over the years beer has made a mark in the industry and has been able to make its presence felt. Surveys show that beer is the preferred alcohol of the 21st century Indian. Nowadays consumers are looking for choices away from whisky and it is not just the male populace that is enamored by beer but female population equally enjoys the drink.

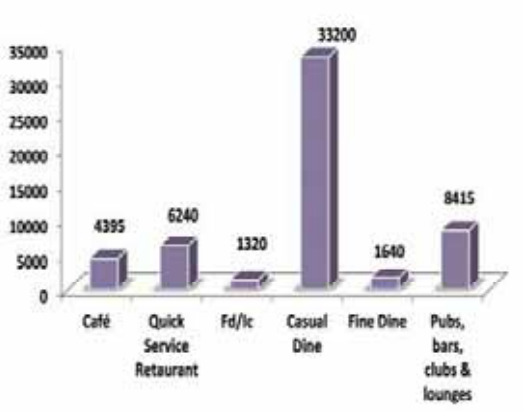
The industry today boasts of an array of high quality varieties that were not even thought about 7-8 years ago. The players are leaving no stone unturned for wooing the Indian consumer; from fruit flavors to spice infusions to fancy names like Basmati Blonde. The latest addition in the fancy beers is the Indus pride, India's first beer brewed with authentic Indian spices.

The industry also does not face any shortages of the main raw material i.e. barley. Barley in India comes just after rice, wheat & maize production in terms of importance and the nation produces sufficient quantities of the raw material for the industry.

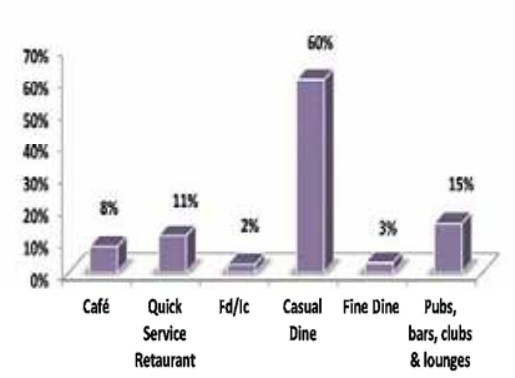
Source:http://www.niir.org/books/book/india-beer-market-industry-size-share-trends-analysis-forecasts-2013-17-npcs-team/isbn-9789381039342/zb,,18b6f,a,0,0,a/index.html

However the industry faces challenges in the form of ban on direct advertising and derisory state of market infrastructure. The industry is also highly taxed and regulated and struggles with multiplicity of taxes and lack of uniformity in the regulations varying from state to state. The industry is also burdened with unjustified pricing of its products. Beer, although contains less alcohol, is taxed in the same manner as strong spirits which in turn makes beer expensive for the end user.

Market Size in Rs Cr



Market Share in Percent



Favorable demographics coupled with increasing focus of foreign brewers on product range and rising social acceptance of alcohol are expected to enable beer demand to grow swiftly in years to come. We estimate beer industry to register a growth of 12% y-o-y and reach a size of 452 million cases by 2017E. The growth rate of 12% is a conservative estimate; the industry has all triggers in place for exceeding the projected growth rate.

FOOD & BEVERAGE INDUSTRY IN INDIA

Market Size

The Indian food industry is expected to grow to Rs 408,040 crore (USD 78 billion) by 2018 at a CAGR of 11% according to National Restaurant Association of India (NRAI). In other reports, the size of the Casual Dining market is touted at INR 3950 crore (USD 760 million) and is predicted to grow at a CAGR of 18% and reach a size of Rs 9,035 crore by 2018.

Despite food production in the country is expected to double by the year 2020. New products & processes, marketing and so on (both national and international), which will broadly cover around 75 key areas in the food, beverage and its allied segments. These include food processing, bakery, confectionery, dairy, meat & poultry, fruits & vegetables, fisheries (including aquaculture), food ingredients, grocery retail, packaging, alcoholic beverages, soft drinks and bottled drinking water, canning, fats and oils, filters and filtering materials, flavours and flavour enhancers, nutrient additives, frozen food/refrigeration and thermo processing, among others.With food production expected to double by 2020, large investments are already going into food and food processing technologies, skills and equipment.

Source: http://fnbnews.com/redfr.asp?fn=/other/aboutus.asp

According to the India's Ministry of Food Processing, the size of the food and beverage industry in India is around $65.6 billion including $20 billion of value added products. Of this, the health beverage industry is valued at $ 230 million; bread and biscuits at $1.7 billion; chocolates at $73 million and ice creams at $188 million. The size of the semi-processed/ready to eat food segment is over $1.1 billion. The three largest consumed categories of packaged foods are packed tea, biscuits (cookies) and soft drinks. The Indian food market includes both foreign and domestic companies. Pepsico's Frito Lay, Nestle and Mondelez have strong businesses in India. India's top food manufacturing companies also include domestic players such as Amul, Britannia, Haldiram and Tata Global Beverages.

Food & Food Services

- The food and food services industry has recorded a high growth rate in recent years as aligned to the rising economic prosperity of the country. Several factors have been responsible for its growth, including the rising income levels of the country's middle class resulting in more disposable income, the growing urbanisation, bigger share of youth population, presence of more nuclear families who have a higher tendency to eat out and increase in working women population.

- The Indian food services industry can be broadly categorised into full-fledged restaurants, fast food joints and cafes and bars. The industry is marked by the dominance of unorganised players, even though there has been a noticeable trend towards fine dining among a section of the population. Encouraged by the rapid growth in this industry, a lot of international players have entered the scenario, apart from local players who are on an aggressive expansion mode. Innovative ways of marketing and luring customers, apart from keeping a check on food prices, are the keys to success in this otherwise highly competitive industry. At the same time, soaring real estate prices and lack of skilled and semi-skilled labour act as major impediments for the growth of this industry.

Beverage

- India is one of the most rapidly growing markets for the global beverage industry, which again is a significant part of the overall fast moving consumer goods (FMCG) market in the country. With the liberalisation of the country's economy and the opening up of foreign investment in this sector, the industry has progressed in leaps and bounds. Other factors which have helped the growth of the beverage industry include a larger share of disposable income in the hands of the country's middle class, the growing preferences for imported liquor among the elite classes and recent consumption trends for health and energy drinks among the population.

- The warm and humid weather prevailing almost all through the year also induces people to consume more beverages, thus adding to sales. All beverages can be broadly classified into the alcoholic and non-alcoholic varieties. In India, milk and milk-based products comprise a very important segment of the beverage industry, as milk is an important part of the food served in Indian households.

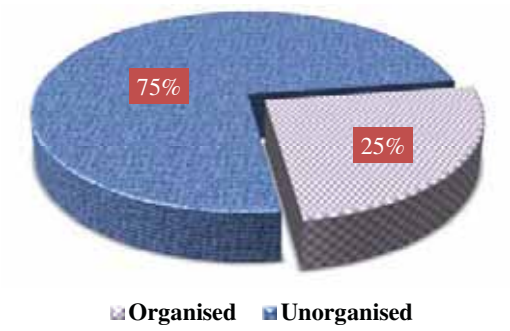
- The country is one of the largest producers of milk and milk-based products worldwide. The beverage industry is, however, highly fragmented in nature and is largely dominated by the unorganised sector. At the same time, the relatively low penetration of beverage sales, particularly in rural areas, presents immense potential for growth.

- The Indian hot beverage market is a tea dominant market. Dust tea is popular in southern India, while loose tea in preferred in western India. Coffee is consumed largely in the southern states.The total soft drink (carbonated beverages and juices) market is estimated at 284 million crates a year. The market is

highly seasonal in nature with consumption varying from 25 million crates per month during the extended summer to 15 million during the off season.

Source:http://www.amritt.com/industries/india-consumer-packaged-goods-market/food-beverage-market-in-india/

Beverage Market Structure in India



Source: ICRIER-IBA report

The industry comprises several sub-sectors such as milk and milk products, meat and poultry products, packaged foods, alcoholic and non-alcoholic beverages, cereals and food grains. The fact that India is primarily an agriculture-driven economy having abundant livestock and access to mechanised farming processes, has worked in favour of the food and beverages industry. Another sub-sector that is gaining a lot of importance recently is that of health food products, given the growing wave of health consciousness among the population. Other consumer product categories that have attained recent popularity, especially among the urban crowd, include chocolates, confectionery, cocoa products, and mineral water, among others. The industry has witnessed the entry of a large number of multinational companies as well as numerous regional players. Branding, advertising, marketing and packaging have become crucial areas for improvement for the entire industry. A number of food and beverage products are exported as well, thus contributing to the economic development of the country.

Alcoholic Drinks

- The increasing acceptance of alcohol consumption in Indian society, coupled with the rise in disposable income among the people, has led to rapid growth of the alcoholic beverages industry within the country. A number of domestic as well as reputed foreign companies are doing brisk business in the market for alcoholic drinks within the country.

- The rising influence of western culture and heavy advertising by beverage companies promoting alcohol as a lifestyle product have also led to its increased consumption, further boosting growth in this sector. Whiskey holds the largest share among alcoholic drinks sold in India. Going ahead, the increase in the number of women consuming alcohol has huge potential to enhance the prospects of this industry.

Consumption of non-alcoholic beverages is expected to increase by 16.5%-19% over the next three years as more people are trading up to packaged drinks, according to a report by the Indian Council for Research on International Economic Relations (ICRIER) and the Indian Beverage Association (IBA).

Corporate manufacturers of non-alcoholic beverages are expected to grow at an annual rate of 16.5% and non-corporate manufacturers at 19%.

Growth Drivers for the Industry

- With more than 50 per cent of the population younger than 25 years, increasing disposable incomes, a growing middle class, ongoing urbanisation, changing lifestyles and a rising number of modern retail formats like supermarkets, the country enjoys highly favourable demographic patterns.
- The Indian middle class is growing rapidly and it simply loves to buy. They are on the lookout for premium brands, especially for confectionery products like chocolate.
- Rise in disposable income and attraction towards western culture has triggered the demand for the industry and customers are ready to pay if served with quality and fresh.
- Indian consumers keen to try new trend, foods, drinks etc. this is the key growth driver for new and innovative product.
- Rapid urbanization and infrastructure development has made accessibility easier and faster to the customer and customers are always try to get something new, good and fresh to eat and drink.
- A huge segment of the Indian population has taken a liking for family dinners at restaurants, home deliveries and often, ready-to-eat food. This pattern is slowly showing in all segments of society.
- Rural areas have emerged as a big market due to easy transport and rise in income levels. With a population of more than a billion, prospects are up for the taking.

Quality is one major factor which results in greater footfalls for any restaurant or food service operator. Apart from the changing habits and the growing need for on-the-go processed food, quality has emerged as a deciding factor for this industry.

OUR BUSINESS

The following summary is qualified in its entirety by, and should be read in conjunction with, more detailed information of our financial statements appearing in the chapter titled "Restated Financial Statements" on page no.125of this Prospectus along with the risks discussed under the section titled "Risk Factors" on page no.16 of this Prospectus.

Unless otherwise stated, the Financial Information of our Company used in this chapter is derived from our audited financial statements prepared under Indian GAAP and the Companies Act, and restated pursuant to the SEBI (ICDR) Regulations.

Overview

We are into business of running of hotels and pubs in Bangalore, with 4 Pubs providing 70s, 80s and 90s retro rock music since last 10 years. Our focus is to bring alive the greatest of legends in the interiors, the lighting, the paintings, pictures, posters and the sounds.

Our Promoter formed this company to establish more pubs in Bangalore. He is also the founder of Pecos Pub. Our promoter launched the first Pecos pub at Rest house (Classic) in 1989. In 2001, next joint was opened at Residency Road which was later shifted to Brigade Road (Mojos), then 2008 at 100ft Indiranagar (Stones) and in 2010 at St. Marks (R&B).

In the Initial days, our promoter used to spent most of his time at the pub with his favourite music collection (i.e rock music from the 60's & 70's , old southern blues, jazz blues and country rock) playing in the background. The music not only attracted more customer but their visits became frequent too. The pub soon became a hangout for music lovers in general and retro rock lovers in particular. Many customers donated audio cassettes to the pub to be played on its rickety sound system.

The look and feel of all our pubs is similar. Ours is a popular hangout for young creative individuals like artists, copy writers, advertising professionals, authors and software professionals despite there being nothing spectacular or unique about the beer served or the food prepared. We are one of the most crowded and frequented pubs in Bangalore. The clients themselves began to lend their creativity to the establishment they loved and soon the walls of Pecos were covered with paintings made by the artists visiting. People began to design and gift posters and artifacts to be mounted on the walls. The popularity grew by word of mouth decades before social media was ever heard of.

Draught beer is the only alcoholic beverage served at these pubs. Draught beer is unlike bottle beer, it does not contain the preservative element of glycerin. Draught beer is therefore far healthier to consume because it is always freshly brewed and has a unique flavour which is greatly appreciated by beer connoisseurs. The pub also serves a range of non alcoholic beverages and soft drinks. Each pub has developed its unique style of food based on the preference of regulars who frequent it. Each pub has atleast one special dish based on the preference and demand of locals. The Pecos breakfast is very popular and so is the pub lunch. Pub food is essentially generous servings of finger food at very reasonable prices.

Pecos has been well appreciated in the press for decades for being one of the iconic restaurants in Bangalore. It has also won accolades for customer service and sheer volume of beer sold from Zomato and Mouthshut.com

These pubs have evolved a style and culture that is quite unique within the industry. The decoration is 60's & 70's psychedelic art, the furniture simple, functional and bordering on grungy. The pubs are not very large, area is between 1000 to 2000 sq. ft., but are carefully located where there are footfalls and sufficient parking.

The theme of the pub cater to the 20-35 age group, who are in reasonably well paying jobs, unmarried with a decent disposable income and looking for fellowship in the evening. The staffs are trained to engage the lonely ones in conversation or offer them a magazine or board games. With the advent of satellite TV, sports events have begun to emerge as congregating point. However music is still the key draw factor for almost all the clientele. The style and content of the music cuts across age and economic barriers, and forms a common bond of fellowship among the Pecos regulars.

With the takeover of the Pecos Pubs (A proprietorship concern) on December 31, 2014 on a going concern basis, the Company now has four pubs under its management vide agreement dated January 14, 2015.

Our Competitive Strengths

We believe that the following strength have contributed to success and will be competitive advantages for us, supporting our strategy and contribution to improvements in financial performance:

Retro Theme:

In all the 4 locations of pubs, we have implemented a theme as Retro Pubs where we play the rock music of late 1960s ,1970s and 1980s and we believe that it has assisted us in creating a base of loyal guests.

Focus on Guest needs:

We focus on our guest needs therefore we have customised menu for each of our 4 Pubs & Hotels, depending upon the foods and beverages demanded by the Customers.

Dedicated Staff:

To assist our management, we have a dedicated team of staff across our network of company owned and operated Pubs & Hotels. Our staff is a critical link to our guests and we seek to develop skills that can enhance their work experience by providing training as well as appropriate recognition. We place strong emphasis on instilling our core values in each of our staff. We have also provided restaurant managers with authority in certain matters such as regular restaurant maintenance in the interest of maintaining brand standards. Our efforts are geared towards aligning the goals of our staff with our vision of strengthening staff engagement. We also emphasise staff welfare including offering our staff regular training and skill enhancement, free meals, transportation to and from work and annual bonuses. In addition, we decided not to implement staff redundancy measures during the recent economic downturn which we believe has led to an increase in our staff retention rates.

Strategic Location:

We have strategically-located Hotels & Pubs across 4 locations in city of Bangalore. Our restaurant location portfolio consists of quality sites, located in business districts, neighbourhoods and high streets, each of which we believe has guest traffic. Our mix of locations, including both geographic spread and location type, leads to guest diversification.

Strong Process:

We benefit from strong processes established over the past 10 years of our Company's operations. Our process-oriented model increases the institutionalisation of our standards, enabling us to have consistent brand standards across each of our brands, which we believe promotes guest satisfaction.

Brand Building:

Our brand building and operational standards for our Pubs are controlled centrally to promote consistent quality and service standards throughout our network. We have an established framework of approved strategies and plans, uniform policies and centralised support in key areas such as operations, marketing, finance, human resources, information technology, accounting and reporting.

Seasonality and weather conditions:

Our business is not dependent on seasons and weather conditions. But usually we experience high footfalls in the period of Sept – May or whenever there is football match or Cricket match.

Our Business Strategy:

Leverage our brand:

We plan to leverage the brand equity enjoyed by our brand, "PECOS", using our existing formats while selectively expanding within our existing markets and into new markets. One of the criteria we look for when identifying sites to expand our PECOS brand is high consumer traffic, including sites within shopping areas, entertainment centres and office complexes, similar to our existing locations.

Pubner - Unique method of expanding its business:

Every outlet of Pecos is managed by a 'Pubner'. The Pubner is not simply a manager, but a managing partner with the company. Our Pubners are inherently entrepreneurial in nature with an excellent understanding of the Food and Beverage (F&B) business.

Pubners are generally ex F&B executives who have long nurtured the desire to own and operate their own pub. When this individual enrolls into a Pecos Pubner program they are nurtured and mentored in all aspects of F&B Retail business management. They have access to manuals and instructions for day-to-day management and are also trained in finance and accounting systems. Once trained the Pubner will be intern for a few weeks in a Pub before he takes charge of his own pub. Pubners can also be family teams and it is not uncommon for us to have husband-wife, or brothers operating pubs as a team.
The economics of the pub is carefully designed to minimize financial risk to the Pubner while ensuring that he earns a handsome return. The Pubners remuneration is directly linked to the business fortunes of the pub and he immediately benefits from all increases in business i.e he receives sales commission as his remuneration. Pecos was built on the foundation of the entrepreneurial spirit of an individual. Now despite the fact that it is a large company, each pub still retains its entrepreneurial spirit through the Pubner concept.

Operations:

Overview of Operations
Our management seeks to promote a culture of sharing information and ideas, with the aim of ensuring that we leverage our scale and adopt best practices across all of our pubs. Our operations are standardized but flexible. For example:
• menu offerings for each pub are generally made from standardised recipes, but each pub has a speciality dish of its own;
•a common team of administration, finance and compliance each, looks after all the pubs;
• all the personnel, including restaurant managers, waiting personnel and chefs, participate in training programmes directed at maintaining consistent service standards.
However, we do not allow our standardisation to compromise our quality, which is key to the growth of our business.

Pub Management

We employ a management structure designed to promote efficiency in supervising, directing and supporting our operations, quality assurance systems, recruitment process and training programmes in different pubs.

Pubners are responsible for the day-to-day operation of their respective restaurants, including hiring, training and scheduling personnel, food quality, guest service and purchasing of supplies. The performance of pub managers is evaluated based on their ability to work within the designated budget and achieve year-on-year improvements in sales, profit and operating margins set by corporate-level management.

Other Personnel

We seek to recognise staff members who show potential early and to train and promote staff within the organisation.
Any staff member who demonstrates impressive performance results has opportunities to progress over time from a junior level staff member to a senior position.

We also focus on improving our workforce to achieve the highest possible motivation of our staff. We provide our staff with both on-the-job training as well as periodic training rendered by external faculty. We also design our work space such that our staff has a comfortable and an effective layout to allow them to perform their work efficiently. Our staff benefits also include free meals, uniforms, attendance bonus, and bonuses during festivals.

Guest Service

We are committed to delivering high quality service and dining experiences to our guests. We believe that there is a direct correlation between the quality of service and the long-term financial performance of our restaurants.

We train our personnel to provide our guest with best service. We believe in communicating and solving the problem and the same being taught to the personnel. When guest feel at ease to communicate with our personnel, half of the problem has been solved there. This creates a sense of connectivity within the guest and they feel like coming back to the pubs. We undertake formal monitoring of restaurant personnel performance and service standards in a number of ways.

Pricing Policy

Our pricing policy is generally based on the costs of operation and raw materials, marketing analysis, including analysis of guest needs and our competitive position. We have no price variations between Pubs.

We review our menu pricing across our pubs from time to time, including when prompted by price fluctuations of our raw materials. We have historically been able to pass on increased raw material and operating costs to our guests in the form of increased menu prices.

Quality Monitoring

We place considerable emphasis on ensuring that we procure high-quality raw materials, enabling us to provide quality products to our guests. We centrally control the supplier selection process to promote consistent quality and timely delivery of draught beer to our Pubs.

Locations

Suitable locations are crucial for a successful restaurant business. We consider our locations to be generally suitable for our target guests. For most of our pubs, the initial terms of our leases typically range from 4 to 6 years. See section "Risk Factors—Internal Risk Factors" on page 16 of this Prospectus.

Maintenance

Our maintenance teams are responsible for managing ongoing refurbishment across all of our pubs. Major refurbishments take place approximately three to five years after opening. We also refurbish pubs from time to time when we determine that restaurant performance, local competition, the number of total refurbishments in progress or the actual condition of the location make refurbishment appropriate.

Raw Material

We serve freshly brewed Foster draught beer to our customers. We also serve various kinds of Veg & Non Veg Food items to our customers. Menu across the different Pubs are customised to suit the requirement of our Patrons. Pubner of each pub looks after the raw material required for the food items.

Collaborations

As on the date of Prospectus, we do not have entered into any technical or other collaboration.

Utilities

Our Company mainly requires the following utilities:

Power

The requirement of power for our operations is met through Karnataka State Electricity Board's distribution source where the pubs are located and from generator sets.

Fuel

The requirement of fuel for operating the machinery/equipment is met by supplies from local market.

Water

Water required for the process is procured through the existing water supply network in that area or boring wells at the pub premises.

Effluent Treatment

Our Company does not generate any effluents which is hazardous to the environment.

Health safety and Environments

Our activities in the city of Bangalore are subject to wide range of government rules and regulations regarding health, safety and environment protection. We are committed to protecting the health and safety of employees.

We believe that ensuring the health and safety of our employees is critical to the successful conduct of our business and operations. We are therefore committed to complying with applicable health, safety and environmental regulations and other requirements in our operations. Our Company has subscribed to Group Insurance policy for 17 workers across our pubs.

Marketing

Our success lies in the strength of our relationship with our patrons who frequent our pubs on regular basis. The onus of building relationship with our customers/visitors/patrons lies with the Pub Manager and other personnel who makes the guests/visitors comfortable. It is the Patrons who through mouth publicity spread the good words about our pubs. Other than this we use social media platform like facebook for marketing.

Human Resource

We believe that we have a qualified and experienced employee base, managed by management personnel.

As on December 31, 2014, we had 28 employees (including Directors) at all our pubs & restaurants. The permanent employees at our pubs include personnel such as general manager, managers, asst. managers and waiters.

Apart from the above employees, we also employ casual staff on temporary basis. For details on our key managerial personnel, kindly refer to the chapters titled "Our Management" and "Government & Other Approvals" beginning on pages 93 and 171, respectively, of this Prospectus.

Insurance

The following are the details of insurance policies taken by us:

Sr. No	Name of the Policy	Policy No	Insurance Company	Location and Assets covered in policy	Coverage (Rs in Lakhs)	Expiry Date
1	Group Health Insurance Policy	HG00001938000100	Royal Sundaram	Insurance taken on health of 17 employees & their families	Rs 1 Lac per person	07/08/2015

Further, we have not insured our pubs &there are many events that could cause significant damages to our operations, or expose us to third-party liabilities, whether or not known to us for which we may not be adequately insured. If we were to incur a significant liability for which we were not insured, it could have a material adverse effect on our results of operations and financial position.

Government Regulation

We are subject to various central, state and local laws affecting the operation of our business, including health, sanitation, fire, and safety standards. Difficulties in obtaining, or the failure toobtain, required licenses or approvals could delay or prevent the opening of a new pub in a particular area or cause an existing pub to cease operations. For further information, see "Government and Other Approvals" on page 93.

Intellectual Property

Below mention logo is registered in the name of one of our Promoter i.e. Collin Richard Timms. Our Promoter has authorized to use the name and logo in connection with business of the Company for a period of 2 years vide letter dated March 01, 2015:

Sr. No.	Logo	Date of Renewal of registration	Trademark No.	Class	Validity
1.		September 04, 2014	1323222	42	Renewed for a period of Ten years from December 01, 2014

Property

The following table sets for the properties taken on lease / rent by us:

Leasehold property

Sr. no.	Lessor	Lessee	Address	Area	Rent	Terms	Remarks
1	Mr. G Sampath Kumar Mr G Doari Raj Mr. G Mohan Kumar Mr. G Bharathi	Pecos Hotels & Pubs Ltd	1st, 2nd, 3rd & 4th floor, 189/1, Brigade road, Bangalore 56001	750sq feet each floor	Rs. 60,000 p.m. (15,000 each)	• Possession handover - 1st july 2011 • Initial lease term - 5 years • renewable for a further period of 6 years	Amendment - Through this deed the annual escalation of 5% of annual rental has been waived off.
2	Mr. Vishwa Kumar / Mr. N. Udhay Kumar	Pecos Hotels & Pubs Ltd	303/A, 1st Floor, 100 feet Road, 1st Stage, Indiranagar, Bangalore.	2000 sq feet	Rs.106,742/-	• 11months from December 15,2013	Our Company is in the process of renewal of lease deed
3	Smt K Sheela Anish	Pecos Hotels & Pubs Ltd	47/1, 1st Floor St. Mark Road, Church Street, Bangalore	1250 sq feet	Rs. 40,000 p.m.	• Possession handover – June 22, 2013 • Yearly escalation of 5% every year as per market norms. • Lease deed valid till for period of 6 years	Valid for period of 6 years
4	Mr. Collin Richard Timms and Mrs. Olinda Timms	Pecos Hotels & Pubs Ltd	Ground floor, mezzanine floor and covered terrace, at 34 (Old no. 27), Rest House Road, Bangalore	700 sq. feet each floor	Rs. 1,20,000 p.m. with escalation rate of 7% per year	• 36 months from February 01, 2015	Valid for 36 Months*

**Agreement to be registered.*

Competition

Pub culture is catching up in India so much so that many pubs and bars have refurbished themselves entirely with a classy facelift and some live music to meet the demands of pub hoppers. Conventional fine dining does not interest youngsters anymore as they are no longer subdued in expressing their emotions openly, be it drinking or smoking in public. Even the ladies have joined the league of cocktail and liquor lovers.

We operate in a competitive environment. The number, size and strength of competitors vary by location. Competition is based on a number of factors, including price, type of cuisine, quality of food & drinks, quality of guest service, value, name recognition and restaurant location. Competition within the Pubs segment, however, focuses primarily on the quality of drinks served, music played and, quality of guest service and ambience.

Any new pub opened is a competition to us as it brings a newness and innovative feeling which attracts our guest especially youngsters although they do return to us after few months. Since the numbers of new pubs opening is high this cycle keeps on going.

There are no listed companies in the peer group which are strictly comparable to us with respect to the industry in which we operate and size of our Company, which can be taken as competitors. For details of other risks associated arising from our competitors, refer to "Risk Factors" on page no 16.

KEY INDUSTRY REGULATION 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 bye-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 section titled "Government and Other Approvals" beginning on page 171 *of this Prospectus.*

REGULATIONS GOVERNING FOOD SERVICES INDUSTRY IN INDIA

THE FOOD SAFETY AND STANDARDS ACT, 2006

The Food Safety and Standards Act, 2006 (the "FSSA") was enacted on August 23, 2006 with a view to consolidate the laws relating to food and to establish the Food Safety and Standards Authority of India (the "Food Authority") for setting out scientific standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption. The Food Authority is required to provide scientific advice and technical support to the GoI and the State Governments in framing the policy and rules relating to food safety and nutrition.

In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the "FSSR") which have been operative since August 5, 2011. The FSSR provides the procedure for registration and licensing process for food business and lays down detailed standards for various food products. The FSSR also sets out the enforcement structure of 'commissioner of food safety', 'food safety officer' and 'food analyst' and procedures of taking extracts, seizure, sampling and analysis.

THE LEGAL METROLOGY ACT, 2009

The Legal Metrology Act, 2009 (the "Legal Metrology Act") has come into effect after its publication in the Official Gazette on January 14, 2010 and has been operative since March 1, 2011. The Legal Metrology Act replaces The Standards of Weights and Measures Act, 1976 and the Standards of Weights and Measures (Enforcement) Act, 1985. The Legal Metrology Act seeks to establish and enforce standards of weights and measures, regulate trade and commerce in weights, measures and other goods which are sold or distributed by weight, measure or number and for matters connected therewith or incidental thereto.

MUNICIPAL LAWS

Pursuant to constitution (Seventy Fourth) Amendment Act, 1992, the respective State Legislature have the power to endow the Municipalities with power to implement schemes and perform functions in realtion to matter listed Twleflth Schedule to the Constitution of India which includes registration of Public Health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribed penalties for non-compliance .

POLICE LAWS

The State Legislatures in India are empowered to enact laws in relation to public order and police under Entries 1 & Entries 2 of the State List (List II) to the Constitution of India. Pursuant to the same the respective State of India have enacted law regulating the same including the registering eating house and obtaining the no – objection certificate for operating such eating houses with the police station located in particular area ,along with prescribed penalties for non –compliance .

SHOPS AND ESTABLISHMENT LEGISLATION

Under the provisions of local shops and establishments legislation applicable in the states in which establishments are set up, establishments are required to be registered. Such legislation regulate the working and employment conditions of workers employed in shops and establishment and provide for fixation of working hours, rest intervals ,overtime , holidays, leave ,termination of service, maintenance of shops and establishments and other rights and obligations of the employers and employees . Our Company's restaurants and confectionaries have to be registered under the Shop and Establishments legislations of the state where they are located

THE COMPANIES ACT, 1956

The Companies Act, 1956 deals with laws relating to companies and certain other associations. It was enacted by the parliament in 1956. The Companies Act primarily regulates the formation, financing, functioning and winding up of companies. The Act prescribes regulatory mechanism regarding all relevant aspects, including organizational, financial and managerial aspects of companies. Regulation of the financial and management aspects constitutes the main focus of the Companies Act. In the functioning of the corporate sector, although freedom of companies is important, protection of the investors and shareholders, on whose funds they flourish, is equally important. The Companies Act plays the balancing role between these two competing factors, namely, management autonomy and investor protection.

THE COMPANIES ACT, 2013

The Companies Act, 2013, has been introduced to replace the existing Companies Act, 1956 in a phased manner. The Ministry of Corporate Affairs has vide its notification dated September 12, 2013 and March 26, 2014 has notified 100 and 183 Sections of the Companies Act, 2013and the same are applicable from September 12, 2013 and April 01, 2014, respectively. The Ministry of Corporate Affairs, in future, will also issue rules complementary to the Act establishing the procedure to be followed by companies in order to comply with the substantive provisions of the Act.

TRADEMARKS ACT, 1999

A trademark is used in relation to goods so as to indicate a connection in the course of trade between the goods and some person having the right as proprietor or user to use the mark. A mark may consist of a word or invented word, signature, device, letter, numeral, brand, heading, label, name written in a particular style and so forth. The Trademarks Act, 1999, ("Trademarks Act"), governs the registration, acquisition, transfer and infringement of trademarks and remedies available to a registered proprietor or user of a trademark. The registration of a trademark is valid for a period of 10 years but can be renewed in accordance with the specified procedure. Until recently, a person desirous of obtaining registration of his trademark in other countries has to make separate applications in different languages and disburse different fees in the respective countries. However, the Madrid Protocol, administered by the International Bureau of the World Intellectual Property Organization,("WIPO"), of which India is a member country, aims to facilitate global registration of trade marks by enabling nationals of member countries to secure protection of trademarks by filing a single application with one fee and in one language in their country of origin. This in turn is transmitted to the other designated

countries through the International Bureau of the WIPO. Accordingly, the Trademarks Act was amended videthe Trademarks (Amendment) Bill, 2009, to empower the Registrar of Trade Marks to deal with international applications originating from India as well as those received from the International Bureau and maintain a record of international registrations. It also removes the discretion of the Registrar to extend the time for filing notice of opposition of published applications and provides for a uniform time limit of four months in all cases. Further, it simplifies the law relating to transfer of ownership of trademarks by assignment or transmission and brings the law generally in line with international practice.

THE INCOME TAX ACT, 1961 ***("Income Tax Act")***

The government of India imposes an income tax on taxable income of all *persons* including individuals, Hindu Undivided Families (HUFs), companies, firms, association of persons, body of individuals, local authority and any other artificial judicial person. Levy of tax is separate on each of the persons. The levy is governed by the Indian Income Tax Act, 1961. The Indian Income Tax Department is governed by CBDT and is part of the Department of Revenue under the Ministry of Finance, Govt. of India. Income tax is a key source of funds that the government uses to fund its activities and serve the public. The quantum of tax determined as per the statutory provisions is payable as: a) Advance Tax b) Self Assessment Tax c) Tax Deducted at Source (TDS) d) Tax Collected at Source (TCS) e) Tax on Regular Assessment.

SERVICE TAX ACT

Chapter V of the Finance Act, 1994 as amended, provides for the levy of a service tax in respect of 'taxable services', defined therein. The service provider of taxable services is required to collect service tax from the recipient of such services and pay such tax to the Government. Every person who is liable to pay this service tax must register himself with the appropriate authorities. According to Rule 6 of the Service Tax Rules, every assessee is required to pay service tax in TR 6 challan by the 6th of the month immediately following the month to which it relates. Further, under Rule 7 (1) of Service Tax Rules, the Company is required to file a quarterly return in Form ST 3 by the 25th of the month immediately following the half year to which the return relates. Every assessee is required to file the quarterly return electronically.

VALUE ADDED TAX ("VAT")

The levy of Sales Tax within the state is governed by the Value Added Tax Act and Rules 2008 ("the VAT Act") of the respective states. The VAT Act has addressed the problem of Cascading effect (double taxation) that were being levied under the hitherto system of sales tax. Under the current regime of VAT the trader of goods has to pay the tax (VAT) only on the Value added on the goods sold. Hence VAT is a multipoint levy on each of the entities in the supply chain with the facility of set-off of input tax- that is the tax paid at the stage of purchase of goods by a trader and on purchase of raw materials by a manufacturer. Only the value addition in the hands of each of the entities is subject to tax. Periodical returns are required to be filed with the VAT Department of the respective States by the Company.

HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our Company was incorporated as "Pecos Hotels and Pubs Private Limited" under the provisions of the Companies Act, 1956 *vide* certificate of incorporation dated February 14, 2005 issued by Registrar of Companies, Bangalore bearing registration No. 035603, in Bangalore. Our Company was converted into a Public Limited Company in pursuance of a special resolution passed by the members of our Company at the Extraordinary General Meeting held on March 02, 2015. A fresh Certificate of Incorporation consequent to conversion was issued on March 26, 2015 by the Registrar of Companies, Bangalore, Karnataka and consequently the name of our Company was changed from "Pecos Hotels and Pubs Private Limited" to "Pecos Hotels and Pubs Limited" Company's Corporate Identification Number is U55101KA2005PLC035603.

Change of Registered Office

At the time of registration our office was situated at No.20, 4th Floor, SNS Palace No.35, Meane Avenue Road, Bangalore, 560002. Subsequently, our registered office was shifted to No.189 / 1, 1st /2nd / 3rd /4th Floor, Brigade Road , Bangalore , 560001.

Major Events and Milestones in the History of the Company

Period	Key Events
February 2005	Incorporation of Company
January 2015	Takeover of Pecos Pub by the Company
February 2015	Entered in Lease deed for corporate office
March 2015	Conversion of Company into Public Limited

Main Objects of our Company

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

"To carry on all or any other business of building, owning , managing, consulting, maintaining and running of Hotels, Pubs, Beer Houses, Snack Barks, Refreshment Rooms, Canteens, Night Clubs, Casinos, Discotheques, Baths, Dressing Rooms, Wine, Beer and Spirit Merchants, Resorts, Time Share resorts, Amusement Parks, Sports and Games Stadium, Swimming Pools, Golf Courses.

To carry on all or any of the business of building, owning, managing, consulting, maintaining and running of Shopping centers, business centers, inns, auditorium, health centers, arts, culture, Hospital, holiday homes, comfort Inns, Picture house, holiday tents, catering houses, Ice-cream parlour ,taverns, dance halls, cafes, road house, holiday camps, race tracks, ski resorts, Tourism Units operators, Heritage Hotels, House Boats, Recreation Activity center, Choultries, Dormitory Accommodation, Rest Houses, Entertainment Parks, Indoor and Outdoor Games, Tournaments, Recreation Facilities."

Amendment to the Memorandum of Association of the Company

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

Date of AGM / EGM	Amendment
December 31, 2014	Increase in authorised capital of the company from Rs. 10,00,000 (Rupees Ten Lacs only) divided into 1,00,000 (One Lakh) equity shares of Rs. 10/- each to Rs. 2,00,00,000 (Rupees Two Crores only) divided into 20,00,000 (Twenty Lakhs) equity shares of Rs. 10/- each.

March 02, 2015	Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as Pecos Hotels and Pubs Limited on conversion of Company into a Public Limited Company

AWARDS, ACHIEVEMENTS AND CERTIFICATIONS

Other than the information disclosed in "Business Overview" on page 79 of this Prospectus, our Company has not received any awards/certifications.

HOLDING COMPANY OF OUR COMPANY

Our Company does not have any Holding Companies as on the date of filing of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

Our Company does not have any Subsidiary Companies as on the date of filing of this Prospectus.

Issuance of Equity or Debt

Other than information as disclosed in "Capital Structure" on page 42 of this prospectus, our company has not issued any capital in the form of equity or debt.

Corporate Profile

For details pertaining to corporate profile, kindly refer the chapter titled "Business Overview" on page 79 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.

RESTRICTIVE COVENANTS IN LOAN AGREEMENTS

There has been no loan agreement enter into by our Company as on date of this Prospectus.

CHANGES IN THE ACTIVITIES OF OUR COMPANY HAVING A MATERIAL EFFECT

Except as disclosed under "***Major Events***" in this chapter, there have been no other changes in the activities of our Company since its incorporation on February 14, 2005, which may have had a material effect on our profits or loss including discontinuance of lines of business, loss of agencies or markets.

ACQUISITION OF BUSINESS OR UNDERTAKING IN THE HISTORY OF THE COMPANY

Our Company has acquired over the business of M/s PECOS PUBS, a proprietorship concern of Mr. Collin Richard Timms vide Agreement to takeover business dated January 14, 2015 for a consideration of Rs. 18,00,000. Pursuant to said acquisition, all the business permits, licences, approvals owned by M/s PECOS PUBS shall be made available for utilization to our Company.

Other than the aforesaid takeover, there has been no merger or acquisition of businesses or undertakings in the history of our Company. There is no significant Cost/Time overruns in setting up projects of our Company till the date of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

Our Company is not operating under any injunctions or restraining orders.

STRIKES AND LOCK OUT

Our Company has not been subject to any strikes or lock-outs since inception.

NUMBER OF SHAREHOLDER IN THE COMPANY

As on the date of this Prospectus, the total number of holders of our Equity Shares is 8 (Eight). For further details of our shareholding pattern, please see "Capital Structure" on page 42 of this Prospectus.

SHAREHOLDER AGREEMENT

Our company has not entered into any shareholders agreement as on the date of filing of this prospectus.

OTHER AGREEMENTS

Our Company has not entered into any specific or special agreements except that have been entered into in ordinary course of business and Agreement dated March 25, 2015 with Managing Director for his appointment as on the date of filing of this Prospectus.

STRATEGIC/FINANCIAL PARTNERS

Our Company has entered into MoU dated June 01, 2014 with SABMiller Limited for supply of SABMiller India Products (renowned beer brands such as Foster's, Royal Challenge, Hayward's 5000 etc.) as on the date of filing of this prospectus. The MoU is valid for a period of one year ending May 31, 2015. Our company is negotiating with SABMiller Limited for extension/renewal of MoU.

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. As on the date of this Prospectus, our Company has Six directors on the Board.

The following table sets forth the details regarding our Board of Directors as on the date of filing of this Prospectus with BSE:

Name, Father's/Husband`s Name, Designation, Address, Occupation, Nationality, Term and DIN	Date of Appointment	Other Directorships
1. Collin Richard Timms ***Designation:*** Managing Director ***Age:***54 Years ***Father's Name*:** Norman Timms ***DIN:***00523528 ***Address:*** H # 20 SNS Palace, Avenue Court Meanee, Avenue Road, Bangalore – 560042 ***Occupation:*** Business ***Nationality*:** Indian ***Term:*** March 25, 2015 to March 25, 2020	February 14, 2005	1. Commits Education Private Limited 2. Guardian Health Management Private Limited 3. GSK Enterprises Private Limited 4. OTCO International Limited 5. OTCO Infotech Private Limited 6. CN Professional & Legal Services Private Limited 7. Guardian Medical Services Private Limited 8. Sol Aqua Nova Engineering Company Private Limited 9. ELCity Golf LLP
2. Liam Norman Timms ***Designation:*** Whole Time Director ***Age:*** 24 years ***Father's Name*:** Collin Richard Timms ***DIN:*** 06453032 ***Address:*** H # 20 SNS Palace, Avenue Court Meanee, Avenue Road, Bangalore – 560042 ***Occupation:*** Business ***Nationality*:** Indian ***Term:*** March 25, 2015 to March 25, 2020.	January 19, 2013	1. Guardian Health Management Private Limited 2. GSK Enterprises Private Limited 3. CN Professional & Legal Services Private Limited 4. Guardian Medical Services Private Limited 5. G.S.P.Ventures Consultancy Private Limited 6. ELCity Golf LLP

3. Olinda Timms ***Designation:*** Non – Executive Director ***Age:*** 53 years ***Father's Name*:** Marcus D'Souza ***DIN:*** 00523561 ***Address:*** H # 20 SNS Palace, Avenue Court Meanee, Avenue Road, Bangalore – 560042 ***Occupation:*** Business ***Nationality*:** Indian ***Term***: Retire by Rotation	February 14, 2005	1. Commits Education Private Limited 2. Guardian Health Management Private Limited 3. Spot City Transit Services Private Limited 4. GSK Enterprises Private Limited 5. CN Professional & Legal Services Private Limited 6. Mediatrix Communications Private Limited
4. Nina Nayar ***Designation:*** Independent Director ***Age:*** 49 years ***Father's Name*:** Thurvara Sudhakaran Nayar ***DIN:*** 02874239 ***Address:*** Theke Ambadi, Poonithiru Po, Ernakulam – 682038 ***Occupation***: Business ***Nationality*:** Indian ***Term***: March 25, 2015 to March 25, 2020.	March 25, 2015	1. Design Build Private Limited 2. Aspinwall And Company Limited
5. Lloyd John Pereira ***Designation:*** Independent Director ***Age:*** 41 years ***Father's Name*:** John Joseph Pereira ***DIN:*** 05207676 ***Address:*** Near New High School, Baad Post: Nandangadda, Karwar 581304, Karnataka, India ***Occupation:*** Business	March 25, 2015	1. One bit Consult Private Limited

***Nationality*:** Indian ***Term**:* March 25, 2015 to March 25, 2020.		
6. Koilpillai Joseph Davaraj ***Designation:*** Independent Director ***Age:*** 56 years ***Father's Name*:** Davamani Koilpillai ***DIN:*** 01931821 ***Address:***225, Hollywood Town, Sadahalli Post, Bangalore – 562157, Karnataka, India ***Occupation:*** Business ***Nationality*:** Indian ***Term***: March 25, 2015 to March 25, 2020.	March 25, 2015	1. Elhanan Management Services Private Limited

For further details on their qualifications, experience, etc., kindly refer to their respective biographies under the heading "Brief Biographies" below.

Brief biography of our Directors

1. Collin Richard Timms

Mr. Collin Richard Timms, aged 54 years, is our Managing Director and Promoter. He is a civil engineer and has specialised in Fiber Reinforced Concrete. He is also the Chairman and Founder of the Guardian Bank an Urban Corporative Bank in Bangalore. He is also the Managing Trustee of The Bridge Foundation, a social enterprise organization. Mr. Timms has 30 years of business experience having founded and nurtured business in Financial Services, education, health care and software.

In 1987 he started the first Pecos as a restaurant, which he later converted into a pub in 1989. He is a pioneer in the Pub Industry of India and has developed systems and process that are now standard operating practices across this branch of the Food and Beverage Industry.

2. Liam Norman Timms

Mr. Liam Norman Timms aged 24 years is also a partner of ELCity Golf a project management company in Bangalore. Mr. Liam Timms graduated from the University of Colorado at Colorado Springs USA majoring in International Business. He is an Independent consultant for golf to Sports Authority of India and also for Madras Engineering Group. He is responsible for the day-to-day operations of the pubs and further development of the chain into a national network.

3. Olinda Timms

Dr. Olinda Timms aged 53 years is a Medical Doctor and Anesthesiologist. Dr. Timms hold M.B.B.S. degree and also of Diploma in Anesthesiology from Christian Medical College (CMC) Vellore. She did Post Graduate diploma in Medical Law and Ethics from National Law School of India University, Bangalore and is currently pursuing post Graduate Diploma in Bioethics from Indian Council of Medical Research, ICMR, Govt. Of India. She is a consultant at a number of prominent hospitals in India as a medical ethicist. She is a writer and teacher of medical business ethics and Chairs Institutional Review Boards at many prominent organizations.

4. Nina Nayar

Mrs. Nina Nayar aged 49 years is an International Business Consultant with a bachelor's degree in Social and Cultural Anthropology from University of Virginia and a Masters Degree in South Asia Regional Studies with a focus on Social and Cultural Anthropology from University of Pennsylvania. She has been a consultant for micro finance and other initiatives for the United Nations, European Union, Other private foundations and NGO's across the world. Most recently Mrs. Nayar has been appointed by the Central Bank of Azerbaijan to assess the need for financial inclusion and other micro finance products.

5. Lloyd J. Pereira

Lloyd J. Pereira holds Commerce degree from Karnataka University. He has around 10 years of work experience. He had been associated with OTCO International Limited, Oppurtunity Microfinance India Limited, and LOGESYS Solutions India Private Limited. He is currently director at ONEBIT Consult Private Limited.

6. Koilpillai Joseph Davaraj

Koilpillai Joseph Davaraj holds degree Electrical & Electronics Engineering from Karnataka University. He has 30 years of experience in Engineering Project Management for Hospitals, IT Parks and Residential as well as Property Management and Real Estate Sourcing. He has been engineer at Hotel Industry TAJ and Le Meridien, Maintainence Manager at Britannia Industries Ltd., Chief Engineer at Oberoi Hotel, ITPL and Huawei. Currently, he is holding the post of Managing Director at Elhanan Management Services Private Limited.

Confirmations

- Collin Richard Timms and Olinda Timms are related to each other as husband and wife. Liam Timms is son of Collin & Olinda Timms. Hence they are "relatives" within the meaning of Section 2 (77) of Companies Act, 2013. Except the above stated none of the directors are related to each other.
- There are no arrangements or understanding with major shareholders, customers, suppliers or any other entity, pursuant to which any of the Directors or Key Managerial Personnel were selected as a Director or Member of their senior management.
- The Directors of our Company have not entered into any service contracts with our company which provides for benefits upon termination of employment.
- None of the above mentioned Directors are on the RBI List of wilful defaulters.
- Further, none of our Directors is or was a director of any listed company whose shares have been or were (a) suspended from being trading by stock exchange(s) during the five years prior to the date of filing the Prospectus except Mr. Collin Richard Timms and Ms. Olida Timms who are directors in OTCO International Limited, where shares were delisted from BSE, (Please refer to the section titled " Outstanding Litigation and Material Developments" beginning on page 167 of the prospectus.) or (b) delisted from the stock exchange.
- None of the Promoters, 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. For further details refer chapters titled "Outstanding Litigation and Material Developments" beginning on the page 167 of this prospectus.

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. Except Mr. Collin Richard Timms, Ms. Olinda Timms and Mr. Liam Norman Timms who has been paid Gross Compensation of Rs. 1.60 Lakhs each respectively during Fiscal Year 2013-14, none of our Directors had received any remuneration during preceeding financial year.

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. Collin Richard Timms	4,64,995	54.64	35.50
2.	Ms. Olinda Timms	3,15,000	37.02	24.05
3.	Mr. Liam Norman Timms	1	0.00	0.00
4.	Ms. Nina Nayar	Nil	Nil	Nil
5.	Mr. Lloyd J. Pereira	Nil	Nil	Nil
6.	Mr. Koilpillai Joseph Davaraj	Nil	Nil	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 and 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, promoters, 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 has been appointed on our Board pursuant to any arrangement with our major shareholders, customers, suppliers or others.

Except as stated in the chapter "Our Management" and 'Related Party Transactions' beginning on page 93 and 123 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 within two years of 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 heading titled "Land & Properties" beginning on page 84of the Prospectus, our Directors has not entered into any contract, agreement or arrangements during the preceding two years from the date of this Prospectus 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
Liam Norman Timms	January 20, 2012	Appointment	Appointment as Director
Nina Nayar	March 25, 2015	Appointment	Appointment as Independent Director
Llyod J. Pereira	March 25, 2015	Appointment	Appointment as Independent Director
Koilpillai Joseph Davaraj	March 25, 2015	Appointment	Appointment as Independent Director

Borrowing Powers of our Board of Directors

Our Company has passed a resolution in the Extra Ordinary General Meeting of the members held on March 25, 2015 authorizing the Directors of the Company pursuant to Section 180(1)(c) of the Companies Act, 2013 to borrow from time to time all such money as they may deem necessary for the purpose of business of our Company notwithstanding that money borrowed by the Company together with the monies already borrowed by our Company may exceed the aggregate of the paid up share capital and free reserves provided that the total amount borrowed by the Board of Directors shall not exceed the sum of Rs. 50.00 Crores (Rupees Fifty Crore only).

CORPORATE GOVERNANCE

The provisions of the SME listing agreement, to be entered into by our Company with the Stock Exchanges, 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. Our executive management provides the Board detailed reports on its performance periodically.

Currently our Board has Six Directors. We have One Managing Director, Two 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.

We have constituted/reconstituted the following committees of our Board of Directors for compliance with corporate governance requirements:

a. Audit Committee
b. Shareholders Relationship Committee
c. Nomination and Remuneration Committee

A. Audit Committee

Our Company has constituted an Audit Committee ("**Audit Committee**"), as per the applicable provisions of the Companies Act, 2013 and Clause 52 of the SME Listing Agreement to be entered with the Stock Exchange, vide resolution passed in the meeting of Board of Directors held on March 27, 2015.

The terms of reference of Audit Committee complies with the requirements of Clause 52 of the Listing Agreement, proposed to be entered into with the Stock Exchange in due course. The committee presently comprises following three (3) directors. Llyod J. Pereira is the Chairman of the Audit Committee.

The committee comprises of the following members:

Name of Directors	Designation in Committee	Nature of Directorship
Llyod J. Pereira	Chairman	Independent Director & Non-Executive
Koilpillai Joseph Davaraj	Member	Independent Director & Non-Executive
Collin Richard Timms	Member	Managing Director

The Company Secretary of our Company acts as the Secretary to the Audit Committee.

Role of the audit committee:

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 100on-payment of declared dividends) and creditors.
13. To review the functioning of the Whistle Blower mechanism, in case the same is existing.
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.
15. To overview the Vigil Mechanism of the Company and took appropriate actions in case of repeated frivolous complaints against any Director or Employee.

Powers of the Audit Committee:

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

B. Shareholders Relationship Committee

Our Company has constituted a Shareholders Relationship Committee to redress the complaints of the shareholders. The Shareholders Relationship Committee was constituted vide resolution passed at the meeting of the Board of Directors held on March 27, 2015.

The Shareholders Relationship Committee comprises the following Directors

Name of Directors	Designation in Committee	Nature of Directorship
Koilpillai Joseph Davaraj	Chairman	Independent Director & Non-Executive
Llyod J. Pereira	Member	Independent Director & Non-Executive
Liam Norman Timms	Member	Executive Director

Our Company Secretary is the Secretary to the Shareholders Relationship Committee.

The Stakeholder Relationships 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 shareholders'/investors' 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.

C. Nomination and Remuneration Committee

Our Company has constituted a Nomination and Remuneration Committee. The constitution of the Remuneration Committee was approved by a Meeting of the Board of Directors held on March 27, 2015. The said committee is comprised as under:

Name of Directors	Designation in Committee	Nature of Directorship
Nina Nayar	Chairman	Independent Director & Non-Executive
Koilpillai Joseph Davaraj	Member	Independent Director & Non-Executive
Llyod J. Pereira	Member	Independent Director & Non-Executive

Our Company Secretary is the Secretary to the Remuneration Committee.

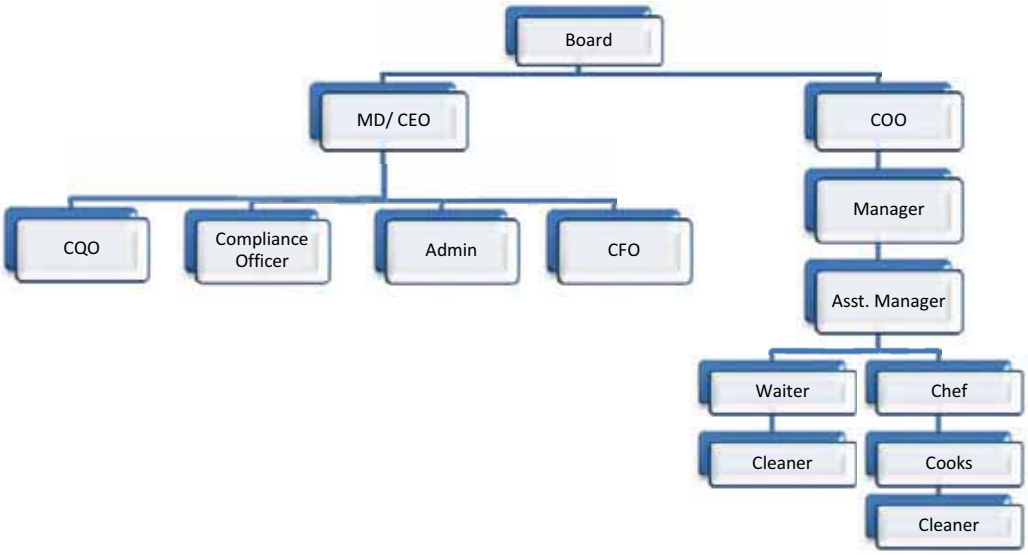
The terms of reference of the Nomination and Remuneration Committee are:

To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time / Executive Directors, including all elements of remuneration package(i.e. salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);

To be authorized at its duly constituted meeting to determine on behalf the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Deputy Managing/ Whole time/Executive Directors, including pension rights and any compensation payment;

Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

ORGANISATION CHART OF OUR COMPANY



Key Management Personnel

Our Company is managed by its Board of Directors, assisted by qualified professionals, who are permanent employees of our company. None of them have been selected pursuant to any arrangement / understanding with major shareholders / customers / suppliers.

The following key personnel assist the management of our Company:

Name, Designation, Qualification and Age	Date of Appointment	Overall experience	Previous Employment	Compensation Paid in previous year. (Rs. In Lakhs)
Collin Richard Timms **Designation:** Managing Director **Qualification:** Civil Engineer **Age:** 54 years	March 25, 2015	30 years	Nil	Rs. 160,000 + perks
Liam Norman Timms **Designation:** Whole Time Director **Qualification:** Bachelor of Science in international Business **Age:** 24	January 20, 2012	3 years	Nil	Rs. 160,000 + perks
Pradosh D. **Designation:** General manager **Qualification:** Bachelor in Science **Age:** 36 years	October 23, 2012	15 years	Consortium Securities	Rs. 104,500 + perks+ other incentives

Ms. Swapnil Kshirsagar has been appointed as Company Secretary of our Company vide Board Resolution dated June 16, 2015and Mr. Shailesh B. M has been appointed as Chief Financial Officer vide Board Resolution dated March 21, 2015. Mr. Shailesh B. M has been paid remuneration of Rs. 0.40 Lakhs during Financial Year 2014-15.

RELATIONSHIP BETWEEN KEY MANAGERIAL PERSONNEL

Apart from Mr. Collin Richard Timms and Mr. Liam Norman Timms who are related to each other as Father and Son, there is no family relationship between the Key Managerial Personnel of our Company.

ARRANGEMENTS AND UNDERSTANDING WITH MAJOR SHAREHOLDERS

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

SHAREHOLDING OF THE KEY MANAGERIAL PERSONNEL

Mr. Collin Richard Timms holds 464,995 Equity Shares and Mr. Liam Norman Timms holds 1 Equity shares of our Company as 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

No loans and advances have been given to the Key Managerial Personnel as on the date of 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 DURING LAST THREE (3) YEARS

The changes in the key managerial personnel in the last three years are as follows:

Name of Managerial Personnel	Designation	Date of Event	Reason
Liam Norman Timms	Whole time Director	March 25, 2015	Change in Designation
Collin Richard Timms	Managing Director	March 25, 2015	Change in Designation
Sheetal Diwan	Company Secretary	March 25, 2015	Appointment
Shailesh B. M	Chief Financial Officer	March 25, 2015	Appointment
Sheetal Diwan	Company Secretary	June 16, 2015	Resignation
Swapnil Kshirsagar	Company Secretary	June 16, 2015	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 EMPLOYEESs

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 125 of this Prospectus, no amount or benefit has been paid or given within the two preceding years or is intended to be paid or given to any of our officers except the normal remuneration for services rendered as officers or employees.

OUR PROMOTER AND PROMOTER GROUP

OUR INDIVIDUAL PROMOTERS

1. **Mr. Collin Richard Timms**
2. **Ms .Olinda Timms**

DETAILS OF OUR INDIVIDUAL PROMOTERS

1. Mr. Collin Richard Timms

Mr. Collin Richard Timms, aged 54 years, is the Promoter and Managing Director of our Company He is a very qualified and dynamic personality who is helping the Company to achieve new heights in business. He is a civil engineer and has specialised in Fiber Reinforced Concrete. He is also the Chairman and Founder of the Guardian Bank an Urban Corporative Bank in Bangalore. He is also the Managing Trustee of The Bridge Foundation, a social enterprise organization. Mr. Timms has 30 years of business experience having founded and nurtured business in Financial Services, education, health care and software.

Name:	Mr Collin Richard Timms
Age:	54 years
Address:	H # 20 SNS Palace, Avenue Court Meanee, Avenue Road, Bangalore – 560042
Bank Account Details	State Bank of India Shivajinagar Bangalore A/C: 34049014765
Passport No:	Z 1863699
PAN:	ABCPT5333N

11. **Ms. OlindaTimms**

Ms. Olinda Timms, aged 53 years, is the Promoter and Non-Executive Director of our Company. She is a Medical Doctor and Anesthesiologist. Dr. Timms hold M.B.B.S. degree and also of Diploma in Anesthesiology from Christian Medical College (CMC) Vellore. She did Post Graduate diploma in Medical Law and Ethics from National Law School of India University, Bangalore and is currently pursuing post Graduate Diploma in Bioethics from Indian Council of Medical Research, ICMR, Govt. of India. She is a consultant at a number of prominent hospitals in India as a medical ethicist. She is a writer and teacher of medical business ethics and Chairs Institutional Review Boards at many prominent organizations

Name:	Ms. OlindaTimms
Age:	53 years
Address:	H # 20 SNS Palace, Avenue Court Meanee, Avenue Road, Bangalore – 560042
Bank Account Details	Guardian Souhadra Sahakari Bank Niyamita # 139, Infantry Road, Bangalore – 560001 A/C No. 100203130000013
Passport No:	Z2192193
PAN:	ABPPT8991B

OUR PROMOTER GROUP

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

a) Individual Promoter

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

Sr. No.	Relationship	Mr. Collin Richard Timms	Ms. OlindaTimms
1.	Father	Norman Timms	Marcus D'souza
2.	Mother	Sabina Timms	Olive D'souza
3.	Spouse	OlindaTimms	Collin Richard Timms
4.	Brother	Robert Timms	Mario D'souza
5.	Sister	-	OdeliaS'souza Ofelia Mirza
6.	Children	Liam Norman Timms	Liam Timms
7.	Spouse Father	Marcus D'souza	Norman Timms
8.	Spouse Mother	Olive D'souza	Sabina Timms
9.	Spouse Brother	Mario D'souza	Robert Timms
10.	Spouse Sister	OdeliaD'souza Ofelia Mirza	-

b) Companies and proprietorship firms forming part of our Promoter Group are as follows:

Relationship with Promoters	Promoters	
	Collin Richard Timms	OlindaTimms
Any company in which 10% or more of the share capital is held by the promoter or an immediate relative of the promoter or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	1. Delfin International Ltd 2. Commits Education Pvt Ltd 3. Guardian Health Management Pvt Ltd 4. Guardian Medical Services Pvt Ltd. 5. GSK Enterprises Pvt Ltd 6. C.N. Professional & Legal	1. Delfin International Ltd 2. Commits Education Pvt Ltd 3. Guardian Health Management Pvt Ltd 4. GSK Enterprises Pvt Ltd 5. C.N. Professional & Legal Services Pvt Ltd 6. Mediatrix Communications

	Services Pvt Ltd 7. SoI Aqua Nova Engineering Company Pvt Ltd. 8. Online Scrips (India) Pvt Ltd 9. Elcity Golf LLP	Pvt Ltd 7. Spot City Transit Services Pvt Ltd.
Any company in which a company (mentioned above) holds 10% of the total holding	**A**. **i**). Commits Education Pvt Ltd , **ii**). Guardian Medical Services Pvt Ltd. **iii).**C.N. Professional & Legal Services Pvt Ltd IN 1). Delfin International Ltd 11. Delfin International Limited IN 11. Guardian Health Management Pvt Ltd GSK Enterprises Pvt Ltd	
Any HUF/Trust or firm in which the aggregate share of the promoter and his immediate relatives is equal to or more than 10% of the total holding		

OTHER UNDERTAKINGS AND CONFIRMATIONS

Our Company undertakes that the details of Permanent Account Number, Bank Account Number and Passport Number of the Promoters 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 PROMOTERS

None of the Promoter Group Company is having business objects similar to our business as mentioned in the Chapter "Our Group Entities" beginning on page 108 of the Prospectus.

Interest in promotion of Our Company

Our promoter is Mr. Collin Richard Timms and Ms. Olinda Timms. Our Promoters may be deemed to be interested in the promotion of the Issuer to the extent of the Equity Shares held by them as well as their relatives and also to the extent of any dividend payable to them and other distributions in respect of the aforesaid Equity Shares. Further, Our Promoters 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 of them are interested as a director, member or partner.

Interest in the property of Our Company

Except as disclosed in the chapters titled "*Our Business*" and "*Restated Financial Statements– Related Party Transactions*" on page no. 79 and on page no. 125 respectively of this Prospectus, our Promoter does not have any interest in any property acquired two years prior to the date of this Prospectus or proposed to be acquired by our Company.

Interest as a creditor of Our Company

Except as disclosed in the chapter titled "*Restated Financial Statements – Related Party Transactions"* on page no. 125 of this Prospectus, our Promoter does not have any interest as a creditor of our Company.

Interest as Director of Our Company

Except as disclosed in the chapter titled "*Our Management"* on page no. 93 of this Prospectus, our Promoter does not have any interest as a director of our Company.

Interest in transactions involving acquisition of land

Except as disclosed in the chapter titled "*Our Business*" on page no. 79 of this Prospectus, none of our Directors have any interest in any other property acquired within two years preceding the date of this Prospectus or proposed to be acquired by our Company.

Payment or Benefit to Promoters and Group Companies

Except as stated in the sections "Related Party Transactions", "Our Management" and "Our Promoters and Promoter Group" on pages 123, 93 and 104 respectively, there has been no payment of benefits to our Promoters or Promoter Group during the two years preceding the filing of this Prospectus.

For details on litigations and disputes pending against the Promoters and defaults made by them including violations of securities laws, please refer to the section titled "Outstanding Litigation and Material Developments" on page 167 this Prospectus. Our Promoters have not been declared a 107cquis defaulter by the RBI or any other governmental authority.

OUR GROUP ENTITIES

Below mention are the details of Companies / entities promoted by the Promoters of our Company. No equity shares of our Group Companies are listed on any stock exchange except OTCO International Limited and they have not made any public or rights issue of securities in the preceding three years.

A. Our Group Entities include:

B.

1. Guardian Health Management Private Limited
2. Spot City Transit Services Private Limited
3. OTCO International Limited
4. Online Scrips (India) Private Limited
5. GSK Enterprises Private Limited
6. Commits Education Private Limited
7. Guardian Medical Services Private Limited
8. C.N. Professional & Legal Services Private Limited
9. Mediatrix Communications Private Limited.
10. Delfin International Limited
11. Sol Aqua Nova Engineering Company Private Limited

C. Other Group Entities include:

1. The Experiential Learning Foundation
2. Navitas Foundation
3. Timms Educational Trust
4. Commits Educational and Charitable Trust
5. Bridge Foundation Trust
6. Elcity Golf LLP.

Pursuant to sub-clause (2) of clause © of (IX) of Part A of Schedule VIII of the SEBI Regulations, the following are the Five Group Companies as determined on the basis of their turnover. The relevant details of such Group Companies are as provided below:

1. Guardian Health Management Private Limited

Corporate Information

Guardian Health Management Private Limited ("GHMPL") was originally incorporated on October 24, 2001 under Companies Act, 1956.The registered office of the company is situated at Old No. 139 & New No. 73, 2nd floor, Gurumurthy Bhavan, Infantry Road, Bangalore, Karnataka-560001.The Corporate Identification Number is U85199KA2001PTC029688. The Company is carrying on the business of managing and marketing services and facilities offered by hospitals, medical, health-related, bio-technology and bio-informatic industry in India and abroad, and providing third party administrative services as per the Insurance Regulatory Development Authority guidelines in relation to the hospital, medical, health-related, bio-technology and bio-informatic industries.

Board of Directors

The Directors of Guardian Health Management Private Limited as on the date of this Prospectus are as follows:

Name	Designation
Mr. Collin Richard Timms	Director
Ms. Olinda Timms	Director
Mr. Liam Norman Timms	Director

Shareholding Pattern as on date of prospectus:

Name	Number of Shares
Collin Richard Timms	1,57,000
Olinda Timms	1,41,000
Anitha Risewell Private Limited	25,000
Gunjan Tie-up Private Limited	20,000
Reliance Finvest Private Limited	20,000
Sureshot Fincon Private Limited	20,000
Das Anand Raj	3,000
Eddy Swaminathan	1,000
Delfin International Limited	7,75,500

Financial performance

(in Rs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity capital	11,625,000	11,625,000	11,625,000
Reserves and surplus (excluding revaluation)	546,048	6,612,786	6,134,468
Total Income	8,348,730	754,919	877,438
Profit/(Loss) after tax	(6,066,739)	458,797	273,216
Earnings per share (Rs.) (Basic)	-	0.39	0.23
Earnings per share (Rs.) (Diluted)	-	0.39	0.23
Net Worth	12,171,048	18,237,786	17,759,468
Net asset value per share (Rs.)	10.47	15.69	15.28

2. Spot City Transit Services Private Limited

Corporate Information

Spot City Transit Services Private Limited ("SPOT CITY") was incorporated on February 14, 2002 under Companies Act, 1956. The registered office of the Company is situated at No. 11 Wood Housewood Street, Ashok Nagar, Bangalore, Karnataka-560025. The Corporate Identification Number is U63040KA2002PTC030889. The Company is engaged in the business of providing city taxi services, within any city in India, from one point of transit to another, to the general public by means of an arrangement, contract, agreement, between the owner of the vehicle and the Company.

Board of Directors

The Directors of Spot City Transit Services Private Limited as on the date of this Prospectus are as follows

Name	Designation
Mr. Francis Inthru Alphonso	Director
Ms. Olinda Timms	Director

Shareholding Pattern:

Name	Number of Shares
Francis I. Alphonso	4,000
J. Devadasan	2,000
Olinda Timms	4,000

Financial Performance

(in Rs.)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity capital	100,000	100,000	100,000
Reserves and surplus (excluding revaluation)	(358,884)	(81,968)	466,749
Total Income	2,595,067	4,277,132	4,326,549
Profit/(Loss) after tax	(276,916)	(557,581)	(13,577)
Earnings per share (Rs.) (Basic)	-	-	-
Earnings per share (Rs.) (Diluted)	-	-	-
Net Worth	(258,884)	(18,032)	566,749
Net asset value per share (Rs.)	(25.89)	1.80	56.67

3. OTCO International Limited

Corporate Information

OTCO international Limited was incorporated on February 13, 2001 under the Companies Act, 1956. The registered office of the Company is situated at No.139, 1st Floor, Gurumurthy Bhavan, Bangalore, Karnataka-560001. The Corporate Identification Number of the Company is L17114KA2001PLC028611. The Company is currently engaged in the business of Financial Consultant, Management Consultant and business of enterprise solution for Micro Finance industry and Financial industry.

The Equity Shares of the Company are presently listed on BSE Limited. Mr. Pradeep Kumar Panda (Acquirer) has entered into share purchase agreement with Mr. Collin Timms and Ms. Olinda Timms and Public shareholders of OTCO International Ltd dated May 15, 2015 for acquiring 12,62,413 equity shares presenting 48.68% of the paid up capital at a price of Rs. 2 per share. The acquirer has made a public announcement dated May 15, 2015.

Board of Directors

The Directors of OTCO International Limited as on the date of this Prospectus are as follows:

Name	Designation
Mr. Collin Richard Timms	Director
Mr. Kesavan Ramadasan	Director
Mr. Subrahmaniya Sivam Ramamurthy	Director
Mr. Shaine Sunny Mundaplakkal	Director
Mr. Chinnamma Pullattu Mathew	Director

Shareholding Pattern as on March 31, 2015

Category	Category of shareholder	Number of shareholders	Total number 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 %age of (A+B)	As a %age of (A+B+C)	Number of shares	As a %
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)
(A)	**Promoter and Promoter Group**							
(1)	Indian	-	-	-	-	-	-	-
(a)	Individuals/ Hindu Undivided Family	2	374,438	374,438	14.44	14.44	0	0.00
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-
©	Bodies Corporate	-	-	-	-	-	-	-
(d)	Financial Institutions/ Banks	-	-	-	-	-	-	-

©	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(1)	**2**	**374,438**	**374,438**	**14.44**	**14.44**	**0**	**0.00**
(2)	**Foreign**							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-
©	Institutions	-	-	-	-	-	-	-
(d)	Qualified Foreign Investor	-	-	-	-	-	-	-
©	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (A)(2)	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**2**	**374,438**	**374,438**	**14.44**	**14.44**	**0**	**0.00**
(B)	**Public shareholding**							
(1)	Institutions	-	-	-	-	-	-	-
(a)	Mutual Funds/ UTI	-	-	-	-	-	-	-
(b)	Financial Institutions/ Banks	-	-	-	-	-	-	-
©	Central Government/ State Government(s)	-	-	-	-	-	-	-
(d)	Venture Capital Funds	-	-	-	-	-	-	-
©	Insurance Companies	-	-	-	-	-	-	-
(f)	Foreign Institutional Investors	-	-	-	-	-	-	-
(g)	Foreign Venture Capital Investors	-	-	-	-	-	-	-
(h)	Qualified Foreign Investor	-	-	-	-	-	-	-
(i)	Any Other (specify)	-	-	-	-	-	-	-
	Sub-Total (B)(1)	-	-	-	-	-	-	-
(2)	**Non-institutions**	-	-	-	-	-	-	-
(a)	Bodies Corporate	54	76,791	47,846	2.96	2.96	0	0.00
(b)	Individuals – i. Individual shareholders holding nominal share capital up to Rs. 1 lakh.	818	321,259	218,080	12.39	12.39	0	0.00
	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	34	1810687	1732954	69.81	69.81	0	0.00
©	Qualified Foreign Investor	-	-	-	-	-	-	-
(d)	Any Others (Specify)	12	10449	10449	0.40	0.40	0	0.00

	Non Resident Indians	6	1231	1231	0.05	0.05	0	0.00
	Clearing Members	6	9218	9218	0.36	0.36	0	0.00
	Sub-Total (B)(2)	**918**	**2219186**	**2009329**	**85.56**	**85.56**	**0**	**0.00**
	Total Public Shareholding (B)= (B)(1) + (B)(2)	**918**	**2219186**	**2009329**	**85.56**	**85.56**	**0**	**0.00**
	TOTAL (A)+(B)	**920**	**2593624**	**2383767**	**100.00**	**100.00**	**0**	**0.00**
©	Shares held by Custodians and against which Depository Receipts have been issued	**0**	**0**	**0**	**0.00**	**0.00**	**0**	**0.00**
(1)	Promoter and Promoter Group	0	0	0	0.00	0.00	0	0.00
(2)	Public	0	0	0	0.00	0.00	0	0.00
	GRAND TOTAL (A)+(B)+(C)	**920**	**2593624**	**2383767**	**0.00**	**100.00**	**0**	**0.00**

Financial Performance

(in Rs.)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
Equity capital	25,936,240	25,936,240	25,936,240
Reserves and surplus (excluding revaluation)	(22,621,000)	(23,259,785)	(23,304,282
Total Income	16,111,000	865,003	.
Profit/(Loss) after tax	638000	44,497	(14,886,184)
Earnings per share (Rs.) (Basic)	0.25	0.01	(4.96)
Earnings per share (Rs.) (Diluted)	0.25	0.01	(4.96)
Net Worth	3,315,240	2,676,455	2,631,958
Net asset value per share (Rs.)	1.28	1.03	1.01

Highest and lowest market price during the preceding six months

Set forth below are the monthly high and low prices of the equity shares of OTCO during the six months immediately preceding the date of this Prospectus at the BSE.

Month	High	Low
January 2015	9.02	8.68
February 2015	9.20	8.00
April 2015	7.61	6.87
June 2015	7.21	6.53

The closing price for OTCO shares as on July 06, 2015 on the BSE is Rs. 6.53. The market capitalisation of OTCO as on July 06, 2015 on the BSE is Rs. 1.16 Cr. There has been no change in the capital structure of OTCO in the six months immediately preceding the date of this Prospectus.

Public or Rights Issue in the last three years

OTCO has not made any public or rights issue in the three years immediately preceding the date of this Prospectus.

Promise v. performance

OTCO has not completed any public or rights issue in the 10 years immediately preceding the date of this Prospectus.

Mechanism for redressal of investor grievance

The board of directors of the Company has constituted a stakeholders' relationship committee in accordance with Clause 49 of the listing agreements entered into with the stock exchanges to approve matters including looking into the complaints/ grievances of shareholders in respect of transfer of shares, non-receipt of dividend or share certificates, and demat related matters. Mr. Manasranjan Sahoo is the compliance officer. The Company seeks to redress any complaints received as expeditiously as possible. As of June 30, 2015 there were no investor complaints pending against OTCO.

4. Online Scrips (India) Private Limited

Corporate Information

Online Scrips (India) Private Limited ("OSPL") was incorporated on November 04, 1999 under the Companies Act, 1956. The registered office of the Company is situated at 103, Ground Floor, Rams Infantry Manor, No. 70, Infantry Road, Bangalore, Karnataka-560001.The Corporate Identification Number is U67120KA1999PTC025919.The Company is carrying on the business of broking in finance and securities of all types including shares, stocks, bonds, debentures, units, mortgages, and to buy, sell, acquire, hold, hypothecate or otherwise deal in all securities including shares, stocks, futures and options derivatives bonds, debentures, units, mortgages of any kind issued or guaranteed by any person including companies, corporations, governments, financial institutions, mutual funds, trusts or local bodies and to carry on and undertake the business of custodian services, internet and web based trading of physical and electronic holdings of stocks and securities.

Board of Directors

The Directors of Online Scrips (India) Private Limited as on the date of this Prospectus are as follows

Name	Designation
Mr. Divakar Elakyara Valappil	Director
Mr. Jidesh Chandroth	Director

Shareholding Pattern:

Name	Number of Shares
Divakar Elekyara Vallappil	3,60,000
Collin Richard Timms	1,05,300

Financial Performance

(in Rs.)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity capital	4,653,000	4,653,000	4,653,000
Reserves and surplus (excluding revaluation)	(2,262,180)	(1,670,654)	(1,193,121)
Total Income	180,000	554,000	599,000
Profit/(Loss) after tax	(591,525)	(477,533)	(368,874)
Earnings per share (Rs.) (Basic)	-	-	-
Earnings per share (Rs.) (Diluted)	-	-	-
Net Worth	2,390,820	2,982,346	3,459,879
Net asset value per share (Rs.)	5.14	6.41	7.44

5. GSK Enterprises Private Limited

Corporate Information

GSK Enterprises Private Limited ("GSK") was originally incorporated on April 05, 1999 under the Companies Act, 1956. The registered office of the company is situated at No. 139, 2nd floor, Gurumurthy Bhavan, Infantry Road, Bangalore, Karnataka-560001.The Corporate Identification Number is U51103KA1999PTC025026. The Company is carrying on the business of selling agents and distribution agents of any goods, manufacturers or services produces or rendered by any Company or person or firm or corporation or Central or State Governments or corporations or authorities, or bodies whether incorporate or authorities, or bodies whether incorporate or authorities whether municipal or otherwise and o enter all and every type of agreements with such persons for the business of acting as their selling agents or distributors in respect of their goods, manufacturers, or services or both and to all such other act and thing which is conducive to the aforesaid business and/ or ancillary or incidental to the same. Our Promoters namely Collin Richard Timms and Olinda Timms collectively owns 100 equity shares in the Company.

Board of Directors

The Directors of GSK Enterprises Private Limited as on the date of this Prospectus are as follows

Name	Designation
Mr. Collin Richard Timms	Director
Mr. Liam Norman Timms	Director
Mrs. Olinda Timms	Director

Shareholding Pattern:

Name	Number of Shares
Collin Richard Timms	120
Olinda Timms	50
Delfin International Limited	68

Financial Performance

(in Rs.)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Equity capital (Face Value of Rs. 1,000/-)	2,38,000	1,33,000	1,33,000
Reserves and surplus (excluding revaluation)	2,16,64,499	1,36,97,721	1,36,81,451
Total Income	35,16,308	2,71,056	3,42,776
Profit/(Loss) after tax	15,52,761	16,270	2,47,596
Earnings per share (Rs.) (Basic)	6524.21	122.33	1,861.62
Earnings per share (Rs.) (Diluted)	6524.21	122.33	1,861.62
Net Worth	2,19,02,499	1,38,30,721	1,38,14,451
Net asset value per share (Rs.)	92,027	1,03,990	1,03,868

6. Delfin International Limited

Corporate Information

Delfin International Limited ("Delfin") was originally incorporated on November 11, 1991 as Vardaan Finvest Private Limited under the Companies Act, 1956. Subsequently name of the company was changed to Lend Lease Finance (India) Private Limited on June 01, 1992. Further the Company was converted into public limited pursuant to which its name was changed to Lend Lease Finance (India) Limited on June 11, 1992. Further its name was changed to Delfin International Limited on June 04, 1993. The registered office of the company is situated at City Centre 4th Floor, Room No.-438, 19 Synagogue St, Kolkata, West Bengal- 700001. The Corporate Identification number of the Company is U67120WB1991PLC053530. The Company is carrying on the business as an Investment company and to underwrite, sub-underwrite, to invest in, and acquire by gift or otherwise and hold, sell, buy or otherwise deal in shares, debenture-stock, bonds, obligations and securities issued and guaranteed by any company, corporation, firm or person whether incorporated or established in India or elsewhere and to manage investment pools, syndicate in shares, stocks, securities, finance subject to the

necessary Government approval. However, the company shall not carry on any Chit fund activities. Our Promoters namely Collin Richard Timms and Olinda Timms collectively owns 9,31,300 equity shares in the Company.

Board of Directors

The Directors of Delfin International Limited as on the date of this Prospectus are as follows:

Name	Designation
Mr. Abhay Singh Kothari	Director
Ms. Sabina Percina Timms	Director
Mrs. Odelia Theresa Dsouza	Director

7. Commits Education Private Limited

Corporate Information

Commits Education Private Limited ("CEPL") was originally incorporated on February 05, 1996 as Gartreat Farms Private Limited under the Companies Act, 1956. Its name was subsequently changed to Commits Education Private Limited on April 25, 2003. The registered office of the Company is situated at KSCMF Building, Ground Floor, Cunningham Road, Bangalore, Karnataka-560052. The Corporate Identification Number of the Company is U00112KA1996PTC019763. The Company is engaged in the business of imparting, organizing, providing, endowing, equipping, furnishing, maintaining, developing, controlling, managing and conducting education institutions, research institutes and courses whether full-time, part time, postal, correspondence and e-learning courses. Our Promoters namely Collin Richard Timms and Olinda Timms collectively owns 9700 equity shares in the Company.

Board of Directors

The Directors of Commits Education Private Limited as on the date of this Prospectus are as follows:

Name	Designation
Mr. Collin Richard Timms	Managing Director
Mrs. Olinda Timms	Director
Mr. Francis Inthru Alphonso	Director

8. Guardian Medical Services Private Limited

Corporate Information

Guardian Medical Services Private Limited ("GMSPL") was originally incorporated on February 05, 2008 under Companies Act, 1956. The registered office of the Company is situated at H. No. 20, S. N. Palace, Meanee Avenue Road, Bangalore, Karnataka-560042.The Corporate Identification number is U85120KA2008PTC045166. The Company is engaged in carrying on the business of managing and marketing services and facilities offered by hospitals, medical, health-related, bio-technology and bio-informatic industry in India and abroad. Our Promoters namely Collin Richard Timms owns 33,150 equity shares in the Company.

Board of Directors

The Directors of Guardian Medical Services Private Limited as on the date of this Prospectus are as follows

Name	Designation
Mr. Collin Richard Timms	Director
Mr. Liam Norman Timms	Director

9. C.N. Professional & Legal Services Private Limited

Corporate Information

C.N. Professional & Legal Services Private Limited. ("CNP") was originally incorporated on July 23, 2007 under the Companies Act, 1956. The registered office of the Company is situated at No. 139, Infantry Road, Bangalore, Karnataka-560001. The Corporate Identification is U74110KA2007PTC043443. The Company is carrying on the business of selling agents and distribution agents of any goods, manufacturers or services produces or rendered by any Company or person or firm or corporation or Central or State Governments or corporations or authorities, or bodies whether incorporate or authorities, or bodies whether incorporate or authorities whether municipal or otherwise and o enter all and every type of agreements with such persons for the business of acting as their selling agents or distributors in respect of their goods, manufacturers, or services or both and to all such other act and thing which is conducive to the aforesaid business and/ or ancillary or incidental to the same. Our Promoters namely Collin Richard Timms and Olinda Timms collectively owns 900 equity shares in the Company.

Board of Directors

The Directors of C.N. Professional & Legal Services Private Limited as on the date of this Prospectus are as follows

Name	Designation
Mr. Collin Richard Timms	Director
Mr. Liam Norman Timms	Director
Mrs. Olinda Timms	Director
Mr. Robert Louis Lawrence	Director

10. Mediatrix Communications Private Limited

Corporate Information

Mediatrix Communications Private Limited ("Mediatrix") was incorporated on November 22, 2013under the Companies Act, 1956. The registered office of the Company is situated atFlat C-2, New 86, Old 8/9, 1st Cross, Vivekanand Nagar, Maruti Seva Nagar, Bangalore, Karnataka- 560033. The Corporate Identification number is U22219KA2013PTC072030. Our Promoters namely Olinda Timms owns 2000 equity shares in the Company.

Board of Directors

The Directors of Mediatrix Communications Private Limited as on the date of this Prospectus are as follows:

Name	Designation
Mr. Lazarus Juliana	Director
Ms. Olinda Timms	Director

11. Sol Aqua Nova Engineering Company Private Limited

Corporate Information

Sol Aqua Nova Engineering Company Private Limited ("SOL") was incorporated on December 07, 2012under the Companies Act, 1956. The registered office of the Company is situated atNo. 139, Gurumurthy Bhavan, Bangalore, Karnataka-560001.The Corporate Identification number is U45202KA2012PTC067079.The Company is carrying on the business of acquire, construct, build, alter, develop, improve, repair, renovate, decorate, work, plan, own, hold, occupy, manage, control, fabricate, pull down, maintain all kinds of infrastructural facilities including water supply and irrigation projects liquid waste management, drinking water projects, water parks, swimming pools, water tanks, dams, water tunnels, culverts, drainage, sanitary and other related infrastructural facilities. Our Promoters namely Collin Richard Timms owns 1000 equity shares in the Company.

Board of Directors

The Directors of Sol Aqua Nova Engineering Company Private Limited as on the date of this Prospectus are as follows**:**

Name	Designation
Mr. Francis Inthru Alphonso	Director
Mr. Collin Richard Timms	Director
Mr. Gopala Navale Krishna	Director
Mr. Garudadhuvajan Bindiga Navale	Director

Details of our other Group Entities:

1. The Experiential Learning Foundation ("ELF")

ELF was established on December 30, 2010 pursuant to a trust deed amongst Collin Richard Timms, Mehjabeen S, Olinda Timms and Kokila R, the trustees. The office of ELF is located at No. 139, 2nd Floor, Gurumurthy Bhavan, Infantry Road, Bangalore 560001.

ELF was formed to help, promote eco-tourism, adventure sports like rock climbing, trekking, river rafting and other similar sports activities and promote, inculcate and instill sense of awareness, learning and education in social development etc.

Financial Information

(in Rs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Capital Fund	10,08,500	10,08,500	3,91,500
Total Income	3,63,428	10,12,543	15,27,854
Total Expenditure	4,96,778	15,81,680	16,15,724
Excess of income over expenditure	(1,33,351)	(5,69,138)	(87,870)

2. Navitas Foundation ("Navitas")

Navitas was established on November 07, 2012 pursuant to a trust deed amongst Collin Richard Timms, Charlotte Alphonso and Geeta Navale, the founder trustees. The office of Navitas is located at No. 139, 2nd Floor, Gurumurthy Bhavan, Infantry Road, Bangalore 560001.

Navitas was formed to initiate, build up, run, manage, research & development in the areas of water related systems such as water treatment, irrigation, water treatment, irrigation, water supply and the like, to develop effective and efficient water management system etc.

Financial Information

(in Rs)

Particulars	March 31, 2014	March 31, 2013
Capital Fund	17,076	10,057
Total Income	773	57
Total Expenditure	3,754	0
Excess of income over expenditure	(2,981)	57

3. Timms Educational Trust ("TET")

Timms Educational Trust was established on November 08, 2004 pursuant to a Trust Deed amongst Collin Richard Timms, Olinda Timms and Collin Richard Timms Trustee, the founder trustees. The Office of the Trust is located at No.20, SNS Palace, Meane Avenue Road, Bangalore – 560042.

Timms Educational Trust was formed to Provide Education, Relief to the Poor, Advancement of any other object or objects that are legally charitable and of general public utility.

Financial Information

(in Rs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Capital Fund	1,646,433	13,20,213	1,159,499
Total Income	84,946	107,054	31,831
Total Expenditure	14,994	29,243	61,116
Excess of income over expenditure	69,952	77,811	(29,285)

4. **Commits Educational and Charitable Trust ("CECT")**

Commits Educational and Charitable Trust was established on August 17, 2004 pursuant to a Trust Deed amongst Collin Richard Timms, Olinda Timms and Francis I. Alphonso. The Office of the Charitable Trust is located at No.20, SNS Palace, Meane Avenue Road, Bangalore-560042.

Commits Educational and Charitable Trust was formed for Promotion of Education and learning in all branches of Knowledge, Organising seminars, databases other activities to promote the growth of literacy etc.

Financial Information

(in Rs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Capital Fund	1,33,25,258	86,32,480	86,27,144
Total Income	1,74,29,404	1,54,07,421	1,30,50,163
Total Expenditure	1,27,36,626	1,31,52,085	12,175,314
Excess of income over expenditure	46,92,778	2,255,336	874,546

5. **Bridge Foundation Trust ("BFT")**

Bridge Foundation Trust was established on November 02, 2000 pursuant to a Trust Deed amongst Mr. David J Lobo, Vinay Samuel, Mr. Jagdish Devadasan and Mr. Collin R. Timms. The Office of the Trust is located at No. 139, 2nd Floor, Gurumurthy Bhavan, Infantry Road, Bangalore.

Bridge Foundation Trust was formed to do any other act for advancement of general public utility not involving the carrying on of any activity for profit without distinction of caste, colour or creed etc.

Financial Information

(in Rs)

Particulars	March 31, 2014	March 31, 2013	March 31, 2012
Capital Fund	3,15,73,024	31,386,020	33,173,597
Total Income	37,76,970	367,198	1,975,453
Total Expenditure	35,89,965	2,154,775	2,753,644
Excess of income over expenditure	187,005	(1,787,577)	(778,191)

6. **Elcity Golf LLP**

Elcity Golf LLP was formed on September 11, 2014 under Limited Liability Partnership Act, 2008. The registered office of the Elcity Golf is situated atOld No. 139, New No. 73, Infantry Road, Bangalore, Karnataka-560001. Elcity Golf was formed for recreational, cultural and sporting activities.

CONFIRMATION

Our Promoter and persons forming part of Promoter Group have confirmed that they have not been declared as 121cquis 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.

INTERESTS OF OUR GROUP COMPANIES

None of our Group Companies are interested in the promotion of our Company. Except as disclosed in the section titled "Financial Statements" beginning on page 125 of the Prospectus and to the extent of their shareholding in our Company, our Group Companies do not have any other interest in our Company.

SICK COMPANIES / WINDING UP

No Promoter Group Entities listed above have been declared as a sick company under the Sick Industrial Companies (Special Provisions) Act, 1985.There are no winding up proceedings against any of the Promoter Group Entities. None of the Group Entities except Spot City Transit Services Pvt. Ltd., Commits Education Pvt. Ltd. And C.N. Professional & Legal Services Pvt. Ltd. Has a negative net worth as of the date of the respective last audited financial statements. Further, no application has been made by any of them to RoC to strike off their names.

LITIGATION

For details on litigations and disputes pending against the Promoter and Promoter Group entities and defaults made by them, please refer to the chapter titled' 'Outstanding Litigations and Material Developments' beginning on page 167 of this Prospectus.

DISASSOCIATION BY THE PROMOTER IN THE LAST THREE YEARS

None of our Promoter has disassociated themselves from any of the companies / partnership firms during preceding three years except as follows:

Sr. No.	Name of the Promoter	Name of Concern	Date of Disassociation	Reason
1.	Collin Richards Timms	1. St. James Academy Bangalore 2. Bombay Education Society	February 01, 2012 September 27, 2013	Due to personal reasons Due to personal reasons

SALES / PURCHASES BETWEEN OUR COMPANY AND GROUP ENTITIES

There is no sale purchase between our Company and Group Entities.

COMMON PURSUITS

There are no common pursuits among our Company and Group Company or any objects similar to that of our Company's business. Further, currently we do not require to have any non-compete agreement/arrangement with any of our Group Entities. We shall adopt the necessary procedures and practices as permitted by law to address any conflict situations, as and when they may arise.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XIII of restated financial statement under the section titled' '*Financial Statements*' beginning on page 125 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 in the previous five Financial Years.

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 INFORMATION
STAND ALONE FINANCIAL INFORMATION, AS RESTATED IN RELATION TO PROSPECTUS

Auditor's Report

To,
The Board of Directors
PECOS HOTELS AND PUBS LIMITED
 # 189/1, BRIGADE ROAD, BANGALORE – 560001

Dear Sirs,

Re.:**Public Issue of Equity Shares of Pecos Hotels And Pubs Limited**

1. We have examined the Restated Financial information of **PECOS HOTELS AND PUBS LIMITED, BANGALORE**, annexed to this report for the purpose of inclusion in the offer document, signed by us for identification, in terms of our engagement agreed upon with you in accordance with our engagement letter dated March 03, 2015 in connection with the proposed issue of Equity Shares of the Company. The Restated Financial information has been approved by the Board of Directors of the Company, prepared in terms of the requirements of:

   a) Sub- Clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act,2013 ('the Act') read with Rule 4 of Companies (Prospectus and Allotment of Securities) Rules ('the Rules'),2014 and

   b) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements)Regulations, 2009 as amended ('the Regulations') issued by the Securities and Exchange Board of India ("SEBI") on August 26,2009, as amended from time to time in pursuance of Section 30 of the Securities and Exchange Board of India Act,1992 and related .

   c) The Guidance Note (Revised) on Reports in Company Prospectus and Guidance Note on Audit Reports/ Certificates on Financial Information in Offer Documents issued by the Institute of Chartered Accountants of India.

2. These Restated Financial information have been extracted by the Management from the financial statements for the year ended March 31st 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015. Audit for the financial year ended March 31st 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015 was conducted by us.

3. We have also examined the financial information of the Company for the year ended March 31st 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015 prepared and approved by the Board of Directors for the purpose of disclosure in the offer documents of the company mentioned in Paragraph (1) above.

   The financial information for the above period was examined to the extent practicable, for the purpose of audit of financial information in accordance with the Engagement Standards issued by the Institute of Chartered Accountants of India. Those Standards require that we plan and perform our audit to

obtain reasonable assurance, whether the financial information under examination is free of material misstatement.

In terms of Schedule VIII, Clause IX (9) of the SEBI (ICDR) Regulations, 2009 and the other provisions relating to accounts of M/s Pecos Hotels And Pubs Limited, We, M/s K VenkatachalamAiyer and Co. have subjected to the peer review process of the Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

Based on the above, we report that in our opinion and according to the information and explanations' given to us, we have found the same to be correct and the same have been accordingly used in the restated financial information appropriately.

4. In accordance with the requirements of the Companies Act,2013, the SEBI (ICDR) Regulations and terms of our engagements agreed with you, we further report that;

   a) The Restated Summary Statement of Assets and Liabilities of the Company, including as at 31st March 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015 examined by us, as set out in ANNEXURE I to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report.

   b) The Restated Summary Statement of Profit or Loss of the Company for the year then ended, including for the year ended 31st March 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015 examined by us, as set out in ANNEXURE II to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report

   c) The Restated Summary Statement of Cash Flow of the Company for the year then ended, including for the year ended 31st March 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015 examined by us, as set out in ANNEXURE III to this report are after making adjustments and regrouping as in our opinion were appropriate and are subject to the Significant Accounting Policies and Notes to accounts along with adjustments on account of change in policies and restatements as appearing in ANNEXURE IV to this report

5. Based on above, we are of the opinion that that the restated financial information have been made after incorporating.

   i) Adjustments for the changes in accounting policies retrospectively in respective financial years to reflect the same accounting treatment as per changed accounting policy for all the reporting periods.

   ii) Adjustments for the material amounts in the respective financial years to which they relate.

   iii) And there are no extra-ordinary items that need to be disclosed separately in the accounts.

iv) There are no other qualifications requiring adjustments.

6. We have also examined the following other Restated financial information set out in Annexures prepared by the Management and approved by the Board of Directors relating to the Company as at and for the year ended 31st March 2010, 2011, 2012, 2013, 2014 and period ended January 31, 2015.

i) Statement of Share Capital as appearing in **Annexure V** to this report.
ii) Statement of Reserves and Surplus, as Restated as appearing in **Annexure VI** to this report.
iii) Statement of Long Term Borrowings, as Restated as appearing in **Annexure VII** to this report
iv) Statement of Short Term Borrowings as Restated as appearing in **Annexure VIII** to this report
v) Statement of Loans and Advances, as Restated as appearing in **Annexure IX** to this report
vi) Statement of Sundry Debtors, as Restated enclosed as **Annexure X** to this report
vii) Statement of Contingent Liabilities, as Restated as appearing in **Annexure XI** to this report
viii) Statement of Other Income, as Restated as appearing in **Annexure XII** to this report
ix) Statement of Related Party Transaction included in **Annexure XIII** to this report
x) Statement of Tax Shelter included as per **Annexure XIV** to this report
xi) Statement of Capitalizations, as Restated as appearing in **Annexure XV** to this report
xii) Statement of Earnings per Share included in **Annexure XVI.**
xiii) Statement of Accounting Ratios included in **Annexure XVII.**
xiv) Statement of Financial indebtness is as per **Annexure XVIII**

In our opinion the Restated financial information contained in **Annexure I to XVIII** of this report read along with the Significant Accounting Policies, Notes to accounts and adjustments on account of change in policies and restatements as appearing in **Annexure IV** to this report along with regroupings as considered appropriate, and have been prepared in accordance with sub- clauses (i) and (iii) of clause (b) of sub-section (1) of section 26 of the Companies Act,2013 read with Rule 4 of Companies (Prospectus and Allotment of Securities)Rules,2014 and the Regulations issued by SEBI.

7. 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 us.

8. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

9. Our report is intended solely for use of the Management and for inclusion in the offer documents in connection with the proposed issue of equity shares of the Company. Our report and should not be used for any other purpose except with our consent in writing.

For **K VENKATACHALAM AIYER AND CO,**
Chartered Accountants
FRN No:004610S

M SIVAKUMAR
Partner
M. No.: 023844
Place: BANGALORE

ANNEXURE I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

(Rs. In Lacs)

	Particulars		Note No.	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
I.	**EQUITY AND LIABILITIES**								
1	**Shareholders' funds**								
	(a)	Share capital	1	85.09	3.34	1.00	1.00	1.00	1.00
	(b)	Reserves and surplus	2	15.12	68.75	42.89	35.86	18.46	8.41
				100.21	**72.09**	**43.89**	**36.86**	**19.46**	**9.41**
2	**Non-current liabilities**								
	(a)	Long-term borrowings	3	16.00	19.00	47.20	57.00	53.50	42.15
	(b)	Non-Current Liabilities		-	-	-	-	-	-
	©	Deferred tax liabilities		-	-	-	-	-	-
	(d)	Long Term Provisions		-	-	-	-	-	-
				16.00	**19.00**	**47.20**	**57.00**	**53.50**	**42.15**
3	**Current liabilities**								
	(a)	Short-term borrowings	4	7.66	8.16	0.08	(0.42)	(0.29)	0.14
	(b)	Trade payables	5	8.40	10.78	14.20	4.05	15.94	0.94
	©	Other current liabilities	6	8.30	5.29	3.09	2.03	2.06	2.80
	(d)	Short-term provisions	7	12.37	10.44	1.01	5.84	(3.73)	(0.10)
				36.73	**34.67**	**18.38**	**11.50**	**13.97**	**3.78**
		TOTAL		**152.94**	**125.76**	**109.47**	**105.35**	**86.93**	**55.34**
II.	**ASSETS**								
1	**Non-current assets**								
	(a)	Fixed							

		assets							
		(i) Tangible assets Net Block	8	17.63	20.85	19.97	23.91	26.95	22.57
		Less: Revaluation reserve Adjusted		-	-	-	-	-	-
		(ii) Capital work-in-progress		-	-	-	-	-	-
		(iii) Intangible Assets Net Block		6.32	7.32	8.53	9.73	10.94	-
	(b)	Non-current investments		-	-	-	-	-	-
	©	Deferred tax Assets		5.98	6.19	6.43	2.34	3.67	1.90
	(d)	Long Term Loans & Advances	9	52.90	45.58	40.58	40.58	29.54	24.79
	©	Other Non-current Assets	10	-	0.05	0.07	0.10	0.12	0.16
				82.82	**79.98**	**75.58**	**76.66**	**71.22**	**49.43**
2	**Current assets**								
	(a)	Inventories	11	1.95	1.68	3.87	2.88	0.41	0.27
	(b)	Trade receivables	12	11.81	7.98	7.48	13.11	4.41	-
	©	Cash and cash equivalents	13	31.76	22.85	10.92	11.62	10.79	5.53
	(d)	Short-term loans & advances	14	23.79	12.46	11.36	0.82	-	-
	©	Other current assets	10	0.81	0.81	0.26	0.26	0.11	0.11
				70.12	**45.78**	**33.88**	**28.69**	**15.71**	**5.90**
		TOTAL		**152.94**	**125.76**	**109.47**	**105.35**	**86.93**	**55.34**

ANNEXURE II

STATEMENT OF PROFIT AND LOSS AS RESTATED

(Rs. In Lacs)

Sr. No.	Particulars	Note No.	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
I	**Income**							
	Revenue from operations :							
	Sale of Food & Beverages	15	220.89	249.04	223.67	197.62	145.43	131.33
	Total Sales Excluding Taxes		**220.89**	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**
	Less: Duties & Taxes		-	-	-	-	-	-
	Total Sales		**220.89**	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**
	Other income	16	28.08	43.10	41.40	32.15	23.80	0.11
	Total Revenue		**248.96**	**292.14**	**265.07**	**229.77**	**169.24**	**131.44**
II	**Expenses**							
	Change in inventories of FG & WIP	17	(0.09)	2.18	(0.98)	(2.48)	(0.14)	(0.04)
	Purchases of Food & Beverages	18	118.40	148.08	172.12	102.98	77.91	66.74
	Employee benefits expense	19	24.02	28.06	28.01	23.05	22.77	14.14
	Finance costs	20	3.23	2.89	2.41	1.04	0.06	0.17
	Depreciation and amortization expense	21	12.06	5.21	5.76	6.53	6.74	4.59
	Other expenses	22	74.92	92.51	47.96	69.57	53.61	44.05
	Total expenses		**232.53**	**278.93**	**255.28**	**200.69**	**160.95**	**129.64**
III	**Profit before exceptional and extraordinary items and tax (I-II)**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**
IV	Exceptional items		**-**	**-**	**-**	**-**	**-**	**-**

V	**Profit before extraordinary items and tax (III – IV)**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**
VI	Extraordinary Items		**-**	**-**	**-**	-	**-**	**-**
VII	**Profit before tax (V – VI)**		**16.43**	**13.21**	**9.80**	**29.08**	**8.29**	**1.79**
VIII	**Tax expense:**							
	(1) Current tax		6.11	11.77	6.85	10.36	-	1.43
	(3) Deferred tax Liability/(Assets)		0.21	0.24	(4.09)	1.33	(1.77)	(1.38)
	Total Tax Expense		6.31	12.01	2.77	11.69	(1.77)	0.04
IX	**Profit (Loss) for the period (VII – VIII)**		**10.12**	**1.20**	**7.03**	**17.39**	**10.05**	**1.75**

ANNEXURE III

STATEMENT OF CASH FLOW FROM RESTATED FINANCIALSTATEMENT

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
A. Cash flow from operating activities						
Net Profit / (Loss) after tax	10.33	1.44	2.94	18.72	8.29	0.36
Adjustments for:						
Depreciation and amortisation	12.06	5.21	5.76	6.53	6.74	4.55
Preliminary Expenses	-	-	-	-	-	0.04
Finance costs	3.23	2.89	0.41	-	0.06	0.17
Interest Received	(0.44)	(1.30)	(0.57)	(0.83)	-	(0.11)
Operating Profit before Working capital changes	**25.17**	**8.24**	**8.55**	**24.42**	**15.08**	**5.01**
Adjusted for:						
Inventories	(0.27)	2.18	(0.98)	(2.48)	(0.14)	(0.04)
Trade receivables	(3.82)	(0.50)	5.63	(8.70)	(4.41)	-
Long Term Loans & Advances	(7.32)	(5.00)	-	(11.04)	(4.75)	(2.72)
Short-term loans and advances	(11.33)	(1.09)	(10.54)	(0.82)	-	-
Other current assets	-	(0.55)	-	(0.15)	-	(0.09)
Trade payables	(2.37)	(3.42)	10.15	(11.90)	15.01	0.57
Other current liabilities and Provisions	8.68	11.63	7.87	9.55	(2.88)	1.73
	8.74	**11.49**	**20.68**	**(1.11)**	**17.91**	**4.46**
Cash Generated from Operations						
Taxes paid	3.75	-	11.65	-	1.50	-
Net Cash Generated from Operations	**4.99**	**11.49**	**9.03**	**(1.11)**	**16.41**	**4.46**
B. Cash flow from investing activities						
Additions to Fixed assets	(7.78)	(4.85)	(0.60)	(2.26)	(22.01)	(0.99)
Interest Received	0.44	1.30	0.57	0.83	-	0.11
Net cash used in investing activities:	**(7.35)**	**(3.55)**	**(0.03)**	**(1.43)**	**(22.01)**	**(0.88)**
C. Cash flow from financing activities						
Shares Issue during the year	15.00	0.34	-	-	-	-
Security Premium on shares	3.00	26.66	-	-	-	-

issue						
Share issue expenses	-	-	-	-	-	-
Proceeds/(Repayments) from long-term borrowings	(3.00)	(28.20)	(9.80)	3.50	11.35	-
Proceeds /(repayments) from other short-term borrowings	(0.50)	8.08	0.51	(0.13)	(0.43)	(0.94)
Finance cost	(3.23)	(2.89)	(0.41)	-	(0.06)	(0.17)
Net cash used in financing activities	**11.27**	**3.99**	**(9.71)**	**3.37**	**10.86**	**(1.11)**
Net increase / (decrease) in Cash and cash equivalents (A+B+C)	**8.92**	**11.93**	**(0.71)**	**0.83**	**5.26**	**2.46**
Cash and cash equivalents at the beginning of the year	22.85	10.92	11.62	10.79	5.53	3.06
Cash and cash equivalents at the end of the year	**31.76**	**22.85**	**10.92**	**11.62**	**10.79**	**5.53**

ANNEXURE IV

STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES
Corporate Information

Pecos Hotels and Pubs Limited ("the Company") is a Public Limited Company domiciled in India. The Company is engaged in running of pubs in Bangalore. Its registered office is situated at No 189/1, 1st, 2nd, 3rd and 4th Floor, Brigade Road, Bangalore, Karnataka – 560001.

Significant Accounting Policies:

1. **Basis of Accounting**

   The financial Statements have been prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India and presented under the historical cost convention on accrual basis of amounting to comply with the accounting standards prescribed in the Companies (Accounting Standards) 'Rules, 2006 and with the relevant provisions of the Companies Act.

2. **Use of Estimates**

   The preparation of financial Statement conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amount of income and expenses during the year. The Management believes that the estimates, used in preparation of the financial statements are prudent and reasonable. Differences between actual results and estimates are recognized in the period in which the results are known / materialized

3. **Inventories**

   Inventories are measured at the lower of cost and net realizable value. Cost of inventories comprises of all costs of purchase and other costs incurred in bringing the inventories to their present condition and location. Costs of materials are determined by the FIFO method.

4. **Depreciation and Amortization**

Depreciation on fixed assets is provided to the extent of depreciable amount on written down value method (WDV) at the rates and in the manner .prescribed in schedule XIV to the Companies Act, 2013 over their useful life.

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5. **Revenue Recognition**

Revenues/ Incomes are generally accounted on accrual, as they are earned.

Revenue from pub sales (food and beverages) is recognized upon rendering of service. Pub sales are net of discounts. Value added tax is reduced from pub sales.

Income from Brand Promotion is recognized on accrual basis.

Interest income is recognised on accrual basis.

6. **Fixed Assets**

Tangible Fixed Assets: Tangible Fixed Assets are stated in the Balance Sheet at cost, less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the assets to its working condition for its intended use.

Intangible Fixed Assets: Intangible assets are stated at cost less accumulated amount of amortization

7. **Employees Benefits**

Employee Benefits such as salaries, allowances, non-monetary benefits and employee benefits are charged as expense to the profit and loss account in the period in which the service is rendered.

No provision of Gratuity & Leave Encashment has been made in the accounts in accordance with Accounting Standard 15 on Employee Benefits and these will be accounted for on cash basis.

8. **Operating Leases**

Assets acquired on lease wherein significant portion of risks and rewards of ownership are retained by the Lessor are classified as operating leases. Lease rentals paid for such leases are recognized as an expense on systematic basis over the term of lease.

9. **Earnings per share**

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard 20 on Earnings per Share. Basic EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti- dilutive.

10. **Taxes on income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized unless there is virtual certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized.

11. **Impairment of Assets**

An asset is considered as impaired in accordance with Accounting Standard 28 on Impairment of Assets when at the balance sheet date there are indications of impairment and the carrying amount of the asset, or where applicable the cash generating unit to which the asset belongs, exceeds its recoverable amount (i.e.

the higher of the asset's net selling price and value in use). The carrying amount is reduced to the recoverable amount and the reduction is recognized as an impairment loss in the profit and loss account. However goodwill paid on acquisition of business is amortized over a period of 10 years.

12. Provisions and contingencies

A provision is recognized when the Company has a Present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Contingent liabilities, if any are disclosed in the Notes.

NOTES TO RESTATED FINANCIAL STATEMENTS

NOTE NO.1

STATEMENT OF SHARE CAPITAL, AS RESTATED

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Authorised						
Equity Shares of Rs.10 each	200.00	10.00	10.00	10.00	10.00	10.00
Issued						
Equity Shares of Rs.10 each	85.09	3.34	1.00	1.00	1.00	1.00
Subscribed & fully Paid up						
Equity Shares of Rs.10 each fully paid	85.09	3.34	1.00	1.00	1.00	1.00
Total	**85.09**	**3.34**	**1.00**	**1.00**	**1.00**	**1.00**

As on date of signing accounts, the Company has an Authorised Capital of Rs.2,00,00,000 (divided in to 20,00,000 Equity Shares of Rs. 10/- each) and Paid Up Capital of Rs.85,08,750 (divided in to 8,50,875 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs.66,75,000 (6,67,500 Equity Shares of Rs. 10/- each) were issued as fully paid up bonus shares by capitalisation of Reserves in the year 2014-15.

NOTE-2

STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Securities Premium						
As per last Balance Sheet	26.66	-	-	-	-	-
Add: Received securities premium on share issue	3.00	26.66	-	-	-	-
Less: Share issue expenses	-	-	-	-	-	-

Less: Utilised for issue of bonus shares	26.66	-	-	-	-	-
	3.00	**26.66**	**-**	**-**	**-**	**-**
Profit & Loss Account						
Opening Balance	42.09	42.89	35.86	18.46	8.41	6.66
Additions/(loss) during the year	10.12	1.20	7.03	17.39	10.05	1.75
Less: Utilised for 136cqui of bonus shares	40.09	2.00	-	-	-	-
Closing Balance	12.12	42.09	42.89	35.86	18.46	8.41
Total	**15.12**	**68.75**	**42.89**	**35.86**	**18.46**	**8.41**

NOTE-3

LONG TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
ii) Unsecured From Related Parties						
GSK Enterprises Pvt. Ltd.	-	2.00	2.00	2.00	-	5.65
Director – Collin R Timms	9.50	9.50	9.50	9.50	9.50	9.50
From Delfin International Ltd	6.50	7.50	35.70	45.50	44.00	27.00
Total :	**16.00**	**19.00**	**47.20**	**57.00**	**53.50**	**42.15**

Note: The Amount of Loan repayable in next 12 months after the end of respective Financial Year is classified as Current Maturities of long term debts under Other Current Liabilities.

NOTE-4

SHORT TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
i) Secured **Working Capital Loan**						
-Overdraft Account from Guardian Bank	(0.71)	(0.21)	0.08	(0.42)	(0.29)	0.12
-Others	-	-	-	-	-	-
ii) Unsecured						
From Inter Corporate	-	-	-	-	-	-

Deposit						
From Related parties	8.37	8.37	-	-	-	0.02
Total	**7.66**	**8.16**	**0.08**	**(0.42)**	**(0.29)**	**0.14**

NOTE- 5

TRADE PAYABLES

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Dues to Micro,Small and Medium Enterprises	-	-	-	-	-	-
Dues to Others	8.40	10.78	14.20	4.05	15.94	0.94
Total	**8.40**	**10.78**	**14.20**	**4.05**	**15.94**	**0.94**

NOTE-6

OTHER LIABILITIES

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Current Liabilities						
i) Advances Received	1.05	1.05	1.05	-	-	-
ii) Statutory Liabilities	0.19	0.33	0.28	0.25	0.49	0.17
iii) Other Payables	7.07	3.91	1.76	1.78	1.57	2.63
Total	**8.30**	**5.29**	**3.09**	**2.03**	**2.06**	**2.80**

NOTE-7

PROVISIONS

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Current Provisions						
Provision for Income Tax	12.37	10.44	1.01	5.84	(3.73)	(0.10)
Total	**12.37**	**10.44**	**1.01**	**5.84**	**(3.73)**	**(0.10)**

NOTE – 8

STATEMENT OF FIXED ASSETS AND CAPITAL WORK IN PROGRESS, AS RESTATED

(Rs. In Lacs)

Particulars	Tangible Assets						Intangible Assets
	Furniture & Fixtures	Office Equipment	Computer	Motor Car	Machinery	Electric Installation	Goodwill
Balance as at 1 Apr. 2009	**28.86**	**5.80**	**0.53**	**-**	**1.66**	**1.26**	**-**
Addition	0.18	0.71	-	-	0.10	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar. 2010	**29.04**	**6.51**	**0.53**	**-**	**1.76**	**1.26**	**-**
Addition	0.91	-	-	8.77	0.30	-	12.04
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar. 2011	**29.95**	**6.51**	**0.53**	**8.77**	**2.05**	**1.26**	**12.04**
Addition	0.43	-	-	-	1.82	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar. 2012	**30.38**	**6.51**	**0.53**	**8.77**	**3.88**	**1.26**	**12.04**
Addition	-	-	-	-	0.60	-	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar. 2013	**30.38**	**6.51**	**0.53**	**8.77**	**4.48**	**1.26**	**12.04**
Addition	-	3.52	-	-	0.17	1.16	-
Disposals	-	-	-	-	-	-	-
Balance as at 31 Mar. 2014	**30.38**	**10.02**	**0.53**	**8.77**	**4.65**	**2.42**	**12.04**
Addition	-	-	0.20	-	1.93	-	-
Additions on Acquisition	0.60	1.32	-	3.57	0.17	-	-

Balance as at 31 January, 2015	**30.98**	**11.34**	**0.73**	**12.34**	**6.75**	**2.42**	**12.04**
ACCUMULATED DEPRECIATION							
Balance as at 1 Apr. 2009	9.57	1.36	0.39	-	0.23	0.44	-
Depreciation for the year	3.50	0.64	0.06	-	0.21	0.15	-
Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 1 Apr. 2010	**13.06**	**1.99**	**0.44**	**-**	**0.44**	**0.59**	**-**
Depreciation for the year	2.94	0.63	0.04	1.66	0.21	0.12	1.01
Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 1 Apr. 2011	**16.00**	**2.62**	**0.48**	**1.66**	**0.65**	**0.71**	**1.01**
Depreciation for the year	2.56	0.54	0.02	1.84	0.24	0.10	1.20
Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 1 Apr. 2012	**18.56**	**3.16**	**0.50**	**3.50**	**0.89**	**0.81**	**2.21**
Depreciation for the year	2.14	0.47	0.01	1.36	0.47	0.08	1.20
Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 1 Apr. 2013	**20.70**	**3.63**	**0.51**	**4.86**	**1.36**	**0.89**	**3.41**
Depreciation for the year	1.75	0.60	0.01	1.01	0.42	0.19	1.20
Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 1 Apr. 2014	**22.45**	**4.22**	**0.52**	**5.87**	**1.78**	**1.08**	**4.62**
Depreciation for the period	3.48	4.49	0.05	1.67	0.76	0.56	1.00

Disposal	-	-	-	-	-	-	-
Adjustments	-	-	-	-	-	-	-
Balance as at 31 Janaury,2015	**25.93**	**8.71**	**0.57**	**7.54**	**2.54**	**1.65**	**5.62**
CARRYING AMOUNTS							
As at 31 Mar 2010	15.98	4.51	0.09	-	1.32	0.67	-
As at 31 Mar 2011	13.95	3.88	0.05	7.11	1.41	0.55	11.04
As at 31 Mar 2012	11.83	3.34	0.03	5.27	2.99	0.45	9.83
As at 31 Mar 2013	9.69	2.88	0.02	3.90	3.12	0.37	8.63
As at 31 Mar2014	7.93	5.80	0.01	2.89	2.87	1.34	7.42
As at 31 Jan, 2015	5.05	2.63	0.16	4.80	4.21	0.78	6.42

NOTE-9

LOANS AND ADVANCES

(Rs, in Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Long Term Loans & Advances						
Security Deposits (unsecured considered good)	35.83	35.76	30.76	30.76	19.72	21.22
Other Loans and Advances	17.06	9.82	9.82	9.82	9.82	3.57
Total	**52.90**	**45.58**	**40.58**	**40.58**	**29.54**	**24.79**
Loans and advances to Promoters, Directors, Group Companies, subsidiaries, associates and other related parties	-	-	-	-	-	-

NOTE-10

OTHER ASSETS

(Rs, in Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Other Non current Assets						
i) Preliminary Expenses						

to the extent not written off	-	0.05	0.07	0.10	0.12	0.16
Total	**-**	**0.05**	**0.07**	**0.10**	**0.12**	**0.16**
Other Current Asset						
i) Acrued Interest on FD	0.81	0.81	0.26	0.26	0.11	0.11
Total	**0.81**	**0.81**	**0.26**	**0.26**	**0.11**	**0.11**
Grand Total	**0.81**	**0.86**	**0.33**	**0.35**	**0.23**	**0.27**

NOTE-11

INVENTORIES

(Rs, in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Stock in Trade	1.95	1.68	3.87	2.88	0.41	0.27
Total :	**1.95**	**1.68**	**3.87**	**2.88**	**0.41**	**0.27**

NOTE-12

AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs, in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Considered Good						
More than six months	8.51	5.88	5.88	4.41	4.41	-
Less than six months	3.30	2.11	1.61	8.70	-	-
Total :	**11.81**	**7.98**	**7.48**	**13.11**	**4.41**	**-**

NOTE-13

CASH AND CASH EQUIVALENTS

(Rs, in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Cash-in-Hand	2.34	1.08	1.04	0.64	0.48	0.03
Balances with Banks						
Guardian						

SouhardraSahakari Bank	11.37	8.19	5.90	6.36	7.31	2.50
State Bank of India	0.14	0.00	-	-	-	-
ICICI Bank Ltd	0.09	-	-	-	-	-
Fixed Deposits	17.82	13.58	3.97	4.62	3.00	3.00
Total	**31.76**	**22.85**	**10.92**	**11.62**	**10.79**	**5.53**

NOTE-14

SHORT-TERM LOANS & ADVANCES

(Rs, in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Short Term Loans & Advances						
i) Advances to related parties	0.20	-	-	-	-	-
ii) Advances others	23.59	12.46	11.36	0.82	-	-
Total	**23.79**	**12.46**	**11.36**	**0.82**	**-**	**-**
Loans and advances to Promoters, Directors, Group Companies, subsidiaries, associates and other related parties	0.20	-	-	-	-	-

NOTE-15

DETAILS OF OPERATIONAL INCOME

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Sale of Food & Beverages						
Domestic	220.89	249.04	223.67	197.62	145.43	131.33
Exports	-	-	-	-	-	-
Total	**220.89**	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**

NOTE-16

DETAILS OF OTHER INCOME

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Interest received	0.44	1.30	0.57	0.83	-	0.11
Brand Promotion Income	27.64	41.80	40.84	31.33	23.80	-
Total	**28.08**	**43.10**	**41.40**	**32.15**	**23.80**	**0.11**

NOTE-17

DETAILS OF INCREASE / (DECREASE) IN STOCK

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Opening Stocks	1.68	3.87	2.88	0.41	0.27	0.22
Less: Closing Stocks	1.77	1.68	3.87	2.88	0.41	0.27
INCREASE / (DECREASE) IN STOCK	**(0.09)**	**2.18**	**(0.98)**	**(2.48)**	**(0.14)**	**(0.04)**

NOTE-18

PURCHASES

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Purchase of Food & Beverages	118.40	148.08	172.12	102.98	77.91	66.74
Total	**118.40**	**148.08**	**172.12**	**102.98**	**77.91**	**66.74**

NOTE – 19

EMPLOYEE BENEFITS EXPENSES

(Rs. In Lacs)

Particulars	Period Ending	Year	Year	Year	Year	Year

	31-01-2015	Ended 31-03-2014	Ended 31-03-2013	Ended 31-03-2012	Ended 31-03-2011	Ended 31-03-2010
Salaries and wages	16.70	20.77	21.03	12.65	13.89	12.42
Directors Remuneration	5.20	4.80	5.40	5.40	4.80	0.96
Staff training	-	-	0.46	0.15	-	-
Staff welfare expenses	2.13	2.49	1.12	4.85	4.08	0.76
Total	**24.02**	**28.06**	**28.01**	**23.05**	**22.77**	**14.14**

NOTE - 20

FINANCE COST

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Credit card	2.83	2.17	2.00	0.99	-	-
Bank Charges	0.40	0.67	0.41	-	0.06	0.17
Interest on TDS	-	-	-	0.05	-	-
Interest on Overdraft	-	0.06	-	-	-	-
Total	**3.23**	**2.89**	**2.41**	**1.04**	**0.06**	**0.17**

NOTE – 21

DEPRECIATION & AMORTIZATION

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Depreciation	11.00	3.98	4.53	5.30	5.59	4.55
Amortization of Goodwill	1.00	1.20	1.20	1.20	1.10	-
Preliminary Expenses Written off	0.05	0.02	0.02	0.02	0.04	0.04
Total	**12.06**	**5.21**	**5.76**	**6.53**	**6.74**	**4.59**

NOTE – 22

OTHER EXPENSES

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Power and fuel	7.79	7.64	9.05	9.78	9.43	8.60
Advertisement Expenses	-	0.84	0.03	0.09	0.08	0.02
Donations and contributions	-	-	-	0.20	-	-
Office expenses	-	1.71	0.69	0.35	0.20	-
Rent	25.09	30.77	21.27	29.00	22.74	21.68
Repairs and maintenance – Office	1.37	7.10	2.25	5.15	2.39	1.76
Repairs and maintenance – Machinery	5.78	12.94	0.45	1.55	1.56	2.44
Repairs and maintenance – Others	10.61	1.45	-	3.08	2.86	1.15
Rates and taxes	1.28	6.44	1.85	1.50	1.89	1.78
Communication	2.02	1.03	1.71	2.02	1.62	1.05
Travelling and conveyance	6.77	7.09	7.54	2.87	2.21	1.19
Printing and stationery	0.33	0.68	0.41	1.03	0.70	0.61
Water charges	1.99	2.69	0.80	0.59	0.83	1.49
Business promotion	1.25	3.09	-	5.25	4.10	0.61
Legal and professional	7.32	2.98	0.93	1.35	0.70	0.62
License Renewal	1.37	1.86	-	-	-	-
Insurance	1.41	1.44	-	-	-	-
Payments to auditors	-	0.34	0.61	0.29	0.38	0.19
Miscellaneous expenses	0.55	1.65	0.36	5.48	1.92	1.11
Bank Reconciliation Suspense	-	0.75	-	-	-	-
Balances written off	-	-	-	-	(0.00081)	(0.24)

Total	**74.92**	**92.51**	**47.96**	**69.57**	**53.61**	**44.05**

ANNEXURE V

DETAILS OF SHARE CAPITAL

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Authorised						
Equity Shares of Rs.10 each	200.00	10.00	10.00	10.00	10.00	10.00
Issued						
Equity Shares of Rs.10 each	85.09	3.34	1.00	1.00	1.00	1.00
Subscribed & fully Paid up						
Equity Shares of Rs.10 each fully paid	85.09	3.34	1.00	1.00	1.00	1.00
Total	**85.09**	**3.34**	**1.00**	**1.00**	**1.00**	**1.00**

As on date of signing accounts, the Company has an Authorised Capital of Rs.2,00,00,000 (divided in to 20,00,000 Equity Shares of Rs. 10/- each) and Paid Up Capital of Rs.85,08,750 (divided in to 8,50,875 Equity Shares of Rs. 10/- each fully paid up) out of which a capital of Rs.66,75,000 (6,67,500 Equity Shares of Rs. 10/- each) were issued as fully paid up bonus shares by capitalisation of Reserves in the year 2014-15.

Reconciliation of No. of Shares Outstanding at the end of the year

Particulars	Equity Shares					
	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
	Number	Number	Number	Number	Number	Number
Shares outstanding at the beginning of the year	33,375	10,000	10,000	10,000	10,000	10,000
Shares Issued during the year	817,500	23,375	-	-	-	-
Shares bought back during the year	-	-	-	-	-	-
Any other movement (please specify)	-	-	-	-	-	-
Shares outstanding at the end of the year	850,875	33,375	10,000	10,000	10,000	10,000

Details of shareholding more than 5 % of the aggregate shares in the company

Name of Shareholder	Period Ending 31-01-2015		As at 31-03-2014		As at 31-03-2013		As at 31-03-2012		As at 31-03-2011		As at 31-03-2010	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding	No. of Shares held	% of Holding
COLLIN	464,995	54.65	15,000	44.94	5,000	50	5,000	50	5,000	50	5,000	50

R TIMMS												
OLINDA TIMMS	315,000	37.02	15,000	44.94	5,000	50	5,000	50	5,000	50	5,000	50
DELFIN INTERNATIONAL LIMITED	70,875	8.33	3,375	10.11	-	-	-	-	-	-	-	-

ANNEXURE VI

STATEMENT OF RESERVES AND SURPLUS, AS RESTATED

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Securities Premium						
As per last Balance Sheet	26.66	-	-	-	-	-
Add: Received securities premium on share issue	3.00	26.66	-	-	-	-
Less: Share issue expenses	-	-	-	-	-	-
Less: Utilised for issue of bonus shares	26.66	-	-	-	-	-
Total	**3.00**	**26.66**	**-**	**-**	**-**	**-**
Profit & Loss Account						
Opening Balance	42.09	42.89	35.86	18.46	8.41	6.66
Additions/(loss) during the year	10.12	1.20	7.03	17.39	10.05	1.75
Less: Utilised for issue of bonus shares	40.09	2.00	-	-	-	-
Closing Balance	12.12	42.09	42.89	35.86	18.46	8.41
Less:Misc Expense to the extent not written off adjusted	-	-	-	-	-	-
Total	**15.12**	**68.75**	**42.89**	**35.86**	**18.46**	**8.41**

ANNRXURE VII

LONG TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
ii) Unsecured From Related Parties						
GSK Enterprises Pvt. Ltd.	-	2.00	2.00	2.00	-	5.65
Director – Collin R Timms	9.50	9.50	9.50	9.50	9.50	9.50
From Delfin International Ltd	6.50	7.50	35.70	45.50	44.00	27.00
Total :	**16.00**	**19.00**	**47.20**	**57.00**	**53.50**	**42.15**

Note: The Amount of Loan repayable in next 12 months after the end of respective Financial Year is classified as Current Maturities of long term debts under Other Current Liabilities in Annexure VIII

ANNEXURE VIII

SHORT TERM BORROWINGS

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
i) Secured Working Capital Loan						
-Ovedraft Account from Guardian Bank	(0.71)	(0.21)	0.08	(0.42)	(0.29)	0.12
-Others	-	-	-	-	-	-
ii) Unsecured						
From Inter Corporate Deposit	-	-	-	-	-	-
From Related parties	8.37	8.37	-	-	-	0.02
Total	**7.66**	**8.16**	**0.08**	**(0.42)**	**(0.29)**	**0.14**

ANNEXURE IX

LOANS AND ADVANCES

(Rs, in Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Long Term Loans & Advances						
Security Deposits (unsecured considered	35.83	35.76	30.76	30.76	19.72	21.22

good)						
Other Loans and Advances	17.06	9.82	9.82	9.82	9.82	3.57
Total	**52.90**	**45.58**	**40.58**	**40.58**	**29.54**	**24.79**
Loans and advances to Promoters, Directors, Group Companies, subsidiaries, associates and other related parties	1.63	3.83	3.25	3.25	1.25	

ANNEXURE X

AGE-WISE ANALYSIS OF SUNDRY DEBTORS

(Rs, in Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Considered Good						
More than six months	8.51	5.88	5.88	4.41	4.41	-
Less than six months	3.30	2.11	1.61	8.70	-	-
Total :	**11.81**	**7.98**	**7.48**	**13.11**	**4.41**	**-**

ANNEXURE XI

CONTINGENT LIABILITIES

(Rs, in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Contingent Liabilities	29.17	NIL	NIL	NIL	NIL	NIL
Total :	**29.17**	**NIL**	**NIL**	**NIL**	**NIL**	**NIL**

ANNEXURE XII

DETAILS OF OTHER INCOME

(Rs. In Lacs)

Particulars	Period Ending 31-01-2015	Year Ended 31-03-2014	Year Ended 31-03-2013	Year Ended 31-03-2012	Year Ended 31-03-2011	Year Ended 31-03-2010
Interest received	0.44	1.30	0.57	0.83	-	0.11
Brand Promotion Income	27.64	41.80	40.84	31.33	23.80	-
Total :	**28.08**	**43.10**	**41.40**	**32.15**	**23.80**	**0.11**

ANNEXURE XIII

Names of related parties and description of relationship:

Key Management Personnel	MR. COLLIN R TIMMS MS. OLINDA TIMMS
Relatives of Key Management Personnel	MR. LIAM TIMMS MS. SABINA TIMMS
Enterprise under significant Influence of Key Management Personnel	COMMITS EDUCATION PRIVATE LIMITED
	GUARDIAN HEALTH MANAGEMENT PRIVATE LIMITED GSK ENTERPRISES PRIVATE LIMITED
	OTCO INTERNATIONAL LIMITED
	OTCO INFOTECH PRIVATE LIMITED
	CN PROFESSIONAL AND LEGAL SERVICES PRIVATE LIMITED
	GUARDIAN MEDICAL SERVICES PRIVATE LIMITED
	SOL AQUA NOVA ENGINEERING COMPANY PRIVATE LIMITED
	ELCITY GOLF (LLP)
	SPOT CITY TRANSIT SERVICES PRIVATE LIMITED
	MEDIATRIX COMMUNICATIONS PRIVATE LIMITED

Details of Related Party Transactions are as follows:

(Rs. In Lacs)

Nature of the Transaction	Name of Party	31.01.2015	For the Year Ended Mar 31				
			2014	2013	2012	2011	2010
Remuneration	***Directors***	5.20	4.80	5.40	5.40	4.80	0.96
Purchase of Business	***Directors***	18.00	-	-	-	-	-
Loans & Advances taken	***Directors***	-	-	-	-	-	-
	Enterprise under significant Influence of Key Management Personnel						
	Guardian Health Management P Ltd	-	0.59	-	2.00	-	-
Loans & Advances repaid	***Directors***	-	-	-	-	-	-
	Enterprise under significant Influence of Key Management Personnel						
	Guardian Health Management P Ltd	2.00	-	-	-	-	-
Loans & Advances given	***Directors***	-	-	-	-	-	-
	Enterprise under significant Influence of Key Management Personnel						
	GSK Enterprises P Ltd	-	-	-	-	-	-
Outstanding Loans and other current Liabilities	***Director***	9.50	9.50	9.50	9.50	9.50	9.50
	Enterprise under significant Influence of Key Management Personnel						
	GSK Enterprises P Ltd	-	-	-	-	-	5.65

Outstanding Loans and Advances & other Current Assets	***Enterprise under significant Influence of Key Management Personnel***						
	Guardian Health Management P Ltd	0.59	2.59	2.00	2.00	-	-
	GSK Enterprises P Ltd	1.25	1.25	1.25	1.25	1.25	-

ANNEXURE XIV

TAX SHELTER STATEMENT

(Rs.in Lacs)

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Tax Rate	30%	30%	30%	30%	30%	30%
Surcharge	-	-	-	-	-	-
Educational Cess	3%	3%	3%	3%	3%	3%
Effective Tax Rate	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Net Profit before Tax, as Restated **(A)**	16.43	13.21	9.80	29.08	8.29	1.79
Adjustments :						
Timing Difference						
Depreciation as per Companies Act	11.00	3.98	4.53	5.30	5.59	4.55
Depreciation as per Income tax Act	8.11	3.77	3.76	4.02	4.35	3.26
Difference between Tax WDV and Book WDV	2.89	0.21	0.77	1.28	1.24	1.28
Total Timing Difference (B)	**2.89**	**0.21**	**0.77**	**1.28**	**1.24**	**1.28**
Income considered separately (C)	**-**	**1.30**	**0.57**	**0.83**	**-**	**0.11**
Permanent Difference	-	-	-			
Expenses disallowed/ Other Disallownaces under the Income Tax Act	-	2.21	10.10	-	-	1.54
Total Permanent Difference (D)	**-**	**2.21**	**10.10**	**-**	**-**	**1.54**
Net Adjustments(E=B-C+D)	**2.89**	**1.12**	**10.30**	**0.45**	**1.24**	**2.72**
Income from Other Sources (F)	**0.44**	**22.52**	**0.57**	**1.03**	**-**	**0.11**
Total Taxable income (G= A+E+F)	**19.76**	**36.85**	**20.67**	**30.57**	**9.53**	**4.62**
Tax Expense/(Savings) thereon	**6.11**	**11.39**	**6.39**	**9.45**	**2.94**	**1.43**
Notes :- The figures for the period ended January 31, 2015 are based on provisional computation of Income tax prepared by the company since the tax return for the period is not to be filed						

ANNEXURE XV

CAPITALISATION STATEMENT

(Rs. In Lacs)

PARTICULARS	Pre-Issue	Post-Issue
Borrowings		
Short Term Debt	7.66	7.66
Long Term Debt	16.00	16.00
Total Debt	**23.66**	**23.66**
Shareholder's Funds		
Share Capital	85.09	130.99
Reserves & Surplus	15.12	198.72
Total Shareholder's Funds	**100.20**	**329.70**
Total Capitalization		
Long Term Debt/Equity Ratio	0.16	0.05
Total Debt/Equity Ratio	0.24	0.07

Notes:-

1) Short-Term debt represents debt which are due within twelve months from January 31, 2015 and include 152cquisition of Long term debt repayable within twelve months.

2) Long-term debt represents debt other than short-term debt, as defined above.

3) The figures disclosed above are based on the restated financial statements of the company.

ANNEXURE XVI

EARNING PER SHARE

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
A) Weighted average number of equity shares of Rs. 10/- each						
I) Number of shares at the beginning of	33,375	10,000	10,000	10,000	10,000	10,000

the year (See Note iii)						
II) Number of shares at the end of the year	850,875	33,375	10,000	10,000	10,000	10,000
III) Weighted average number of Equity Shares outstanding during the year	850,875	230,583	230,000	230,000	230,000	230,000
IV) Weighted average number of Potential Equity Shares outstanding during the year	-	-	-	-	-	-
V) Weighted average number of Equity Shares for calculating diluted EPS	850,875	230,583	230,000	230,000	230,000	230,000
B) Net Profit/(Loss) after tax adjustments available for equity shareholders (In Lacs)	1,011,657	120,089	703,066	1,739,474	1,005,468	174,783
C) Basic earning per share (in rupees) {B/A (III)}*	1.19	0.52	3.06	7.56	4.37	0.76
D) Diluted earning per share (in rupees) {B/A (V)} *	1.19	0.52	3.06	7.56	4.37	0.76
The Company does not have any dilutive potential equity shares. Consequently the basic and diluted profit / earning per share of the company remain the same.						
Earning per share (EPS) is calculated after adjusting for bonus equity shares issued, with retrospective effect as provided in Accounting Standard (AS –20) – Earning Per Share, issued by the Institute of Chartered Accountant of India.						

ANNEXURE XVII

SUMMARY OF ACCOUNTING RATIOS

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Net Profit Attributable to Equity Shareholders	1,011,657	120,089	703,066	1,739,474	1,005,468	174,783
Earning Per Share (EPS) (Rs.) [a/b]						
- Basic [a/b]	1.19	0.52	3.06	7.56	4.37	0.76
- Diluted [a/d]	1.19	0.52	3.06	7.56	4.37	0.76
Cash Earning Per Share (Rs.) [f/b]	2.61	2.78	5.56	10.40	7.30	2.75
Return on Net Worth (%) [a/g %]	10.10%	1.67%	16.02%	47.20%	51.67%	18.58%
Net Asset Value Per Share (Rs.) [h/e]	11.78	215.99	438.87	368.56	194.61	94.06
Weighted Average No. of Equity Shares	850,875	230,583	230,000	230,000	230,000	230,000
No. of Equity Shares outstanding	850,875	33,375	10,000	10,000	10,000	10,000

Notes :

Particulars	Period Ending 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Net Profit after tax adjustments [a]	1,011,657	120,089	703,066	1,739,474	1,005,468	174,783
Weighted Average No. of Equity Shares [b]	850,875	230,583	230,000	230,000	230,000	230,000
Weighted Average No. of Potential Equity Shares [c]	-	-	-	-	-	-
Total No. of Equity Share for Calculating Diluted EPS [d]	850,875	230,583	230,000	230,000	230,000	230,000
No. of Equity Shares at the end of the year/period [e]	850,875	33,375	10,000	10,000	10,000	10,000
Cash Earning [f]	2,217,321	640,989	1,279,331	2,392,514	1,679,166	633,608
Net Worth [g]	10,020,401	7,208,743	4,388,653	3,685,588	1,946,114	940,646
Net Asset [h]	10,020,401	7,208,743	4,388,653	3,685,588	1,946,114	940,646

Formula :

Earning per Share (Rs.) = $\frac{\text{Net Profit attributable to equity shareholders}}{\text{Weighted Average number of equity shares outstanding during the period}}$

Net Asset Value Per Share (Rs.) = $\frac{\text{Net Worth excluding revaluation reserve at the end of the period}}{\text{Total Number of equity shares outstanding at the end of the year/period}}$

Return on Net Worth (%) = $\frac{\text{Net Profit after tax adjustments}}{\text{Net worth at the end of the year/period}}$

Cash Earning = Net Profit after tax adjustments add Depreciation, Preliminary Expenses written off and Deferred Tax Liability, diminution in value of investments, Earlier year depreciation.

Net Asset = Equity Share Capital plus Reserves & Surplus less Miscellaneous Expenditure to the extent not written off

Note : Weighted Average no. of Equity Shares is calculated after adjusting for bonus equity shares issued, with retrospective effect for all the periods reported

ANNEXURE – XVIII

STATEMENT OF FINANCIAL INDEBTEDNESS

Name of Bank	Loan No.	Facility Key term			Outstanding as on January 31, 2015 (In Rs.)	Security
		Loan Amount (In Rs.)	Rate of Interest (%)	Total Term (Months)		
NA	NA	NIL	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL	NIL

Accompanying Notes to the restated Financial Statements

1. **Background**
   a. PECOS HOTELS & PUBS (P) LTD. (the "Company'') is a limited company domiciled in India and incorporated under the provisions of the Companies Act 1956. The company is engaged in operating pubs in Bangalore. The Company's registered office is in Bangalore. The Company is a Small and Medium Sized Company (SMC) as defined in the General Instructions in respect of Accounting Standards notified under the Companies Act, 2013. Accordingly, the Company has complied with the Accounting Standards as applicable to a Small and Medium Sized Company.
   b. The Restated Statements of Assets and Liabilities as at 31st March 2010, 2011, 2012, 2013 2014 and 31st January 2015 and the related Restated statement of Profit and Loss and Restated statement of Cash Flow for the period ended 31st March 2010, 2011, 2012, 2013, 2014 and 31st January 2015 (hereinafter collectively referred to as –Restated Financial Statements) related to the company have been prepared specifically for inclusion in the offer document to be filed by the company with Securities Exchange Board of India (SEBI) in connection with proposed initial public offering of equity shares of the Company.

c. The Restated Financial statements have been prepared to comply in all material respects with accordance to sub-clause (i) and (iii) of clause (b) of sub-section (1) of section of the Companies Act, 2013 ('the Act') read with Rule 4 of Companies (prospectus and Allotment of Securities) Rules, 2014 and the Securities Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations 2009, as amended (the SEBI Regulations) issued by SEBI in pursuance of Section 11 of Securities and Exchange Board of India Act, 1992.

2. Material Regroupings

Appropriate adjustments have been made in the restated summary statements of Assets and Liabilities, Profit and Losses and Cash Flows, wherever required, by reclassification of the corresponding items of income, expenses, assets and liabilities in order to bring them in line with the regroupings as per the audited financial statements of the company and the requirements of SEBI Regulations.

Restatement Adjustments

(Rs. In lacs)

Particulars	Period Ending January 31, 2015	Period Ending March 31, 2014	Period Ending March 31, 2013	Period Ending March 31, 2012	Period Ending March 31, 2011	Period Ending March 31, 2010
Net Profit (as per Audited accounts)	10.12	2.43	8.26	18.62	11.16	1.75
Adjustments on account of						
Amortization of goodwill purchased*	-	1.20	1.20	1.20	1.10	-
Preliminary expenses written off	-	0.02	0.02	0.02	-	-
Total	-	1.23	1.23	1.23	1.10	-
Tax Impact**	-	-	-	-	-	-
Adjusted Net Profit	10.12	1.20	7.03	17.39	10.05	1.75

* amortisation of goodwill includes amounts written off in respect of goodwill paid for 156cquisition of a pub
** No tax impact as income tax would not allow amortization

CONTINGENT LIABILITY

(Rs. In Lacs)

Particulars	As at 31-01-2015	As at 31-03-2014	As at 31-03-2013	As at 31-03-2012	As at 31-03-2011	As at 31-03-2010
Legal cases against the company	-	-	-	-	-	-
VAT demand	29.17	-	-	-	-	-

3. Some of the loans and advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect in the books of account in the year of such adjustments.

4. Dividend : The Company has not paid/declared any dividend to its shareholders for the period / years ended 31 January 2015, 31 March 2014, 2013, 2012, 2011 and 2010.

5. Acquisition of Pecos Pub:. Pursuant to the agreement for assignment of business dated January 14, 2015, the company has acquired Pecos Pub, a sole proprietary concern of its Managing Director, Mr. Collin Richard Timms. The Assets and Liabilities as on 31t December 2014 have been taken over at their book values. The Purchase Consideration of Rs. 1,800,000, for which 150,000 shares of Rs. 10 each were issued at Rs. 12.

6. Segment Reporting The Company is engaged in the pub business which, in the context of Accounting Standard 17 on Segment Reporting constitutes a single reportable business segment.

7. Related Party Disclosures as required in terms of Accounting Standard – 18 are given in Annexure XIII

8. Earnings Per Share (EPS) as required in terms of Accounting Standard – 20 are given in Annexure XVI

9. Micro, Small & Medium Enterprises Development Act, 2006 :

Under the Micro, Small & Medium Enterprises Development Act, 2006 which came into force from 2nd October, 2006, certain disclosures are require to be made relating to Micro, Small & Medium Enterprises. The Company has no supplier who is covered under the said Act.

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements as of and for the years ended March 31, 2014, 2013 2012, 2011 and 2010 prepared in accordance with the Companies Act, 1956 and Companies Act, 2013 to the extent applicable 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" beginning on page 125 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" beginning on pages 16 and 15 respectively, of this Prospectus.

BUSINESS OVERVIEW

We were incorporated in the year 2005 with an aim to run pubs. Our Company is successfully running 4 pubs in Bangalore, providing 70s, 80s and 90s retro rock music since last 10 years.

The theme of the pub cater to the 20-35 age group, who are in reasonably well paying jobs, unmarried with a decent disposable income and looking for fellowship in the evening. The staffs are trained to engage the lonely ones in conversation or offer them a magazine or board games. With the advent of satellite TV, sports events have begun to emerge as congregating point. However music is still the key draw factor for almost all the clientele. The style and content of the music cuts across age and economic barriers, and forms a common bond of fellowship among the Pecos regulars.

We plan to leverage the brand equity enjoyed by our brand, "PECOS", using our existing formats while selectively expanding within our existing markets and into new markets. One of the criteria we look for when identifying sites to expand our PECOS brand is high consumer traffic, including sites within shopping areas, entertainment centres and office complexes, similar to our existing locations. We aim to spread across all the major cities of India

The objectives with which the Company has been incorporated are as follows:

(1) *"To carry on all or any other business of building, owning , managing, consulting, maintaining and running of Hotels, Pubs, Beer Houses, Snack Barks, Refreshment Rooms, Canteens, Night Clubs, Casinos, Discotheques, Baths, Dressing Rooms, Wine, Beer and Spirit Merchants, Resorts, Time Share resorts, Amusement Parks, Sports and Games Stadium, Swimming Pools, Golf Courses.*

(2) To carry on all or any of the business of building, owning, managing, consulting, maintaining and running of Shopping centers, business centers, inns, auditorium, health centers, arts, culture, Hospital, holiday homes, comfort Inns, Picture house, holiday tents, catering houses, Ice-cream parlour ,taverns, dance halls, cafes, road house, holiday camps, race tracks, ski resorts, Tourism Units operators, Heritage Hotels, House Boats, Recreation Activity center, Choultries, Dormitory Accommodation, Rest Houses, Entertainment Parks, Indoor and Outdoor Games, Tournaments, Recreation Facilities."

As a value driven corporate we focus on direct customer contact, transparency, quality customer servicing and speed of operations. We are a well-recognized brand in Bangalore and surrounding region and intend to extend our presence and business activities through deepening our reach in existing regions and expanding to new

regions that are untapped and underserved. We understand the customer requirements of these dynamic markets and continue to evolve processes and products that cater to the needs of the target segment we serve.

Beer is a rapidly expanding segment in the Indian Alcoholic Beverages industry. It is the third largest market and second fastest growing market in the Indian alcoholic beverages industry .The market size of Indian Beer Industry is expected to touch 452 million cases by 2017, driven by various factors like growing acceptability of social drinking, easy and convenient availability of beer along with burgeoning varieties on offer. Escalating disposable incomes, rising influence of urbanization and low per capita consumption are also anticipated to drive the consumption of beer in the nation.

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 significant developments or any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:-

1. Allotment of 6,75,000 Equity Shares of Rs. 10 each as bonus shares in the ratio 20:1 on January 12, 2015.
2. Allotment of 1,50,000 Equity Shares of Rs. 10 each for consideration other than cash for acquiring running business of M/s. Pecos Pub on January 30, 2015
3. Reappointment of Statutory Auditor M/s K Venkatchalam & Co. in Annual General Meeting held on September 29, 2014.

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 16 of this Prospectus. Our results of operations and financial conditions are affected by numerous factors including the following:

- Changes, if any, in the regulations / regulatory framework / economic policies in India and / or in foreign countries, which affect national & international finance.
- Volatility in the Indian and global capital market;
- Company's results of operations and financial performance;
- Performance of Company's competitors,
- Significant developments in India's economic and fiscal policies;
- Significant developments in India's environmental regulations.

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 years ended March 31, 2014, 2013 2012, 2011 and 2010.

Overview of Revenue & Expenditure

Revenues

Our Company's revenue is primarily generated from Sale of Food & Beverages

Other Income: Other operating revenue recognized from Interest and Brand Promotion Income.

(Rs. In Lakhs)

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Income					
Revenue from Operations	249.04	223.67	197.62	145.43	131.33
Increase/Decrease in %	11.34%	13.18%	35.88%	10.74%	NA
Other Income	43.10	41.40	32.15	23.80	0.11
Increase/Decrease in %	4.09%	28.77%	35.07%	21641.16%	NA
Total Revenue	292.14	265.07	229.77	169.24	131.44

The following is the Income mix in terms of value of total income of our Company for different services.

(Rs. In Lakhs)

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Revenue from Operation					
Sale of Food & Beverages	249.04	223.67	197.62	145.43	131.33
Total Revenue from Operation	**249.04**	**223.67**	**197.62**	**145.43**	**131.33**

The following is the Income mix in terms of value of total income of our Company for different services.

(Rs. In Lakhs)

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Revenue from Operation					
Sale of Food & Beverages	100.00%	100.00%	100.00%	100.00%	100.00%
Total Revenue from Operation	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Other Income

Other operating revenue consists of Interest Received and Brand promotion income.

(Rs. In Lakhs)

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Interest Income	1.30	0.56	0.82	0.00	0.11
Brand Promotion Income	41.80	40.84	31.33	23.80	0.00
Total Other Income	**43.10**	**41.40**	**32.15**	**23.80**	**0.11**

The following is the other income mix in terms of value of other income of our Company for other incomes

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Interest Income	3.02%	1.37%	2.58%	0.00%	100.00%
Brand Promotion Income	96.98%	98.63%	97.42%	100.00%	0.00%
Total Other Income	**100.00%**	**100.00%**	**100.00%**	**100.00%**	**100.00%**

Trade Receivables

The following table presents the details of our Company's trade receivables:

Particulars	As at March 31				
	2014	2013	2012	2011	2010
Secured, Considered good					
Amount receivable for a period exceeding six months	NIL	NIL	NIL	NIL	NIL
As a % of total trade receivables	0.00%	0.00%	0.00%	0.00%	0.00%
Amount receivable for a period less than six months	NIL	NIL	NIL	NIL	NIL
As a % of total trade receivables	0.00%	0.00%	0.00%	0.00%	0.00%
Unsecured, Considered doubtful					
Amount receivable for a period exceeding six months	5.88	5.88	4.41	4.41	0.00
As a % of total Trade receivables	73.63%	78.54%	33.64%	100.00%	0.00%
Less: Provision for doubtful debts	NIL	NIL	NIL	NIL	NIL
As a % of total Trade receivables	0.00%	0.00%	0.00%	0.00%	0.00%
Amount receivable for a period less than six months	2.11	1.61	8.70	0.00	0.00
As a % of total Trade receivables	26.37%	21.46%	66.36%	0.00%	0.00%

Less: Provision for doubtful debts	NIL	NIL	NIL	NIL	NIL
As a % of total Trade receivables	0.00%	0.00%	0.00%	0.00%	0.00%
Total –Trade receivables	**7.98**	**7.48**	**13.11**	**4.41**	**0.00**
Avg. Trade receivables	7.73	10.30	8.76	2.21	0.00
Trade receivables Turnover Ratio	32.20	21.72	22.56	65.95	0.00
Average Collection Period (in days)	0.09	0.06	0.06	0.18	0.00

Expenditure

Our Company's operating expenditure consists of following

Purchases of Food and Beverages

Other Expenses includes employees benefit expenses, other expenses, Finance cost, Depreciation etc.

RESULTS OF OPERATIONS

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	For The Year Ended March 31,				
	2014	2013	2012	2011	2010
INCOME					
Revenue from Operations					
Sale of Food & Beverages	249.04	223.67	197.62	145.43	131.33
Increase/Decrease in %	11.34%	13.18%	35.88%	10.74%	NA
Other Income	43.10	41.40	32.15	23.80	0.11
Increase/Decrease in %	4.09%	28.77%	35.07%	21641.16%	NA
Total Revenue	292.14	265.07	229.77	169.24	131.44
EXPENDITURE					
Purchase of Food and Beverages	150.26	171.14	100.50	77.77	66.70
As a % of Total Revenue	51.44%	64.56 %	43.74 %	45.95 %	50.74 %
Finance Cost	2.89	2.41	1.04	0.06	0.17
As a % of Total Revenue	0.99%	0.91%	0.45%	0.03%	0.13%

Employees Benefits Expenses	28.06	28.01	23.05	22.77	14.14
As a % of Total Revenue	9.60%	10.57%	10.03%	13.46%	10.76%
Other Expenses	92.51	47.96	69.57	53.61	44.05
As a % of Total Revenue	31.67%	18.09%	30.28%	31.68%	33.52%
Depreciation and Amortization Expenses	5.21	5.76	6.53	6.74	4.59
As a % of Total Revenue	1.78%	2.17%	2.84%	3.98%	3.49%
Total Expenditure	278.93	255.28	200.69	160.95	129.64
As a % of Total Revenue	95.48%	96.30%	87.34%	95.10%	98.64%
Profit before prior period items	13.21	9.80	29.08	8.29	1.79
Exceptional Items	NIL	NIL	NIL	NIL	NIL
Profit before tax	13.21	9.80	29.08	8.29	1.79
PBT Margin	4.52 %	3.70%	12.66%	4.90%	1.36%
Tax expense :					
(i) Current tax	11.77	6.85	10.36	0.00	1.43
(iv) Deferred Tax	0.24	-4.09	1.33	-1.77	-1.38
Total	12.01	2.77	11.69	-1.77	0.04
As a % of Total Revenue	**4.11%**	**1.04%**	**5.09%**	**-1.04%**	**0.03%**
Profit for the year	**1.20**	**7.03**	**17.39**	**10.05**	**1.75**
PAT Margin	**0.41%**	**2.65%**	**7.57%**	**5.94%**	**1.33%**

FISCAL YEAR ENDED MARCH 31, 2014 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2013

Income

Total revenue increased by Rs.27.06 Lakhs or 10.21 %, from Rs. 265.07 Lakhs in the fiscal year ended March 31, 2013 to Rs 292.14 lakhs in the fiscal year ended March 31, 2014.

Expenditure

Total Expenditure increased by Rs. 23.65 Lakhs, or 9.26 %, from Rs 255.28 Lakhs in the fiscal year ended March 31, 2013 to Rs. 278.93 Lakhs in the fiscal year ended March 31, 2014. Overall expenditure has increased mainly because of the increase in Finance Cost, Employee Benefit Expenses, and Other Expenses.

Purchases

Purchases in terms of value and percentage decreased by Rs.20.88 Lakhs and 12.20%, from Rs. 171.14 Lakhs in the fiscal year ended March 31, 2013 to Rs. 150.26 Lakhs in the fiscal year ended March 31, 2014.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 0.48 Lakhs and 20.01%, from Rs.2.41 Lakhs in the fiscal year ended March 31, 2013 to Rs.2.89 Lakhs in the fiscal year ended March 31, 2014. Overall finance cost has increased mainly due to increase in credit card expenses

Employee Benefit Expenses

Employee benefit expenses in terms of value and percentage increased by Rs.0.05 Lakhs and 0.17% from Rs. 28.01 Lakhs in the fiscal year ended March 31, 2013 to Rs.28.06 Lakhs in the fiscal year ended March 31, 2014. The employee cost has remained stagnant.

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 44.55Lakhs and 92.89%, from Rs.47.96 Lakhs in the fiscal year ended March 31, 2013 to Rs.92.51 Lakhs in the fiscal year ended March 31, 2014.Other expenses increased mainly due to increase in rent paid, repair and maintenance ,business promotion , insurance charges and miscellaneous expenses.

Net Profit after Tax and Extraordinary items

Net profit has decreased by 5.83 Lakhs and 82.92% from Rs.7..03 Lakhs in the fiscal year ended March 31, 2013 to Rs. 1.20 Lakhs in the fiscal year ended March 31, 2014.this was due to higher tax outflow

FISCAL YEAR ENDED MARCH 31, 2013 COMPARED WITH THE FISCAL YEAR ENDED MARCH 31, 2012

Income

Total revenue increased by Rs.35.31 Lakhs and 15.37%, from Rs.229.77 Lakhs in the fiscal year ended March 31, 2012 to Rs.265.07 Lakhs in the fiscal year ended March 31, 2013.

Expenditure

Total Expenditure increased by Rs.54.59 Lakhs, and 27.20 %, from Rs. 200.69 Lakhs in the fiscal year ended March 31, 2012 to Rs. 255.28 Lakhs in the fiscal year ended March 31, 2013. Overall expenditure has increased mainly because of the increase in Purchases , Finance Cost, and Employee Benefit Expenses.

Purchases

Purchases in terms of value and percentage increased by Rs.70.63 Lakhs and 70.28%, from Rs.100.50 Lakhs in the fiscal year ended March 31, 2012 to Rs.171.14Lakhs in the fiscal year ended March 31, 2013.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs. 1.37 Lakhs and 132.33 %, from Rs.1.04 Lakhs in the fiscal year ended March 31, 2012 to Rs.2.41 Lakhs in the fiscal year ended March 31, 2013. The reason for increase is payment of more Bank charges and increase in credit card expenses.

Employee Benefit Expenses

Employee benefit Expenses in terms of value and percentage increased by Rs.4.96 Lakhs and 21.52%, from Rs.23.05 Lakhs in the fiscal year ended March 31, 2012 to Rs. 28.01 Lakhs in the fiscal year ended March 31, 2013. The reason for increase in the same is that the company recruited more employees to support growing operations of the Company and general increment.

Other Expenses

Other Expenses in terms of value and percentage decreased by Rs.21.61 Lakhs and 31.06 %, from Rs 69.57Lakhs in the fiscal year ended March 31, 2012 to Rs. 47.96 Lakhs in the fiscal year ended March 31, 2013.Other expenses decreased due to reduction in repair and maintenance expenditure, rent paid, business promotion expenses and miscellaneous expenses.

Net Profit after Tax and Extraordinary items

Net profit has decreased by Rs. 10.36 Lakhs and 59.58%, from Rs.**17.39** Lakhs in the fiscal year ended March 31, 2012 to Rs. 7.03Lakhs 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. 60.53 Lakhs and 35.77 %, from Rs. 169.24 Lakhs in the fiscal year ended March 31, 2011 to Rs. 229.77 Lakhs in the fiscal year ended March 31, 2012.

Expenditure

Total Expenditure increased by Rs.39.74 Lakhs, and 24.69 %, from Rs. 160.95 Lakhs in the fiscal year ended March 31, 2011 to Rs.200.69 Lakhs in the fiscal year ended March 31, 2012. Overall expenditure has increased mainly because of the increase in cost of purchases and other expenses.

Purchases

Purchases in terms of value and percentage increased by Rs.22.74 Lakhs and 29.24%, from Rs.77.77 Lakhs in the fiscal year ended March 31, 2011 to Rs.100.50Lakhs in the fiscal year ended March 31, 2012.

Finance Costs

Finance Costs in terms of value and percentage increased by Rs.0.98 Lakhs and 1710%, from Rs.0.06 Lakhs in the fiscal year ended March 31, 2011 to Rs.1.04 Lakhs in the fiscal year ended March 31, 2012. The reason for increase is due to increase in credit card expenses .

Employee Benefit Expenses

Employee benefit Expenses in terms of value and percentage increased by Rs.0.28 Lakhs or 1.21% from Rs.22.77 Lakhs in the fiscal year ended March 31, 2011 to Rs. 23.05 Lakhs in the fiscal year ended March 31, 2012. Theses expenses have remained stagnant

Other Expenses

Other Expenses in terms of value and percentage increased by Rs. 15.95 Lakhs and 29.75 %, from Rs.53.61 Lakhs in the fiscal year ended March 31, 2011 to Rs 69.57Lakhs in the fiscal year ended March 31, 2012.Other expenses increased mainly due to increase in rent paid, legal & professional fees , repair & maintenance expenses and other expenses respective with growth of company.

Net Profit after Tax and Extraordinary items

Net profit has increased by Rs. 7.34Lakhs and 73 %, from Rs. 10.05 Lakhs in the fiscal year ended March 31, 2011 to Rs.17.39 Lakhs in the fiscal year ended March 31, 2012

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 section titled *"Risk Factors"* beginning on page 16 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 revenue or income from continuing operations**

Other than as described in the section titled *"Risk Factors* beginning on page 16 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 interest rates quoted by banks & others

.

5. **The extent to which material increases in net revenue are due to increased loan volume, introduction of new products, increased rates**

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 food and beverages Industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 73 of this Prospectus.

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

Our Company has not announced any new product and segment / scheme, 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**

Our company is providing food and beverages in the pubs . We are dependent on supplies for beverages on selected suppliers.

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 79 of this Prospectus.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATIONS AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigations, suits, criminal or civil prosecutions, proceedings or tax liabilities against/by the Company, its Directors, its Promoters and its Group Companies and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions by the 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 to the Companies Act) other than unclaimed liabilities of our Company and no disciplinary action has been taken by SEBI or any stock exchange against the Company, its Promoters, its Directors and Group Companies.

Further, except as stated herein, there are no past cases in which penalties have been imposed on the Company, its Promoters, its Directors or its Group Companies, and there is no outstanding litigation against any other Company whose outcome could have a material adverse effect on the position of the Company. Further, there are no cases of litigation, defaults etc. in respect of companies/firms/ventures with which the Promoters were associated in the past but are no longer associated, in respect of which the name(s) of the Promoters continues to be associated.

Further, apart from those as stated below, there are no show-cause notices / claims served on the Company, its Promoters, its Directors or its Group Companies from any statutory authority / revenue authority that would have a material adverse effect on our business.

LITIGATION RELATING TO THE COMPANY

Case Filed Against Our Company

Nil

Cases Filed By the Company

Nil

Cases pending with Tax Authorities

Our Company has received notice under Section 52(1) of Karnataka VAT Act, 2003 from Asst Commissioner of Commercial Taxes dated 20.10.2014 calling for production of books of accounts for the FY 2012-13. Pursuant to said notice the authorized representative appeared before the said authority and after scrutinizing the documents, through further notice dated 24.02.2015, an additional demand of Rs. 29.17 Lacs was raised for the said period. The Company has submitted the reply in this regard on 17/3/2015 and based on company's representation the amount was reduced to Rs. 82,464 which has since been paid.

LITIGATIONS RELATING TO THE PROMOTERS OF OUR COMPANY

Cases filed by Our Promoters

Nil

Cases filed against our Promoters

Nil

LITIGATIONS RELATING TO THE DIRECTORS OTHER THAN PROMOTERS OF THE COMPANY

Cases filed against the Directors

Nil

Cases filed by the Directors

Nil

LITIGATIONS RELATING TO THE GROUP COMPANIES

Cases Filed Against the Group Companies

1. **OTCO International Limited**

   a. **Revocation of Suspension on BSE.**

   The Bombay Stock Exchange had suspended the trading of the Company in the year 2007 for non compliance of the Listing Agreement . However the Company has complied with the provisions of the Listing Agreement and the BSE has revoked the suspension in October, 2014.

   b. **SEBI Notice for non-compliance of SEBI (DIP) GUIDELINES ,2000 for delay in allotment of Bonus Shares.**

   On June 30, 2007 the Board of the Directors of the Company had made the announcement for Issue of Bonus Shares . Under the erstwhile SEBI DIP Guidelines (2000) . The Company was required to make Bonus issue within the period of 6 months from date of announcement of Bonus Issue and the said Bonus Issue was completed on January 29,2008 , thereby causing a delay of 30 days . At the time of revocation of suspension , the matter was bought to the notice of the Company by BSE . The Company on its own accord had submitted the letter to SEBI requesting for condonation of delay . The matter is still pending.

   c. **Show Cause Notice for violation of section 205C of the Companies Act, 1956**

   The Company has received a show cause notice dated July 02, 2014 for not filing statement of information of unclaimed dividend through eform 5INV. Our company is in the process of making the default good.

2. **Delfin International Limited .**

   a. SEBI had issued a show-cause notice dated August 5,2008 against the listed Company M/s Oasis Cine Communication Limited in terms of Rule 4(3) of SEBI(Procedure for holding enquiry and imposing of penalties by adjudicating officer)Rules, 1995 for price rigging of the shares of the Company. After giving ample opportunities to the Company to be heard, but for which no one appeared for hearing, the adjudicating officer passed an order dated August 26,2010 - vide its order no PKB /AO-104/2010 asking the Company to pay a sum of Rs 500,000/- towards the penalty in terms of provisions of Section 15 A (a) & of SEBI Act, 1992 and Rule 5(1) of the Rules for non-compliance of Summons. After Company failed to pay the penalty amount, SEBI filed a criminal complaint against the Company & 18 other entities, wherein Delfin International Limited was also made a party as a shareholder/Director, with Chief Metropolitan Magistrate at Calcutta Court. The case is under progress and next date of hearing is 28th August, 2015.

3. **GUARDIAN HEALTH MANAGEMENT PRIVATE LIMITED**

   a. The Company had received the notice from I.T Authorities dated 21-10-2013 w.r.t scrutiny u/s 143(1)of the Income Tax Act, 1961 of its return filed for the year A.Y.2011-12. On December 27,2013 The Deputy Commissioner of Income Tax had passed an assessment order the under Section 143(3) of the Income Tax Act ,1961 treating the Capital Gain Income as Business Income and demand of Rs 15,46,950/- was raised against the Company. The Company has paid the said

sum under the protest and the Company has appealed before the Commissioner of Income Tax (CIT) and the appeal was dismissed by (CIT) and upheld the decision of the Assessing Officer.

4. SPOT CITY TAXI SERVICES PRIVATE LIMITED

a. The Company had received a letter dated 21/07/2010 from Service Tax Authorities to furnish the Balance sheet of the Company for the period from 2006-07 to 2009-10. Upon the production of the documents a show cause notice was issued by the Service Tax Department demanding a sum of Rs. 44.96 Lakhs towards service tax along with interest for violation of Section 76,77 & 78 of the Finance Act , 1994 for the year 2006-07 to 2010-11. The Company filed an appeal before Commissioner of Service Tax but the Commissioner of Service Tax passed an order upholding the demand made by the Department The Company has preferred an appeal before the Customs, Excise and Service Tax Appellate Tribunal(CESTAT) for waiver of deposit amount and set aside the appeal dated 24.12.2013 and remand the matter to first Appellate authority. The Company is awaiting the order in this regard.

b. The Company had received a show cause notice dated 12.07.2012 for production of financial for the year 2011-12. Upon scrutiny of the financials a demand of Rs 4.34 Lacs along with interest under the Section 73(1), & penalties under Section 76,77,& 78 of the Finance Act ,1994 for the financial year 2010-11 was raised on the Company by an order dated 30.10.2013 by Asst Commissioner of Service Tax, Division –II. An appeal was preferred by the Company before Commissioner of Central Excise Appeals wherein the original order passed was upheld vide his order dated 15.12.2014. The Company has filed an appeal before the Customs, Excise and Service Tax Appellate Tribunal(CESTAT) for setting aside the order dated 15.12.2014. The Company is awaiting the final order.

Cases Filed By the Group Companies

Nil

LITIGATIONS RELATING TO THE DIRECTORS OF GROUP COMPANIES

Cases Filed Against the Directors of Group Companies

Nil

Cases Filed By the Directors of Group Companies

Nil

Cases Pending with Income Tax Authorities against our Whole Time Director(s) and Whole Time Director(s) of our Group Entities:

Nil

PAST CASES IN WHICH PENALTIES HAVE BEEN IMPOSED ON THE COMPANY

The are no cases in the last five years in which penalties have been imposed on the Company.

CREDITORS OF THE COMPANY FOR THE AMOUNT EXCEEDING RS. 1 LAKHS OUTSTANDING FOR MORE THAN 30 DAYS

There are no such creditors outstanding as on March 31, 2014

MATERIAL DEVELOPMENTS

Except as stated in the chapter titled *"Management's Discussion and Analysis of Financial Conditions and Results of Operations"* beginning on page 125 of the Prospectus, no material developments have taken place after March 31, 2014, the date of the latest balance sheet, that would materially adversely affect the performance of prospectus of the Company. In accordance with SEBI requirements, our Company and the Lead Manager shall ensure that investors are informed of material developments until such time as the grant of listing and trading permission by the SME Platform of BSE.

We certify that except as stated herein above:

a. There are no pending proceedings for offences for non-payment of statutory dues by the promoters of the Company.
b. There are no cases of litigation pending against the Company or against any other Company in which Directors are interested, whose outcome could have a materially adverse effect on the financial position of the Company.
c. There are no pending litigation against the Promoters/ Directors in their personal capacities and also involving violation of statutory regulations or criminal offences.
d. There are no pending proceedings initiated for economic offences against the Directors, Promoters, Companies and firms promoted by the Promoters.
e. There are no outstanding litigation, defaults etc. pertaining to matters likely to affect the operations and finances of the Company including disputed tax liability or prosecution under any enactment.
f. There are no litigations against the Promoters / Directors in their personal capacity.
g. The Company, its Promoters and other Companies with which promoters are associated have neither been suspended by SEBI nor has any disciplinary action been taken by SEBI.
h. There are no such creditors as on March 31, 2014 to whom Company owes sum exceeding Rs. 1,00,000 and are outstanding for more than 30 days as certified by the management of Our Company.

GOVERNMENT AND OTHER STATUTORY APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, and no further approvals are required for carrying on our present business or to undertake the Issue. Unless otherwise stated, these approvals are all valid as on the date of the Prospectus.

APPROVALS FOR THE ISSUE

Corporate Approvals

1. Our Board has, pursuant to a resolution passed at its meeting held on February 02, 2015 authorized the Issue.
2. Our shareholders have pursuant to a resolution passed at their meeting dated March 02, 2015 under Section 62(1)© of the Companies Act 2013, authorized the Issue.

INCORPORATION DETAILS

1. Certificate of Incorporation dated February 14, 2005 issued by the Registrar of Companies Bangalore, Karnataka.
2. Fresh Certificate of Incorporation dated March 26, 2015 issued by the Registrar of Companies Bangalore, Karnataka consequent upon conversion to public limited company.

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:

A. Under Direct and Indirect Laws

Sr. No.	Nature of License / Approvals	Authority	Particulars of License / Approvals	Validity Period	Special conditions, if any
1.	Registration in Income Tax Department	Income Tax Department, Govt. of India	PAN: AADCP5879Q	Perpetual	-
2.	Allotment of Tax Deduction Account Number (TAN)	National Securities Depository Limited	TAN: BLRP06430E	Perpetual	-
3.	Karnataka Value Added Tax Registration No	Assistant Commissioner of Commercial Tax	TIN: 29060451708	Perpetual	-
4.	Service Tax Registration	Superintendent, Service Tax, Bangalore	Reg. no. AADCP5879QSD001	Perpetual	-
5.	Professional Tax Registration.	Professional Tax Officer, Bangalore	Reg. no. 367650043	Perpetual	-

B. Other Approvals

Sr. No	Nature of Registration / License	Registration / License No.	Issuing Authority	Valid upto
Other Approvals (Company) for 100 feet road, 1st stage Indira Nagar, Door No303/A				
1.	Licence for the Retail Sale of Bulk Beer	EXE/BNG(U)/30/01/RVB/2015-2016	Deputy commissioner, Bangalore urban district	30/06/2016

2.	Registration Certificate of Establishment	19/80/CE/0579/2006	Government of Karnataka: department of labour	31/12/2019
3.	Trade licence Certificate	Licence No. 224/06-07	Bruhat Bangalore mahanagarapalike Health Department	31st March 2014*
Other Approvals (Company) for Brigade road,189/1.				
4.	License for the retail sale of bulk beer	EXE/BNG(U)/ANR/06/RVB/2015/16	Deputy commissioner, Bangalore urban district	30/06/2016
5.	Registration certificate of establishment	41/111/CE/4420/2006	Government of Karnataka: department of labour	31/12/2019
6.	Trade licence Certificate	Licence No. 35/2011-12	Bruhat Bangalore mahanagarapalike Health Department	31/03/2014*
Other Approvals (Company) 47/1,St Marks Road, Bangalore				
7.	License for retail sale of Bulk Beer	EXE/BNG(U)/ANR/09/RVB/2015-16	Deputy commissioner, Bangalore urban district	30/06/2016
8.	Registration certificate of establishment	41/111/CE/1216/2013	Government of Karnataka: department of labour	31/12/2017
9.	Trade licence Certificate	Licence No. 52/2013-14	Bruhat Bangalore mahanagarapalike Health Department	31/03/2014*
Other Approvals (Company) premises no. 34 Rest House, Bangalore				
10.	License for retail sale of Bulk Beer	EXE/BNG(U)/ANR/05/RVB/2015-16	Deputy commissioner, Bangalore urban district	30/06/2016
11.	Registration certificate of establishment	Applied for registration	Government of Karnataka: department of labour	-
12.	Trade licence Certificate	Licence No. 2788/88-89	Bruhat Bangalore mahanagarapalike Health Department	31/03/2014*

**The certificates are in the process for renewal.*

INTELLECTUAL PROPERTY

Below mention logo is registered in the name of one of our Promoter i.e. Collin Richard Timms. Our Promoter has authorized to use the name and logo in connection with business of the Company for a period of 2 years vide letter dated March 01, 2015:

Sr. No.	Logo	Date of Renewal of registration	Trademark No.	Class	Validity
1.		September 04, 2014	1323222	42	Renewed for a period of Ten years from December 01, 2014

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 February 02, 2015 and by the shareholders of our Company by a special resolution, pursuant to Section 62(1)(c) of the Companies Act, 2013, passed at the Extraordinary General Meeting of our Company held on March 02, 2015 at registered office of the Company.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

Our Company, our Promoters, our Directors, our Promoter Group and our Group Entities, 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 Promoters, our Directors or persons in control of our Company are/ were associated as promoters, 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 except OCTO International Limited a listed Company please refer to chapter titled "Outstanding Litigation and Material Developments" beginning on page 167. 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 Promoters, or the relatives (as defined under the Companies Act) of our Promoters or Group Entities 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 except OCTO International Limited a listed Company please refer to chapter titled "Outstanding Litigation and Material Developments" beginning on page 167.

ELIGIBILITY FOR THIS ISSUE

Our Company is eligible for the Issue in terms of Regulation 106M(1) of chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time, as the post issue 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 100% 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 34 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 u/s 40 of the Companies Act, 2013
3. In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, we have not filed any Offer Document with SEBI nor has SEBI issued any observations on our Offer Document. Also, we shall ensure that our 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 Lead Manager 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 34 of this Prospectus.

5. The Company has Net Tangible assets of Rs. 103.91lakhs as per the latest audited restated financial results for the period ended January 31, 2015

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 section 205 of Companies Act, 1956 / section 123 of the Companies Act, 2013 for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months.

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, 2014, 2013 and 2012 is as set forth below:-

(In Rs. Lakhs)

Particulars	As on March 31, 2014	As on March 31, 2013	As on March 31, 2012
Distributable Profit*	68.75	42.89	35.86
Net tangible Assets**	77.53	76.06	81.68
Net Worth***	72.09	43.89	36.86

**"Distributable profits" have been computed in terms section 205 of the Companies Act, 1956 / section 123 of the Companies Act, 2013.*

***"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 intangible assets).*

****"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 paid up capital shall be Rs. 13,098,750 after the issue.

10. The Company shall mandatorily facilitate trading in demat securities and has entered in to 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 or a liquidator has been appointed 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: www.pecospub.com

15. There has been no change in the Promoter(s) of the Company in the preceding one year from the date of filling application to BSE for listing on SME segment.

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, SARTHI CAPITAL ADVISORS PRIVATE LIMITED HAVE 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, SARTHI 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, SARTHI CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO SEBI A DUE DILIGENCE CERTIFICATE DATED JULY 06, 2015 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 HAVE SATISFIED 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, SUBJECT TO COMPLIANCE WITH REGULATION 56 OF THE SEBI REGULATIONS

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."**

    **Section 40(3) of the Companies Act, 2013 has been notified by the Ministry of Corporate Affairs, Government of India.*

    ***Section 29 of the Companies Act, 2013 provides inter alia that every company making public offers shall issue securities only in dematerialised form by complying with the provisions of the Depositories Act, 1996 and the regulations made thereunder.*

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. – NOTED FOR COMPLIANCE.**

(5) **WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO 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. - NOTED FOR COMPLIANCE."**

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34, section 35, section 36 OR section 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 Bangalore, Karnatakain terms of sections 26, 32 and 33 of the Companies Act, 2013.

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, www.pecospub.comwould 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 March 27, 2015 ,the Underwriting Agreement dated March 27, 2015 entered into among the Underwriter 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 centers, *etc.*

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 the track record of the past Issues handled by the Lead Manager to the Issue as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by the SEBI, please refer to '**Annexure A**' to this Prospectus and the website of the Lead Manager at www.sarthiwm.in

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 2(72) of the Companies Act, 2013, 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 FIIs, Eligible NRIs, QFIs, 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 Bangalore 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 and legislations in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

As required, a copy of this Prospectus shall be submitted to BSE. The Disclaimer Clause as intimated by BSE to us, post scrutiny of this Prospectus, shall be included in the Prospectus prior to the RoC filing.

FILING

This Prospectus shall not be filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3). However, a copy of the Prospectus shall be filed with SEBI at the SEBI Southern Regional Office, D'Monte Building, 3rd Floor, No. 32, D'Monte Colony, TTK Road, Alwarpet, Chennai-600018. 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 E' Wing, 2nd Floor, Kendriya Sadana, Kormangala, Bangalore-560034.

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 approval for using its name in our Prospectus vide its letter dated May 07, 2015.

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 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 40 of the Companies Act, 2013.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at the 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 Promoters, the Company Secretary and Compliance Officer, the Auditors, Secretarial Auditor, the Banker to the Issue; and (b) Lead manager, Underwriters, Market Makers Registrar to the Issue, Legal Advisor 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 Section 32 of 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 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 is not withdrawn up to the time of delivery of this Prospectus with BSE.

EXPERT TO THE ISSUE

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

1. Report of the Statutory Auditor on Statement of Tax Benefits

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, see the chapter "Objects of the Issue" beginning on page 57 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 December 03, 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 March 27, 2015 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 Legal Advisor, Auditor and Advertiser, *etc.* will be as per the terms of their respective engagement letters.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement 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 DURING THE LAST FIVE YEARS

We have not made any previous rights and/or public issues during the last five years, 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 42 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 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 except OTCO International Limited a BSE Listed Company. 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 Company Secretary and 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 Stakeholders Relationships Committee Shareholders of the Board *vide* resolution passed at the Board Meeting held on March 27, 2015. For further details, please refer to the chapter titled "*Our Management*" beginning on page 93 of this Prospectus.

Our Company has appointed Ms. Swapnil Kshirsagar as the Company Secretary and Compliance Officer and he may be contacted at the following address:

Pecos Hotels and Pubs Limited
No. 189/1, 1st , 2nd, 3rd, & 4th Floor
Brigade Road
Bangalore-560001
Karnataka, India
Tel: +91-80-41142038
Email: pecoshotels@gmail.com
Website: www.pecospub.com

Investors can contact the Company Secretary and 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

There have been no changes in the statutory auditors of our Company in the last three financial years.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 42 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 Promoters and/or Directors have any direct or indirect interest in any payment made thereunder.

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, 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 along with notified provisions of Companies Act, 2013, 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 208 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act 2013 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, 2013. For further details, please refer to the chapter titled 'Dividend Policy' on page 124 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. 40/- 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 62 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 trading of the Equity Shares will happen in the minimum contract size of 3,000 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 3,000 Equity Shares subject to a minimum allotment of 3,000 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 72 of the Companies Act 2013, the sole or first applicant, along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the 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 72 of the Companies Act 2013, 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 72 of the Companies Act 2013, any Person who becomes a nominee by virtue of Section 72 of the Companies Act 2013, shall upon the production of such evidence as may be required by the Board, elect either:

- to register himself or herself as the holder of the Equity Shares; or
- to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety 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.

MINIMUM SUBSCRIPTION

In the event our Company does not receive a minimum subscription of 100% of the Issue, subject to the Issue being made for at least 25% of the post-Issue paid up Indian Equity Share capital of our Company, in accordance with Rule 19(2)(b)(i) of the Securities Contracts (Regulation) Rules, 1957, including devolvement to the Underwriters within 60 days from the Bid/Issue Closing Date, we shall forthwith refund the entire subscription amount received not later than 70 days from the Bid/Issue Closing Date. If there is a delay beyond eight days after the expiry of 70 days from the Bid/Issue Closing Date, the Directors of our Company who are officers in default shall jointly and severally be liable to repay the money with such interest as prescriber under section 39(3) of the Companies Act, 2013 and Companies (Prospectus and Allotment of Securities) Rules, 2014. Further Section 39(5) states that in case of default under section 39(3), the Company and its officers who are in

default shall be liable to a penalty of Rs.1,000 for each day during which the default continues or Rs. 100,000, whichever is less

Additionally, section 40(3) of the 2013 Act requires application money to be refunded in the event of failure to Allot Equity Shares for any other reason. If a default is made in complying with the provisions of this section the Company shall be punishable with a fine which shall not be less than Rs. 500,000, but which may extend to Rs. 5,000,000 and every officer of the Company who is in default shall be punishable with imprisonment for a term which may extend to one year or with fine which shall not be less than Rs. 50,000 but which may extend to Rs. 300,000 or with both.

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:

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 Promoters 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 Promoters 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 though this issue are proposed to be listed on the SME Platform of BSE (SME Exchange) wherein the Lead Manager to the issue shall ensure 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 though this Prospectus. For further details of the Market Making arrangement see chapter titled "General Information" beginning on page 34 of this Prospectus.

ARRANGEMENTS FOR DISPOSAL OF ODD LOTS

The trading of the Equity Shares will happen in the minimum contract size of 3,000 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 42 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 208 of this Prospectus.

ALLOTMENT OF EQUITY SHARES IN DEMATERIALIZED FORM

Our Company shall issue shares only in dematerialized. Investors making application in dematerialized form may get the specified securities rematerialized subsequent to allotment.

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 Bangalore, Karnataka, 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 XB of SEBI (ICDR) Regulations, 2009, as amended from time to time, whereby, an issuer whose post-issue face value capital is less than Rs. 1,000 Lakhs 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 184 and 190 of this Prospectus.

FOLLOWING IS THE ISSUE STRUCTURE:

Public Issue of 4,59,000Equity shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 40/- per Equity Share aggregating Rs. 229.50 Lakhs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 4,32,000Equity Shares ('the Net Issue') and a reservation of 27,000 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	4,32,000 Equity Shares	27,000 Equity Shares
Percentage of Issue Size available for allocation	95.00 % of the Issue size	5.00 % of the Issue size
Basis of Allotment	Proportionate subject to minimum allotment of 3,000 Equity Shares and further allotment in multiples of 3,000 Equity Shares each. For further details please refer to the "Basis of Allotment" on page 196 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 3,000 Equity Shares such that the Application Value exceeds Rs. 2,00,000/- For Retail Individuals: 3,000 Equity Shares	27,000 Equity Shares
Maximum Application Size	For QIB and NII: Such number of equity shares in	Application size shall be 27,000 equity shares since there is a firm

Particulars of the Issue	Net Issue to Public*	Market Maker Reservation Portion
	multiples of 3,000 Equity Shares such that the Application Size does not exceed 4,32,000 Equity Shares. For Retail Individuals: 3,000 Equity Shares	allotment
Mode of Allotment	Dematerialized Form	Dematerialized Form
Trading Lot	3,000 Equity Shares	3,000 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	JULY 23, 2015
ISSUE CLOSING DATE	JULY 28, 2015

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 4.00 p.m. (Indian Standard Time). Applications will be accepted only on Working Days, i.e., Monday to Friday (excluding any public holiday).

ISSUE PROCEDURE

FIXED PRICE ISSUE PROCEDURE

This Issue is being made in terms of Regulation 106(M)(1) of Chapter XB of SEBI (ICDR) Regulations, 2009 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.

As per the provisions Section 29 of the Companies Act, 2013, the Allotment of Equity Shares in the Issue shall be only in a de-materialized form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).The Equity Shares on Allotment shall, however, 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. The Application Form shall contain space for indicating number of specified securities subscribed for in demat form.

ASBA Applicants shall submit an Application Form either in physical or electronic form to the SCSB's 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	Color 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 1, 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);
- FIIs and sub-accounts registered with SEBI, other than a sub-account which is a foreign corporate or a foreign individual under the QIB Portion;
- Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
- Sub-accounts of FIIs registered with SEBI, which are foreign corporates or foreign individuals only under the Non-Institutional applicants category;
- 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

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 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.

OPTION TO SUBSCRIBE IN THE ISSUE

a) Investors will get the allotment of Equity Shares in dematerialization 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 NRIS 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 HUF's 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 NRIS/FII'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 form meant for Resident Indians and should not use the forms meant for the reserved category. Under the Foreign Exchange Management Act, 1999 (FEMA) general permission is granted to the companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRI's subject to the terms and conditions stipulated therein. The 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 NRI's 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. The Company does not require approvals from FIPB or RBI for the issue of equity shares to eligible NRIs, FIIs, 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 FIIS:

- The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue paid- up capital. In respect of an FII investing in the Equity Shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital of the Company or 5% of the total issued capital, in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits applicable to our Company, such investment must be made out of funds raised or collected or brought from outside India through normal banking channels and the investment must not exceed the overall ceiling specified for FIIs. Under the portfolio investment scheme, the aggregate issue of equity shares to FIIs and their sub-accounts should not exceed 24% of post-issue paid-up equity capital of a company. However, this limit can be increased to the permitted sectoral cap/statutory limit, as applicable to our Company after obtaining approval of its Board of Directors followed by a special resolution to that effect by its shareholders in their general meeting. As on the date of this Prospectus, no such resolution has been recommended to the shareholders of our Company for adoption.

- Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of Regulation 15A(1) of the SEBI (Foreign Institutional Investors) Regulations 1995, as amended, by the SEBI (Foreign Institutional Investors)(Amendment) Regulations, 2008 ('SEBI FII Regulations'), an FII, as defined in the SEBI FII Regulations, or its sub account may issue, deal or hold, off shore derivative instruments (defined under the SEBI FII Regulations, as any instrument, by whatever name called, which is issued overseas by a foreign institutional investor against securities held by it that are listed or proposed to be listed on any recognized stock exchange in India, as its underlying) directly or indirectly, only in the event (i) such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority; and (ii) such offshore derivative instruments are issued after compliance with 'know your client' norms. The FII or sub-account is also required to ensure that no further issue or transfer of any offshore derivative instrument issued by it is made to any persons that are not regulated by an appropriate foreign regulatory authority as defined under the SEBI FII Regulations. Associates and affiliates of the underwriters including the LM that are FIIs may issue offshore derivative instruments against Equity Shares Allotted to them in the Issue. Any such offshore derivative instrument does not constitute any obligation or claim or claim on or an interest in, our Company.

  In case of FII's in NRI/FII Portion, number of Equity Shares applied shall not exceed issue size.

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 prescribes 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 the 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) Regulations, 2000, 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 10% of the respective fund in case of a life insurer or 10% of investment assets in case of a general insurer or reinsurer (25% in case of ULIPS); and
(c) The industry sector in which the investee company operates: 10% of the insurer's total investment exposure to the industry sector (25% in case of ULIPS).

In addition, the IRDA partially amended the exposure limits applicable to investments in public limited companies in the infrastructure and housing sectors on December 26, 2008, 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, FIIs, 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, FIIs 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 the Insurance Regulatory and Development Authority, in addition to the above, a certified copy of the certificate of registration issued by the Insurance Regulatory and Development Authority 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, 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 3,000 Equity Shares. As the Application Price payable by the Applicant cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 3,000 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. 2,00,000 and in multiples of 4,000 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 Registrar of Companies Bangalore, Karnataka 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 SCSB's. ASBA Application Forms, which do not bear the stamp of the SCSB, will be rejected.

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 payable at New Delhi.

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 Limited i.e. www.bseindia.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 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 here:

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 3,000 equity shares the allotment will be made as follows:
   a) Each successful applicant shall be allotted 3,000 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 3,000 equity shares, the applicant would be allotted Shares by rounding off to the nearest multiple of 3,000 equity shares subject to a minimum allotment of 3,000 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 of applicants applying for the minimum number of Shares. If as a result of the process of

rounding off to the nearest multiple of 3000 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 small individual applicants as described below:
   a) As the retail individual investor category is entitled to more than fifty percent 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 Applicants 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 s 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, FIIs and foreign venture capital funds and all Non Residents, NRI, FII 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. 50/- 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 drawn on any Bank (including a Cooperative Bank), which is situated at, and is a member of or sub member of the bankers' clearing house located at the centre where the 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: 'Pecos Hotels and Pubs Limited –Public Issue – R'.
   - In case of Non Resident Retail Applicants applying on repatriation basis: 'Pecos Hotels and Pubs Limited – Public Issue – NR'
2. In case of Application by NRIs applying on repatriation basis, the payments must be made through Indian Rupees 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 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 5, 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 (as defined herein below) 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 Bankers 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 up 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 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.

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 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 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 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.

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.

GROUNDS 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 3000;
- 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 Stock invest/ 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 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 4.00 pm on the Issue Closing Date;

IMPERSONATION

Attention of the applicants is specifically drawn to the provisions of section 38(1) of the Companies Act, 2013 which is reproduced below:

'Any person who:

a. makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
b. makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
c. otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

Shall be liable for action under section 447 of Companies Act, 2013 and shall be treated as Fraud.

SIGNING OF UNDERWRITING AGREEMENT

Vide an Underwriting agreement dated March 27, 2015 this issue is 100% Underwritten.

FILING OF THE PROSPECTUS WITH THE ROC

The Company will file a copy of the Prospectus with the Registrar of Companies Bangalore, Karnataka in terms of Section 32 of Companies Act, 2013.

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/ securities certificates and/ or letters of regret 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.

In case the Company issues Letters of allotment, the corresponding Security Certificates will be kept ready within two months from the date of allotment thereof or such extended time as may be approved by the Company Law Board under Section 56 of the Companies Act, 2013 or other applicable provisions, if any.

Allottees are requested to preserve such Letters of Allotment, which would be exchanged later for the Security Certificates. 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 s 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 s 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 s 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 s 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 15 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 seven working days of Allotment.

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 time period 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 Stock Exchange 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 certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and
6. 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.
7. 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 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 and
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.
5. Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from the Stock Exchange 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, reserve 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 will enter into following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

(a) We have entered into tripartite agreement between NSDL, the Company and the Registrar to the Issue;

(b) We have entered into tripartite agreement between CDSL, the Company and the Registrar to the Issue;

The Company's Equity shares bear an ISIN No. INE484S01010

- 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 Demographic Details given in the Application Form vis à vis those with his or her Depository Participant.
- Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. The Stock Exchange where our Equity Shares are proposed to be listed has electronic connectivity with CDSL and NSDL.
- The allotment and trading of the Equity Shares of the Company would be in dematerialized form only for all investors.

COMMUNICANTIONS

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 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/1365051213899.html. For details on designated branches of SCSB collecting the Application Form, please refer 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 1, 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, , 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 as per the provisions of section 40(3) of the Companies Act, 2013 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.

RESTRICTION 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 the prior approval of the FIPB or the 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 PROVISION OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II of the Companies Act and the SEBI Regulations, the main provisions of our Articles relating to, *inter alia*, 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.

CAPITAL AND INCREASE AND REDUCTION OF CAPITAL

Title of Article	Article Number and contents
Share Capital	**3.** The Authorised Share Capital of the Company shall be such amount, divided into such class(es) denomination(s) and number of shares in the Company as stated in Clause V of the Memorandum Of Association of the Company, with power to increase or reduce such Capital from time to time and power to divide the shares in the Capital for the time being into other classes and to attach thereto respectively such preferential, convertible, deferred, qualified, or other special rights, privileges, conditions or restrictions and to vary, modify or abrogate the same in such manner as may be determined by or in accordance with the regulations of the Company or the provisions of the Company or the provisions of the law for the time being in force.
Increase of capital by the Company how carried into effect	**4.** The Company may in General Meeting from time to time, by Ordinary Resolution from time to time, 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 47 of the Companies Act, 2013. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Companies Act, 2013.
New Capital same as existing capital	**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.
Non Voting Shares	**6.** The Board shall have the power to issue a part of authorised 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.

Title of Article	Article Number and contents
Redeemable Preference Shares	**7.** Subject to the provisions of Section 80 of the of the Companies Act, 1956 (as may be applicable) and Section 55 of the Companies Act, 2013 (as may be applicable), the Company shall have the power to issue preferenceshares which are or at the option of the Company, liable to be redeemed and the resolution authorizing such issue shall prescribe the manner, terms and conditions of redemption.
Voting rights ofpreference 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.
Provisions to apply on issue of Redeemable 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 the redemption. (b) No such Shares shall be redeemed unless they are fully paid. (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. (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 55 of the Companies Act, 2013 apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company. (e) Subject to the provisions of Section 55 of the Companies Act, 2013, the redemption of preference shares hereunder may be affected 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.
Reduction of capital	**10.** The Company may (subject to the provisions of section 52, 55(1) & (2) of the Companies Act, 2013 and Section 80 of the Companies Act, 1956, to the extent applicable, and Section 100 to 105 of the Companies Act, 1956, both inclusive, and other applicable provisions, if any, of the Act) from time to time by Special Resolution reduce (a) the share capital; (b) any capital redemption reserve account; or

Title of Article	Article Number and contents
	(c) any security premium account. Inany 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.
Purchase of own Shares	**11.** The Company shall have power, subject to and in accordance with all applicable provisions of the Act, to purchase any of its own fully paid Shares whether or not they are redeemable and may make a payment out of capital in respect of such purchase.
Sub-division consolidation and cancellation of Shares	**12.** Subject to the provisions of Section 61 of the Companies Act, 2013 and other applicable provisions of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its Shares, or any of them and the resolution whereby any Share is sub-divided may determine that, as between the holders of the Shares resulting from such sub-divisions, 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 other(s). 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.

MODIFICATION OF RIGHTS

Title of Article	Article Number and contents
Modification of rights	**13.** Whenever the capital, by reason of the issue of preference shares or otherwise, is divided into different classes of Shares, all or any of the rights and privileges attached to each class may, subject to the provisions of Sections 106 and 107 of the Act, be modified, commuted, affected, abrogated, dealt with or varied with the consent in writing of the holders of not less than three-fourth of the issued capital of that class or with the sanction of a Special Resolution passed at a separate General Meeting of the holders of Shares of that class, and all the provisions hereafter contained as to General Meeting shall mutatis mutandis apply to every such Meeting. This Article is not to derogate from any power the Company would have if this Article was omitted. The rights conferred upon the holders of the Shares (including preference shares, 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, dealt with or varied by the creation or issue of further Shares ranking paripassu therewith.

SHARES, CERTIFICATES AND DEMATERIALISATION

Title of Article	Article Number and contents
Restriction on allotment and return of allotment	**14.** The Board of Directors shall observe the restrictions on allotment of Shares to the public contained in Section 39 of the Companies Act, 2013, and shall cause to be made the returns as to allotment provided for in Section 39 of the Companies Act, 2013.
Further issue of shares	**15.** 1. Where at any time, a company having a share capital proposes to increase its subscribed capital by the issue of further shares, such shares shall be offered- (a) to persons who, at the date of the offer, are holders of equity shares of the company in proportion, as nearly as circumstances admit, to the paid-up share capital on those shares by sending a letter of offer subject to the following conditions, namely:— (i) the offer shall be made by notice specifying the number of shares offered and limiting a time not being less than fifteen days and not exceeding thirty days from the date of the offer within which the offer, if not accepted, shall be deemed to have been declined; (ii) unless the articles of the company otherwise provide, the offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person; and the notice referred to in clause (i) shall contain a statement of this right; (iii) after the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner which is not dis-advantageous to the shareholders and the company; (b) to employees under a scheme of employees' stock option, subject to special resolution passed by company and subject to such conditions as may be prescribed; or (c) to any persons, if it is authorized by a special resolution, whether or not those persons include the persons referred to in clause (a) or clause (b), either for cash or for a consideration other than cash, if the price of such shares is determined by the valuation report of a registered valuer subject to such conditions as may be prescribed. 2. The notice referred to in sub-clause (a)(i) of Clause (1) shall be dispatched through registered post or speed post or through electronic mode to all the existing shareholders at least three days before the opening of the issue. 3. Nothing aforesaid shall apply to the increase of the subscribed capital of a company caused by the exercise of an option as a term attached to the

Title of Article	Article Number and contents
	debentures issued or loan raised by the company to convert such debentures or loans into shares in the company: Provided that the terms of issue of such debentures or loan containing such an option have been approved before the issue of such debentures or the raising of loan by a special resolution passed by the company in general meeting.
Shares at the disposal of the Directors	**16.** Subject to the provisions of Section 62 of the Companies Act, 2013 and these Articles, the Shares in the capital of the Company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such person, in such proportion and on such terms and conditions and either at a premium or at par or (subject to the compliance with the provision of Section 53 of the Companies Act, 2013) at a discount and at such time as they may from time to time think fit and with sanction of the Company in the General Meeting to give to any person or persons the option or right to call for any Shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot Shares in the capital of the Company on payment in full or part of any property sold and transferred or for any services rendered to the Company in the conduct of its business and any Shares which may so be allotted may be issued as fully paid up Shares and if so issued, shall be deemed to be fully paid Shares. Provided that option or right to call for Shares shall not be given to any person or persons without the sanction of the Company in the General Meeting
Power to offer Shares/options to acquire Shares	**16A** (1) Without prejudice to the generality of the powers of the Board under Article 16 or in any other Article of these Articles of Association, the Board or any Committee thereof duly constituted may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, at any point of time, offer existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) to its employees, including Directors (whether whole-time or not), whether at par, at discount or at a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. (2) In addition to the powers of the Board under Article 16A (1), the Board may also allot the Shares referred to in Article 16A (1) to any trust, whose principal objects would *inter alia* include further transferring such Shares to the Company's employees [including by way of options, as referred to in Article 16A (1)] in accordance with the directions of the Board or any Committee thereof duly constituted for this purpose. The Board may make such provision of moneys for the purposes of such trust, as it deems fit.

Title of Article	Article Number and contents
	(3) The Board, or any Committee thereof duly authorized for this purpose, may do all such acts, deeds, things, etc. as may be necessary or expedient for the purposes of achieving the objectives set out in Articles 16A (1) and (2) above.
Application of premium received on Shares	**17.** (1) Where the Company issues Shares at a premiumwhether for cash or otherwise, a sum equal to the aggregate amount or value of the premium on theseShares shall be transferred to an account, to be called"the Securities Premium Account" and the provisions of theAct relating to the reduction of the share capital of theCompany shall except as provided in this Article, applyas if the securities premium account were paid up sharecapital of the Company. (2) The securities premium account may, notwithstanding anything in clause (1) thereof be applied by the Company: a) In paying up unissued Shares of the Company, to be issued to the Members of the Company as fully paid bonus shares; b) In writing off the preliminary expenses of the Company; c) In writing off the expenses of or the commission paid or discount allowed or any issue of Shares or debentures of the Company ; or d) In providing for the premium payable on the redemption of any redeemable preference shares or of any debentures of the Company. e) For the purchase of its own shares or other securities under Section 68 of the Companies Act, 2013.
Power also to Company in General Meeting to issue Shares	**18.** In addition to and without derogating from the powers for that purpose conferred on the Board under these Articles, the Company in General Meeting may, subject to the provisions of Section 62 of the Companies Act, 2013, determine that any Shares (whether forming part of the original capital or of any increased capital of the Company) shall be offered tosuch persons (whether Members or not) in such proportion and on such terms and conditions and either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) at a premium or at par or at a discount as such General Meeting shall determine and with full power to give any person (whether a Member or not) the option or right to call for or buy allotted Shares of any class of the Company either (subject to compliance with the provisions of Sections 52 and 53 of the Companies Act, 2013) 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.
Power of General Meeting to authorize Board to offer Shares/Options to	**18A** (1) Without prejudice to the generality of the powers of the General Meeting under Article 18 or in any other Article of these Articles of Association, the General Meeting may, subject to the applicable provisions of the Act, rules notified thereunder and any other applicable laws, rules and regulations, determine, or

Title of Article	Article Number and contents
employees	give the right to the Board or any Committee thereof to determine, that any existing or further Shares (consequent to increase of share capital) of the Company, or options to acquire such Shares at any point of time, whether such options are granted by way of warrants or in any other manner (subject to such consents and permissions as may be required) be allotted/granted to its employees, including Directors (whether whole-time or not), whether at par, at discount or a premium, for cash or for consideration other than cash, or any combination thereof as may be permitted by law for the time being in force. The General Meeting may also approve any Scheme/Plan/ other writing, as may be set out before it, for the aforesaid purpose. (2) In addition to the powers contained in Article 18A (1), the General Meeting may authorize the Board or any Committee thereof to exercise all such powers and do all such things as may be necessary or expedient to achieve the objectives of any Scheme/Plan/other writing approved under the aforesaid Article.
Shares at a discount	**19.** The Company shall not issue Shares at a discount except the issue of Sweat Equity Shares of a class already issued, if the following conditions are fulfilled, namely: (a) the issue is authorized by a special resolution passed by the company; (b) the resolution specifies the number of shares, the current market price, consideration, if any, and the class or classes of directors or employees to whom such equity shares are to be issued; (c)not less than one year has, at the date of such issue, elapsed since the date on which the company had commenced business; and (d) where the equity shares of the company are listed on a recognized stock exchange, the sweat equity shares are issued in accordance with the regulations made by the Securities and Exchange Board in this behalf and if they are not so listed, the sweat equity shares are issued in accordance with the prescribed rules.
Installments of Shares to be duly paid	**20.** If by the conditions of any allotment of any Shares the whole or any part of the amount or issued price thereof shall, be payable by installments, every such installment shall when due, be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the Shares or his legal representatives, and shall for the purposes of these Articles be deemed to be payable on the date fixed for payment and in case of non-payment the provisions of these Articles as to payment of interest and expenses forfeiture and like and all the other relevant provisions of the Articles shall apply as if such installments were a call duly made notified as hereby provided.
The Board may issue Shares as	**21.** Subject to the provisions of the Act and these Articles, the Board may allot and issue Shares in the Capital of the Company as payment for any property purchased or

Title of Article	Article Number and contents
fully paid-up	acquired or for services rendered to the Company in the conduct of its business or in satisfaction of any other lawful consideration. Shares which may be so issued may be issued as fully paid-up or partly paid up Shares.
Acceptance of Shares	**22.** Any application signed by or on behalf of an applicant for Share(s) in the Company, followed by an allotment of any Share therein, shall be an acceptance of Share(s) within the meaning of these Articles, and every person who thus or otherwise accepts any Shares and whose name is therefore placed on the Register of Members shall for the purpose of this Article, be a Member.
Deposit and call etc., to be debt payable	**23.** The money, if any which the Board of Directors 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 immediately on the inscription of the name of the allottee in the Register of Members as the holder of such Shares, become a debt due to and recoverable by the Company from the allottee thereof, and shall be paid by him accordingly.
Liability of Members	**24.** Every Member, or his heirs, executors or administrators to the extent of his assets which come to their hands, shall be liable to pay to the Company the portion of the capital represented by his Share which may, for the time being, remain unpaid thereon in such amounts at such time or times and in such manner as the Board of Directors shall, from time to time, in accordance with the Company's requirements require or fix for the payment thereof.
Dematerialisationof securities	**25.(A)** **Definitions:** **Beneficial Owner** "Beneficial Owner" means a person whose name is recorded as such with a Depository. **SEBI** "SEBI" means the Securities and Exchange Board of India. **Bye-Laws** "Bye-Laws" mean bye-laws made by a depository under Section 26 of the Depositories Act, 1996; **Depositories Act** "Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof for the time being in force; **Depository** "Depository" means a company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration under sub-section (1A) of Section 12 of the Securities and Exchange Board of India Act, 1992; **Record** "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 made by

Title of Article	Article Number and contents
	SEBI; **Regulations** "Regulations" mean the regulations made by SEBI; **Security** "Security" means such security as may be specified by SEBI.
Dematerialisation of securities	**25.(B)** Either on the Company or on the investor exercising an option to hold his securities with a depository in a dematerialised form, the Company shall enter into an agreement with the depository to enable the investor to dematerialise the Securities, in which event the rights and obligations of the parties concerned shall be governed by the Depositories Act.
Options to receive security certificates or hold securities with depository	**25.(C)** Every person subscribing to securities offered by the Company shall have the option to receive the Security certificates or hold securities with a depository. Where a person opts to hold a 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 allotted as the Beneficial Owner of that Security.
Securities in depositories to be in fungibleform	**25.(D)** All Securities held by a Depository shall be dematerialised and shall be in a fungible form;
Rights of depositories and beneficial owners	**25.(E)** 1. Notwithstanding anything to the contrary contained in the Articles, a Depository shall be deemed to be a registered owner for the purposes of effecting transfer of ownership of Security on behalf of the Beneficial Owner; 2. Save as otherwise provided in (1) above, the Depository as a registered owner shall not have any voting rights or any other rights in respect of Securities held by it; 3. Every person holding equity share capital of the Company and whose name is entered as Beneficial Owner in the Records of the Depository shall be deemed to be a Member of the Company. The Beneficial Owner shall be entitled to all the rights and benefits and be subjected to all the liabilities in respect of the Securities held by a Depository.
Depository to furnish information	**25.(F)** Every Depository shall furnish to the Company information about the transfer of Securities in the name of the Beneficial Owner at such intervals and in such manner as may be specified by the bye-laws and the Company in that behalf.

Title of Article	Article Number and contents
Service of documents	**25.(G)** Notwithstanding anything in the Act or these Articles to the contrary, where 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 or discs.
Option to opt out in respect of any security	**25.(H)** If a Beneficial Owner seeks to opt out of a Depository in respect of any Security, the Beneficial Owner shall inform the Depository accordingly. The Depository shall on receipt of information as above make appropriate entries in its Records and shall inform the Company. The Company shall, within thirty (30) days of the receipt of intimation from the depository and on fulfillment of such conditions and on payment of such fees as may be specified by the regulations, issue the certificate of securities to the Beneficial Owner or the transferee as the case may be.
Sections 45 and 56 of the Companies Act, 2013 not to apply	**25.(I)** Notwithstanding anything to the contrary contained in the Articles: (1) Section 45 of the Companies Act, 2013 shall not apply to the Shares held with a Depository; (2) Section 56 of the Companies Act, 2013 shall not apply to transfer of Security affected by the transferor and the transferee both of whom are entered as Beneficial Owners in the Records of a Depository.
Share certificate	**26.** (a) Every Member or allottee of Shares is entitled, without payment, to receive one certificate for all the Shares of the same class registered in his name. (b) Any two or more joint allottees or holders of Shares shall, for the purpose of this Article, be treated as a single Member and the certificate of any Share which may be the subject of joint ownership may be delivered to any one of such joint owners, on behalf of all of them.
Limitation of time for issue of certificates	**26A.** Every Member shall be entitled, without payment to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery such certificates within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, 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 and approve, provided that in respect of a Share or Shares held jointly by several

Title of Article	Article Number and contents
	persons, the Company shall not be bound to issue more than one certificate and delivery of a certificate of Shares to one or several joint holders shall be a sufficient delivery to all such holder.
Renewal of share certificates	**27.** No certificate of any Share or Shares shall be issued either in exchange for those, which are sub-divided or consolidated or in replacement of those which are defaced, torn or old, decrepit, worn out, or where the pages on the reverse for recording transfer have been duly utilised unless the certificate in lieu of which it is issued is surrendered to the Company. PROVIDED THAT no fee shall be charged for issue of new certificate in replacement of those which are old, decrepit or worn out or where the pages on the reverse for recording transfer have been fully utilized.
Issue of new certificate in place of one defaced, lost or destroyed	**28.** 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 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. Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulations or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act, 1956 or any other Act, or rules applicable thereof in this behalf. The provision of this Article shall mutatis mutandis apply to Debentures of the Company.
The first name joint holder deemed sole holder	**29.** If any Share(s) stands in the name of two or more persons, the person first named in the Register of Members shall, as regards receipt of dividends or bonus or service of notice and all or any other matters connected with Company except voting at Meetings and the transfer of the Shares be deemed the sole holder thereof but the joint holders of a Share shall severally as well as jointly be liable for the payment of all incidents thereof according to the Company's Articles.
Issue of shares	**30.** In the event it is permitted by law to issue shares without voting rights attached to them, the Directors may issue such share upon such terms and conditions and with

Title of Article	Article Number and contents
without voting rights	such rights and privileges annexed thereto as thought fit and as may be permitted by law.
Buy-Back of shares and securities	**31.** Notwithstanding anything contained in these articles, in the event it is permitted by law for a company to purchase its own shares or securities, the Board of Directors may, when and if thought fit, buy back, such of the Company's own shares or securities as it may think necessary, subject to such limits, upon such terms and conditions, and subject to such approvals, provision of section 67 and SEBI (Buy Back of Shares) Regulations as may be permitted by law.
Employees Stock Options Scheme/ Plan	**32.** he Directors shall have the power to offer , issue and allot Equity Shares in or Debentures (Whether fully/ partly convertible or not into Equity Shares) of the Company with or without Equity Warrants to such of the Officers, Employees, Workers of the Company or of its Subsidiary and / or Associate Companies or Managing and Whole Time Directors of the Company (hereinafter in this Article collectively referred to as "the Employees") as may be selected by them or by the trustees of such trust as may be set up for the benefit of the Employees in accordance with the terms and conditions of the Scheme, trust, plan or proposal that may be formulated , created, instituted or set up by the Board of Directors or the Committee thereof in that behalf on such terms and conditions as the Board may in its discretion deem fit.
Sweat Equity	**33.** Subject to the provisions of the Act (including any statutory modification or re-enactment thereof, for the time being in force), shares of the Company may be issued at a discount or for consideration other than cash to Directors or employees who provide know-how to the Company or create an intellectual property right or other value addition.
Postal Ballot	**34.** The Company may pass such resolution by postal ballot in the manner prescribed by Section 110 of the Companies Act, 2013 and such other applicable provisions of the Act and any future amendments or re-enactment thereof and as may be required by any other law including Listing Agreement entered with Stock Exchanges. Notwithstanding anything contained in the provisions of the Act, the Company shall in the case of a resolution relating to such business, as the Central Government may, by notification, declare to be conducted only by postal ballot, get such resolution passed by means of postal ballot instead of transacting such business in a general meeting of the Company.
Company not bound to recognize any interest in	**35.** Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof any equitable, contingent, future or partial interest in any Share, or (except only as is by

Title of Article	Article Number and contents
Shares other than of registered holder	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 holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them.
Trust recognised	**36.** (a) Except as ordered, by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognize, even when having notice thereof, 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 holder thereof but the Board shall be at liberty at their sole discretion to register any Share in the joint names of any two or more persons (but not exceeding 4 persons) or the survivor or survivors of them. (b) Shares may be registered in the name of an incorporated Company or other body corporate but not in the name of a minor or of a person of unsound mind (except in case where they are fully paid) or in the name of any firm or partnership.
Declaration by person not holding beneficial interest in any Shares	**37.** (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 person or persons who hold the beneficial interest in such Share in the manner providedin the Act. (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. (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 (4) Notwithstanding anything contained in the Act and Articles 35 and 36 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.

Title of Article	Article Number and contents
Funds of Company not to be applied in purchase of Shares of the Company	**38.** No funds of the Company shall except as provided by Section 67 of the Companies Act, 2013 be employed in the purchase of its own Shares, unless the consequent reduction of capital is effected and sanction in pursuance of Sections 52, 55 (to the extent applicable) of Companies Act, 2013 and Sections 80 and 100 to 105 of the Companies Act, 1956 and these Articles or in giving either directly or indirectly and whether by means of a loan, guarantee, the provision of security or otherwise, any financial assistance for the purpose of or in connection with a purchase or subscription made or to be made by any person of or for any Share in the Company in its holding Company.

UNDERWRITING AND BROKERAGE

Title of Article	Article Number and contents
Commission may be paid	**39.** Subject to the provisions of Section 40 of the Companies Act, 2013, the Company may at anytime pay commission to any person in consideration of his subscribing or agreeing to subscribe (whether absolutely or conditionally) for any Shares in or debentures of the Company.
Brokerage	**40.** The Company may on any issue of Shares or Debentures or on deposits pay such brokerage as may be reasonable and lawful.
Commission to be included in the annual return	**41.** 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 Section 92 to the Companies Act, 2013.

DEBENTURES

Title of Article	Article Number and contents
Debentures with voting rights not to be issued	**42.** (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. (b) 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 327 of the Companies Act, 2013. (c) Certain charges (which expression includes mortgage) mentioned in Section 77 of the Companies Act, 2013 shall be void against the Liquidator or creditor

Title of Article	Article Number and contents
	unless registered as provided in Section 77 of the Companies Act, 2013. (d) A contract with the Company to take up and pay debentures of the Company may be enforced by a decree for specific performance. (e) Unless the conditions of issue thereof otherwise provide, the Company shall (subject to the provisions of Section 56 of the Companies Act, 2013) within six 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. (f) The Company shall comply with the provisions of Section 71 of the Companies Act, 2013 as regards supply of copies of Debenture Trust Deed and inspection thereof. (g) The Company shall comply with the provisions of Section 2(16), 77 to 87 (inclusive) of the Companies Act, 2013 as regards registration of charges.

CALLS

Title of Article	Article Number and contents
Directors may make calls	**43.** (a) Subject to the provisions of Section 49 of the Companies Act, 2013, the Board of Directors may from time to time by a resolution passed at a meeting of a Board (and not by a circular resolution) make such calls as it thinks fit upon the Members in respect of all moneys unpaid on the Shares or by way of premium, held by them respectively and not by conditions of allotment thereof made payable at fixed time and each Member shall pay the amount of every call so made on him to person or persons and at the times and places appointed by the Board of Directors. A call may be made payable by installments. A call may be postponed or revoked as the Board may determine. No call shall be made payable within less than one month from the date fixed for the payment of the last preceding call. (b) The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
Notice of call when to be given	**44.** Not less than **fourteen 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.
Call deemed to have been made	**45.** A call shall be deemed to have been made at the time when the resolution authorizing such call was passed at a meeting of the Board of Directors and may be made payable by the Members of such date or at the discretion of the Directors on

Title of Article	Article Number and contents
	such subsequent date as shall be fixed by the Board of Directors.
Directors may extend time	**46.** The Directors may, from time to time, at their 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 from residence at a distance or other cause, the Directors may deem fairly entitled to such extension, but no member shall be entitled to such extension, save as a matter of grace and favour.
Amount payable at fixed time or by installments to be treated as calls	**47.** 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.
When interest on call or installment payable	**48.** If the sum payable in respect of any call or installment is not paid on or before the day appointed for the payment thereof, the holder for the time being or allottee of the Share in respect of which the call shall have been made or the installment shall be due, shall pay interest on the same at such rate not exceeding ten percent per annum as Directors shall fix from the day appointed for the payment thereof up to the time of actual payment but the Directors may waive payment of such interest wholly or in part.
Evidence in action by Company against share holder	**49.** On the trial of hearing of any action or suit brought by the Company against any Member or his Legal Representatives for the recovery of any money claimed to be due to the Company in respectof his Shares, it shall be sufficient to prove that the name of the Member in respect of whose Shares the money is sought to be recovered is entered on the Register of Members as the holder or as one of the holders at or subsequent to the date at which the money sought to be recovered is alleged to have become due on the Shares in respect of which the money is sought to be recovered, that the resolution making the call is duly recorded in the minute book and the notice of such call was duly given to the Member or his legal representatives sued in pursuance of these Articles and it shall not be necessary to prove the appointment of Directors who made such call, nor that a quorum of Directors was present at the Board meeting at which any call was made nor that the meeting at which any call was made was duly convened or constituted nor any other matter whatsoever but the proof of the matters aforesaid shall be conclusive evidence of the debt.
Payment in	**50.** The Directors may, if they think fit, subject to the provisions of Section 50 of the

Title of Article	Article Number and contents
anticipation of calls may carry interest	Companies Act, 2013, agree to and receive from any Member willing to advance the same whole or any part of the moneys due upon the shares held by him beyond the sums actually called for, and upon the amount so paid or satisfied in advance, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, the Company may pay interest at such rate, as the member paying such sum in advance and the Directors agree upon provided that money paid in advance of calls shall not confer a right to participate in profits or dividend. The Directors may at any time repay the amount so advanced. The Members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable. **The provisions of these Articles shall *mutatis mutandis* apply to the calls on Debentures of the Company.**

LIEN

Title of Article	Article Number and contents
Partial payment not to preclude forfeiture	**51.** Neither the receipt by the Company of a portion of any money which shall, from time to time be due from any Member to the Company in respect of his Shares, either by way of principal or interest, or any indulgence granted by the Company in respect of the payment of such money, shall preclude the Company from thereafter proceeding to enforce a forfeiture of such Shares as hereinafter provided.
Company's lien on Shares/ Debentures	**52.** The Company shall have first and paramount lien upon all Shares/Debentures (other than fully paid up Shares/ Debentures) 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 exempt from the provisions of this Article.
As to enforcing lien by sale	**53.** The Company may sell, in such manner as the Board thinks fit, any Shares on which the Company has lien for the purpose of enforcing the same. PROVIDED THAT no sale shall be made:- (a) Unless a sum in respect of which the lien exists is presently payable; or

Title of Article	Article Number and contents
	(b) Until the expiration of fourteen days after a notice in writing stating and demanding payment of such part of the amount in respect of which the lien exists as is /presently payable has been given to the registered holder for the time being of the Share or the person entitled thereto by reason of his death or insolvency. For the purpose of such sale the Board may cause to be issued a duplicate certificate in respect of such Shares and may authorize one of their members to execute a transfer there from on behalf of and in the name of such Members The purchaser shall not be bound to see the application of the purchase money, nor shall his title to the Shares be affected by any irregularity, or invalidity in the proceedings in reference to the sale.
Application of proceeds of sale	**54.** (a) The net proceeds of any such sale shall be received by the Company and applied in or towards satisfaction of such part of the amount in respect of which the lien exists as is presently payable, and (b) The residue if any, after adjusting costs and expenses if any incurred shall be paid to the person entitled to the Shares at the date of the sale (subject to a like lien for sums not presently payable as existed on the Shares before the sale).

FORFEITURE OF SHARES

Title of Article	Article Number and contents
If money payable on Shares not paid notice to be given	**55.** If any Member fails to pay the whole or any part of any call or any installments of a call on or before the day appointed for the payment of the same or any such extension thereof, the Board of Directors may, at any time thereafter, during such time as the call for installment remains unpaid, give notice to him requiring him to pay the same together with any interest that may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment.
Sum payable on allotment to be deemed a call	**56.** For the purposes of the provisions of these Articles relating to forfeiture of Shares, the sum payable upon allotment in respect of a share shall be deemed to be a call payable upon such Share on the day of allotment.
Form of notice	**57.** The notice shall name a day, (not being less than fourteen days form the day of the notice) and a place or places on and at which such call in installment and such interest thereon at such rate notexceedingeighteen percent per annum as the Directors may determine and expenses as aforesaid are to be paid. The notice shall also state that in the event of the non-payment at or before the time and at the place appointed, Shares in respect of which the call was made or installment is payable

Title of Article	Article Number and contents
	will be liable to be forfeited.
In default of payment Shares to be forfeited	**58.** If the requirements of any such notice as aforesaid are not complied with, any Share or Shares in respect of which such notice has been given may at any time thereafter before payment of all calls or installments, interests and expenses due in respect thereof, be forfeited by a resolution of the Board of Directors to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited Shares and not actually paid before the forfeiture.
Notice of forfeiture to a Member	**59.** When any Share shall have been so 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, but no forfeiture shall be in any manner invalidated by any omission or neglect to give such notice or to make any such entry as aforesaid.
Forfeited Shares to be the property of the Company and may be sold etc.	**60.** Any Share 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 or to any other person, upon such terms and in such manner as the Board of Directors shall think fit.
Member still liable for money owning at the time of forfeiture and interest	**61.** 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, 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 not exceeding eighteen percent per annum as the Board of Directors may determine and the Board of Directors may enforce the payment of such moneys or any part thereof, if it thinks fit, but shall not be under any obligation to do so.
Effects of forfeiture	**62.** The forfeiture of a Share shall involve the extinction at the time of the forfeiture, of all interest in and 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.
Power to annul forfeiture	**63.** The Board of Directors may at any time before any Share so forfeited shall have been sold, re-allotted or otherwise disposed of, annul the forfeiture thereof upon such conditions as it thinks fit.

Title of Article	Article Number and contents
Declaration of forfeiture	**64.** (a) A duly verified declaration in writing that the declarant is a Director, the Managing Director or the Manager or the Secretary of the Company, and that Share in the Company has 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 Share. (b) The Company may receive the consideration, if any, given for the Share on any sale, re-allotment or other disposal thereof and may execute a transfer of the Share in favour of the person to whom the Share is sold or disposed off. (c) The person to whom such Share is sold, re-allotted or disposed of shall thereupon be registered as the holder of the Share. (d) Any such purchaser or allotee shall not (unless by express agreement) be liable to pay calls, amounts, installments, interests and expenses owing to the Company prior to such purchase or allotment nor shall be entitled (unless by express agreement) to any of the dividends, interests or bonuses accrued or which might have accrued upon the Share before the time of completing such purchase or before such allotment. (e) Such purchaser or allottee shall not be bound to see to the application of the purchase money, if any, nor shall his title to the Share be effected by the irregularity or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the Shares.
Provisions of these articles as to forfeiture to apply in case of nonpayment of any sum	**65.** The provisions of these Articles as to forfeiture shall apply in the case of non-payment of any sum which by the terms of issue of a Share becomes payable at a fixed time, whether on account of the nominal value of Share or by way of premium, as if the same had been payable by virtue of a call duly made and notified.
Cancellation of shares certificates in respect of forfeited Shares	**66.** Upon sale, re-allotment or other disposal under the provisions of these Articles, the certificate or certificates originally issued in respect of the said 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 new certificate or certificates in respect of the said Shares to the person or persons entitled thereto.

Title of Article	Article Number and contents
Evidence of forfeiture	**67.** The declaration as mentioned in Article 64(a) of these Articles shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the Share.
Validity of sale	**68.** 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.
Surrender of Shares	**69.** The Directors may subject to the provisions of the Act, accept surrender of any share from any Member desirous of surrendering on such terms and conditions as they think fit.

TRANSFER AND TRANSMISSION OF SHARES

Title of Article	Article Number and contents
No transfers to minors etc.	**70.** No Share which is partly paid-up or on which any sum of money is due shall in any circumstances be transferred to any minor, insolvent or person of unsound mind.
Instrument of transfer	**71.** The instrument of transfer shall be in writing and all provisions of Section 56 of the Companies Act, 2013 and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

Title of Article	Article Number and contents
Application for transfer	**72.** (a) An application for registration of a transfer of the Shares in the Company may be made either by the transferor or the transferee. (b) Where the application is made by the transferor and 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. (c) For the purposes of clause (b) above 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.
Execution of transfer	**73.** The instrument of transfer of any Share shall be duly stamped and executed by or on behalf of both the transferor and the transferee and shall be witnessed. The transferor shall be deemed to remain the holder of such Share until the name of the transferee shall have been entered in the Register of Members in respect thereof. The requirements of provisions of Section 56 of the Companies Act, 2013 and any statutory modification thereof for the time being shall be duly complied with.
Transfer by legal representatives	**74.** A transfer of Share in the Company of a deceased Member thereof made by his legal representative shall, although the legal representative is not himself a Member be as valid as if he had been a Member at the time of the execution of the instrument of transfer.
Register of Members etc when closed	**75.** The Board of Directors shall have power on giving not less than seven days pervious 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 Register of debentures holders , in accordance with Section 91 of the Companies Act, 2013 and rules made thereunder, 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 in each year as it may seem expedient to the Board.
Directors may refuse to register transfer	**76.** Subject to the provisions of Section 111 of the Companies Act,1956 and Section 58 & 59 of the Companies Act, 2013, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the company under these Articles or otherwise to register the transfer of, or the transmission by operation of law of the right to, any Shares or interest of a Member in or Debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of

Title of Article	Article Number and contents
	such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that the registration of a transfer shall not be refused on the ground of the transferor being either alone or jointly with any other person or persons indebted to the Company on any account whatsoever except where the Company has a lien on Shares.
Death of one or more joint holders of Shares	**77.** In case of the death of any one or more of the persons named in the Register of Members as the joint holders of any Share, the survivor or survivors shall be the only persons recognised by the Company as having any title or interest in such Share, but nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability on Shares held by him with any other person.
Titles of Shares of deceased Member	**78.** 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 72 and 56 of the Companies Act, 2013.
Notice of application when to be given	**79.** 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 56 of the Companies Act, 2013.
Registration of persons entitled to Shares otherwise than by transfer (Transmission Clause)	**80.** Subject to the provisions of the Act and Article 77 hereto, any person becoming entitled to Share in consequence of the death, lunacy, bankruptcy or insolvency of any Member or by any lawful means other than by a transfer in accordance with these Articles may, with the consent of the Board (which it 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 such title as the Board thinks sufficient, either be registered himself as the holder of the Share or elect to have some person nominated by him and approved by the Board registered as such holder; provided nevertheless, that if such person shall elect to have his

Title of Article	Article Number and contents
	nomineeregistered as a holder, he shall execute an instrument of transfer in accordance with the provisions herein contained, and until he does so, he shall not be freed from any liability in respect of the Shares. This clause is hereinafter referred to as the "Transmission Clause".
Refusal to register nominee	**81.** Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse to register a person entitled by transmission to any Share of his nominee as if he were the transferee named in an ordinary transfer presented for registration.
Person entitled may receive dividend without being registered as a Member	**82.** A person entitled to a Share by transmission shall subject to the right of the Directors to retain dividends or money as is herein provided, be entitled to receive and may give a discharge for any dividends or other moneys payable in respect of the Share.
No fee on transfer or transmissions	**83.** No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate & Letters of Administration, Certificate of Death or Marriage, Power of Attorney or other similar document.
Transfer to be presented with evidence of title	**84.** Every instrument of transfer shall be presented to the Company duly stamped for registration accompanied by such evidence as the Board may require to prove the title of the transferor, his right to transfer the Shares and generally under and subject to such conditions and regulations as the Board may, from time to time prescribe, and every registered instrument of transfer shall remain in the custody of the Company until destroyed by order of the Board.
Company not liable for disregard of a notice prohibiting registration of transfer	**85.** 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 of Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the said 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 to be required to regard or attend to give effect to any notice which may be given to it of any equitable right, title or interest or be under any liability whatsoever for refusing or neglecting to do so, 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 Board shall so think fit.

CONVERSION OF SHARES INTO STOCK AND RECONVERSION

Title of Article	Article Number and contents
Share may be converted into stock	**86.** The Company may, by Ordinary Resolution convert any fully paid up Share into stock, and reconvert any stock into fully paid-up Shares.
Transfer of stock	**87.** The several holders of such stock may transfer their respective interest therein or any part thereof in the same manner and subject to the same regulations under 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 stock arose.
Right of stock holders	**88.** The holders of stock shall, according to the amount of stock held by them, have the same right, privileges and advantages as regards dividends, voting at meeting of the Company, and other matters, as if they held them in Shares from which the stock arose; but no such privilege or advantage (except participation in the dividends and profits of the Company and in the assets on winding up) shall be conferred by an amount of stock which would not, if existing in Shares, have conferred those privileges or advantages.
Regulation applicable to stock and share warrant	**89.** Such of the regulations of the Company as are applicable to the paid up Shares shall apply to stock and the words "Share" and "Shareholder" in these regulations shall include "stock" and "stock holder" respectively.

BORROWING POWERS

Title of Article	Article Number and contents
Power to borrow	**90.** Subject to the provisions of Sections 73, 74 and 179 of the Companies Act, 2013 and these Articles, the Board of Directors may, from time to time at its discretion by a resolution passed at a meeting of the Board, borrow, accept deposits from Members either in advance of calls or otherwise and generally raise or borrow or secure the payment of any such sum or sums of money for the purposes of the Company from any source. PROVIDED THAT, where the moneys to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) exceed the aggregate of the paid up capital of the Company and its free reserves (not being reserves set apart for any specific purpose) the Board of Directors shall not borrow such money without the sanction of the Company in General Meeting. No debts incurred by the Company in excess of the

Title of Article	Article Number and contents
	limit imposed by this Article shall be valid or effectual unless the lender proves that he advanced the loan in good faith and without knowledge that the limit imposed by this Article had been exceeded.
The payment or repayment of moneys borrowed	**91.** The payment or repayment of moneys borrowed as aforesaid may be secured in such manner and upon such terms and conditions in all respects as the Board of Directors may think fit, and in particular in pursuance of a resolution passed at a meeting of the Board (and not by circular resolution) by the issue of bonds, debentures or debentures stock of the Company, charged upon all or any part of the property of the Company, (both present and future), including its un-called capital for the time being and the debentures and the debenture stock and other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued.
Bonds, Debentures, etc. to be subject to control of Directors	**92.** Any bonds, debentures, debenture-stock or other securities issued or to be issued by the Company shall be under the control of the Directors who may issue them upon such terms and conditions and in such manner and for such consideration as they shall consider being for the benefit of the Company.
Terms of issue of Debentures	**93.** 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. However, Debentures with the right to conversion into or allotment of Shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.
Mortgage of uncalled capital	**94.** If any uncalled capital of the Company is included in or charged by mortgage or other security, the Directors may, 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 has been executed.
Indemnity may be given	**95.** Subject to the provisions of the Act and these Articles, if the Directors or any of them or any other person shall incur or about to incur any liability as principal or surety 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.

RELATED PARTY TRANSACTIONS

Title of Article	Article Number and contents
Related Party Transactions	**96.** **A.** Subject to the provisions of the Act, the Company may enter into contracts with the Related Party which are at arm's length and are in ordinary course of business of the company with approval of the Audit Committee and subsequently Board. **B.** Subject to the provisions of the Act, the Company may enter into contracts with the related parties which are of such nature wherein it requires consent of shareholders in terms of Act or Listing Agreement or any other law for the time being in force, with approval of the shareholders in the general meeting.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Annual General Meeting	**97.** (a) An Annual General Meeting of the Company shall be held within six months after the expiry of each financial year, provided that not more than fifteen months shall lapse between the date of one Annual General Meeting and that of next. (b) Nothing contained in the foregoing provisions shall be taken as affecting the right conferred upon the Registrar under the provisions of Section 96(1) of the Act to extend the time with which any Annual General Meeting may be held. (c) Every Annual General Meeting shall be called at a time during business hours i.e. 9 a.m. to 6 p.m., on a day that is not a public holiday, and shall be held at the office of the Company or at some other place within the city in which the Registered Office of the Company is situated as the Board may determine and the notices calling the Meeting shall specify it as the Annual General Meeting. (d) The company may in any one Annual General Meeting fix the time for its subsequent Annual General Meeting. (e) Every Member of the Company shall be entitled to attend, either in person or by proxy and the Auditors of the Companyshall have the right to attend and be heard at any General Meeting which he attends on any part of the business which concerns him as an Auditor. (f) At every Annual General Meeting of the Company, there shall be laid on the table the Director's Report and Audited statement of accounts, the Proxy Register with proxies and the Register of Director's Shareholding, which Registers shall remain open and accessible during the continuance of the Meeting. (g) The Board shall cause to be prepared the annual list of Members, summary of share capital, balance sheet and profit and loss account and forward the same to the Registrar in accordance with Sections 159, 161 and 220 of the Act.

Title of Article	Article Number and contents
Report statement and registers to be laid before the Annual General Meeting	**98.** The Company shall in every Annual General Meeting in addition to any other Report or Statement lay on the table the Director's Report and audited statement of accounts, Auditor's Report (if not already incorporated in the audited statement of accounts), the Proxy Register with proxies and the Register of Director's Shareholdings, which Registers shall remain open and accessible during the continuance of the Meeting.
Extra-Ordinary General Meeting	**99.** All General Meeting other than Annual General Meeting shall be called Extra-Ordinary General Meeting.
Requisitionists' Meeting	**100.** (1) Subject to the provisions of Section 111 of the Companies Act, 2013, the Directors shall on the requisition in writing of such number of Members as is hereinafter specified:- (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. (b) Circulate to the Members entitled to have notice of any General Meeting sent to them, any statement with respect to the matter referred to in any proposed resolution or any business to be dealt with at that Meeting. (2) The number of Members necessary for a requisition under clause (1) hereof shall be such number of Members as represent not less than one-tenth 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 (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. (4) The Company shall not be bound under this Article to give notice of any resolution or to circulate any statement unless: (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.

Title of Article	Article Number and contents
	i. In the case of a requisition, requiring notice of resolution, not less than six weeks before the Meeting; ii. In the case of any other requisition, not less than two weeks before the Meeting, and (b) There is deposited or tendered with the requisition sum reasonably sufficient to meet the Company's expenses in giving effect thereto. PROVIDED THAT if, after a copy of the requisition requiring notice of a resolution has been deposited at the Registered Office of the Company, 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 thereof. (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 Company Law Board is satisfied that the rights conferred by this Article are being abused to secure needless publicity for defamatory matter. (6) Notwithstanding anything in these Articles, the business 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.
Extra-Ordinary General Meeting by Board and by requisition When a Director or any two Members may call an Extraordinary General Meeting	**101.** (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 the Company. (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.
Contents of requisition, and number of requisitionists	**102.** (1) In case of requisition the following provisions shall have effect: (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

Title of Article	Article Number and contents
required and the conduct of Meeting	shall be deposited at the Registered Office of the Company. (b) The requisition may consist of several documents in like form each signed by one or more requisitionists. (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. (d) Where two or more distinct matters are specified in the requisition, the provisions of sub-clause (c) shall apply separately in regard to each 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. (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 Meeting may be called: (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. 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 114 of the Companies Act, 2013. (2) A meeting called under sub-clause (c) of clause (1) by requisitionists or any of them: (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. 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.

Title of Article	Article Number and contents
	(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.
Length of notice of Meeting	**103.** (1) A General Meeting of the Company may be called by giving not less than twenty-one days notice in writing. (2) A General Meeting may be called after giving shorter notice than that specified in clause (1) hereof, if consent is accorded thereto: (3) (i) In the case of Annual General Meeting by all the Members entitled to vote thereat; and (ii) In the case of any other Meeting, by Members of the Company holding not less than ninety-five percent of such part of the paid up share capital of the Company as gives a right to vote at the 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 purposes of this clause in respect of the former resolutions and not in respect of the later.
Contents and manner of service of notice and persons on whom it is to be served	**104.** (1) Every notice of a Meeting of the Company shall specify the place and the day and hour of the Meeting and shall contain a statement of the business to be transacted thereat. (2) Subject to the provisions of the Act notice of every General Meeting shall be given; (a) to every Member of the Company, in any manner authorized by Section 20 of the Companies Act, 2013**;** (b) to the persons entitled to a Share in consequence of the death or insolvency of a Member, by sending it through post in a prepaid letter addressed to them by name or by the title of representative of the deceased, or assignees of the insolvent, or by like description, at the address, if any in India supplied for the purpose by the persons claiming to be so entitled or until such an address has been so supplied, by giving the notice in any manner in which it might have been given if the death or insolvency had not occurred; and

Title of Article	Article Number and contents
	(c) to the Auditor or Auditors for the time being of the Company (3) Every notice convening a Meeting of the Company shall state with reasonable prominence that a Member entitled to attend and vote at the Meeting is entitled to appoint one or more proxies to attend and vote instead of himself and that a proxy need not be a Member of the Company.
Special and ordinary business and explanatory statement	**105.** (1) **(a)** In the case of an Annual General Meeting all business to be transacted at the Meeting shall be deemed special, with the exception of business relating to (i) the consideration of the accounts, balance sheet, the reports of the Board of Directors and Auditors; (ii) the declaration of dividend; (iii) the appointment of Directors in the place of those retiring; and (iv) the appointment of, and the fixing of the remuneration of the Auditors, and **(b)** In the case of any other meeting, all business shall be deemed special. (2) Where any items of business to be transacted at the Meeting of the Company are deemed to be special as aforesaid, there shall be annexed to the notice of the Meeting a statement setting out all material facts concerning each such item of business, including in particular the nature of the concern or interest, if any, therein of every Director. PROVIDED THAT where any such item of special business at the Meeting of the Company relates to or affects, any other company, the extent of shareholding interest in that other company of every Director of the Company shall also be set out in the statement, if the extent of such shareholding interest is not less than twenty percent of the paid up-share capital of the other company. (3) Where any item of business consists of the according of approval to any document by the Meeting, the time and place where the document can be inspected shall be specified in the statement aforesaid.
Omission to give notice not to invalidate	**106.** The accidental omission to give such notice as aforesaid to or non-receipt thereof by any Member or other person to whom it should be given, shall not invalidate the proceedings of any such Meeting.

MEETING OF MEMBERS

Title of Article	Article Number and contents
Notice of business to be given	**107.** No General Meeting, Annual or Extra-Ordinary shall be competent to enter upon, discuss or transact any business which has not been mentioned in the notice or notices convening the Meeting.
Quorum	**108.** Five Members entitled to vote and present in person shall be quorum for General Meeting and no business shall be transacted at the General Meeting unless the quorum requisite is present at the commencement of the Meeting. A body corporate being a Member shall be deemed to be personally present if it is represented in accordance with Section 113 of the Companies Act, 2013. The President of India or the Governor of a State being a Member of the Company shall be deemed to be personally present if it is presented in accordance with Section 113 of the Companies Act, 2013.
If quorum not present when Meeting to be dissolved and when to be adjourned	**109.** If within half an hour from the time appointed for holding a Meeting of the Company, a quorum is not present, the Meeting, if called by or upon the requisition of the Members shall stand dissolved and in any other case the Meeting shall stand, adjourned to the same day in the next week or if that day is a public holiday until the next succeeding day which is not a public holiday, at the same time and place or to such other day and at such other time and place as the Board may determine. If at the adjourned meeting also, a quorum is not present within half an hour from the time appointed for holding the Meeting, the Members present shall be a quorum and may transact the business for which the Meeting was called.
Resolution passed at adjourned Meeting	**110.** Where a resolution is passed at an adjourned Meeting of the Company, the resolution for all purposes is treated as having been passed on the date on which it was in fact passed and shall not be deemed to have been passed on any earlier date.
Chairman of General Meeting.	**111.** 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.

Title of Article	Article Number and contents
Act for resolution sufficiently done or passed by Ordinary Resolution unless otherwise required	**112.** Any act or resolution which, under the provisions of these Articles or of the Act, is permitted or required to be done or passed by the Company in General Meeting shall be sufficiently done so or passed if effected by an Ordinary Resolution unless either the Act or the Articles specifically require such act to be done or resolution be passed by a Special Resolution.
Business confined to election of Chairman whilst the Chair is vacant	**113.** No business shall be discussed at any General Meeting except the election of a Chairman whilst the Chair is vacant.
Chairman may adjourn Meeting	**114.** (a) The Chairman may with the consent of Meeting at which a quorum is present and shall if so directed by the Meeting adjourn the Meeting from time to time and from place to place. (b) No business shall be transacted at any adjourned Meeting other than the business left unfinished at the Meeting from which the adjournment took place (c) When a Meeting is adjourned for thirty days or more notice of the adjourned Meeting shall be given as in the case of an original Meeting. (d) Save as aforesaid, it shall not be necessary to give any notice of an adjournment of or of the business to be transacted at any adjourned Meeting.
How questions are decided at Meetings	**115.** Every question submitted to a General Meeting shall be decided in the first instance by a show of hands unless the poll is demanded as provided in these Articles.
Chairman's declaration of result of voting on show of hands	**116.** A declaration by the Chairman of the Meeting that on a show of hands, a resolution has or has not been carried either unanimously or by a particular majority, and an entry to that effect in the book containing the minutes of the proceeding of the Company's General Meeting shall be conclusive evidence of the fact, without proof of the number or proportion of votes cast in favour of or against such resolution.
Demand of poll	**117.** Before or on the declaration of the result of the voting on any resolution on a show of hands a poll may be ordered to be taken by the Chairman of the Meeting on his own motion and shall be ordered to be taken by him on a demand made in that behalf by any Member or Members present in person or by proxy and holding Shares in the Company which confer a power to vote on the resolution not being less than one-tenth of the total voting power in respect of the resolution, or on which an aggregate sum of not less than fifty thousand rupees has been paid up. The demand for a poll

Title of Article	Article Number and contents
	may be withdrawn at any time by the Person or Persons who made the demand.
Time of taking poll	**118.** A poll demanded on a question of adjournment or election of a Chairman shall be taken forthwith. A poll demanded on any other question shall be taken at such time not being later than forty-eight hours from the time when the demand was made and in such manner and place as the Chairman of the Meeting may direct and the result of the poll shall be deemed to be the decision of the Meeting on the resolution on which the poll was taken.
Chairman's casting vote	**119.** In the case of equality of votes, the Chairman shall both on a show of hands and on a poll (if any) have a casting vote in addition to the vote or votes to which he may be entitled as a Member.
Appointment of scrutineers	**120.** Where a poll is to be taken, the Chairman of the Meeting shall appoint two scrutineers to scrutinise the vote given on the poll and to report thereon to him. One of the scrutineers so appointed shall always be a Member (not being an officer or employee of the Company) present at the Meeting, provided such a Member is available and willing to be appointed. The Chairman shall have power, at any time before the result of the poll is declared, to remove a scrutineer from office and fill vacancies in the office of the scrutineer arising from such removal or from any other cause.
Demand for poll not to prevent transaction of other business	**121.** The demand for a poll shall not prevent transaction of other business (except on the question of the election of the Chairman and of an adjournment) other than the question on which the poll has been demanded.
Special notice	**122.** Where by any provision contained in the Act or in these Articles, special notice is required for any resolution, the 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 which the notice is served or deemed to be served on the day of the Meeting. 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.

VOTES OF MEMBERS

Title of Article	Article Number and contents
Member paying money in advance not to be entitled to vote in respect thereof	**123.** 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 moneys so paid by him until the same would but for such payment become presently payable.
Restriction on exercise of voting rights of Members who have not paid calls	**124.** No Member shall exercise any voting rights in respect of any Shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised any right of lien.
Number of votes to which Member entitled	**125.** Subject to the provisions of Article 123, every Member of the Company holding any equity share capital and otherwise entitled to vote shall, on a show of hands when present in person (or being a body corporate present by a representative duly authorized) have one vote and on a poll, when present in person (including a body corporate by a duly authorized representative), or by an agent duly authorized under a Power of Attorney or by proxy, his voting right shall be in proportion to his share of the paid-up equity share capital of theCompany. Provided however, if any preference shareholder is present at any meeting of the Company, (save as provided in sub-section (2) of Section 47 of Companies Act, 2013) he shall have a right to vote only on resolutions before the Meeting which directly affect the rights attached to his preference shares. 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 is taken.
Votes of Members of unsound mind	**126.** A Member of unsound mind, or in respect of whom order has been made by any Court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian and any such committee or guardian may, on a poll, vote by proxy.
Votes of joint Members	**127.** If there be joint registered holders of any Shares, one of such persons may vote at any Meeting personally or by an agent duly authorized under a Power of Attorney or by 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 morethan one of such joint holders be present at any Meeting either personally or by agent or by proxy, that one of the said persons so present whose name appears higher on the Register of Members shall alone be entitled to speak and to vote in respect of such Shares, but the other holder(s) shall be entitled to vote in preference to a person

Title of Article	Article Number and contents
	present by an agent duly authorized under a Power of Attorney or by proxy although the name of such person present by agent or proxy stands first or higher in the Register of Members in respect of such Shares. Several executors or administrators of a deceased Member in whose name Shares stand shall for the purpose of these Articles be deemed joint holders thereof.
Representation of body corporate	**128.** (a) A body corporate (whether a company within the meaning of the Act or not) may, if it is a Member or creditor of the Company (including a holder of Debentures) authorize such person as it thinks fit by a resolution of its Board of Directors or other governing body, to act as its representative at any Meeting of the Company or any class of shareholders of the Company or at any meeting of the creditors of the Company or Debenture-holders of the Company. A person authorized by resolutions aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise if it were an individual Member, shareholder, creditor or holder of Debentures of the Company. The production of a copy of the resolution referred to above certified by a Director or the Secretary of such body corporate before the commencement of the Meeting shall be accepted by the Company as sufficient evidence of the validity of the said representatives' appointment and his right to vote thereat. (b) Where the President of India or the Governor of a State is a Member of the Company, the President or as the case may be the Governor may appoint such person as he thinks fit to act as his representative at any Meeting of the Company or at any meeting of any class of shareholders of the Company and such a person shall be entitled to exercise the same rights and powers, including the right to vote by proxy, as the President, or as the case may be, the Governor could exercise as a Member of the Company.
Votes in respects of deceased or insolvent Members	**129.** Any person entitled under the Transmission Article to transfer any Shares may vote at any General Meeting in respect thereof in the same manner as if he was 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, he shall satisfy the Directors of the right to transfer such Shares and give such indemnity (if any) as the Directors may require unless the Directors shall have previously admitted his right to vote at such Meeting in respect thereof.
Voting in person or by proxy	**130.** Subject to the provisions of these Articles, votes may be given either personally or by proxy. A body corporate being a Member may vote either by a proxy or by a representative duly authorized in accordance with Section 105 of the Companies Act, 2013.

Title of Article	Article Number and contents
Rights of Members to use votes differently	**131.** On a poll taken at a Meeting of the Company a Member entitled to more than one vote or his proxy, or other persons 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.
Proxies	**132.** 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 instead of himself. PROVIDED 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 appoint one or more proxies to attend and vote instead of himself, and that a proxy need not be a Member of the Company.
Proxy either for specified meeting or for a period	**133.** An instrument of proxy may appoint a proxy either for the purposes of a particular Meeting specified in the instrument and any adjournment thereof or it mayappoint a proxy for the purpose of every Meeting to be held before a date specified in the instrument and every adjournment of any such Meeting.
No proxy to vote on a show of hands	**134.** No proxy shall be entitled to vote by a show of hands.
Instrument of proxy when to be deposited	**135.** The instrument appointing a proxy and the Power of Attorney or authority (if any) under which it is signed or a notarially certified copy of that Power of Attorney or authority, shall be deposited at the Registered Office of the Company at least forty-eight hours before the time for holding the Meeting at which the person named in the instrument purposes to vote and in default the instrument of proxy shall not be treated as valid.
Form of Proxy	**136.** Every instrument of proxy whether for a specified Meeting or otherwise shall, as nearly as circumstances will admit, be in any of the forms as prescribed in the Companies Act, 2013, and signed by the appointer or his attorney duly authorized in writing or if the appointer is a body corporate, be under its seal or be signed by any officer or attorney duly authorized by it.
Validity of votes given by proxy notwithstanding revocation of authority	**137.** A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the principal, or revocation of the proxy or of any Power of Attorney under which such proxy was signed, or the transfer of the Share in respect of which the vote is given, provided that no intimation in writing of the death, insanity, revocation or transfer shall have been

Title of Article	Article Number and contents
	received by the Company at the Registered Office before the commencement of the Meeting or adjourned Meeting at which the proxy is used provided nevertheless that the Chairman of any Meeting shall be entitled to require such evidence as he may in his discretion think fit of the due execution of an instrument of proxy and of the same not having been revoked.
Time for objection to vote	**138.** No objection shall be made to the qualification of any voter or to the validity of a vote except at the Meeting or adjourned Meeting at which the vote objected to is given or tendered, and every vote, whether given personally or by proxy, not disallowed at such Meeting, shall be valid for all proposes and such objection made in due time shall be referred to the Chairman of the Meeting.
Chairman of any Meeting to be the judge of Validity of any value	**139.** The Chairman of any Meeting shall be the sole judge of the validity of every vote tendered at such Meeting. The Chairman present at the taking of a poll shall be the sole judge of the validity of every vote tendered at such poll. The decision of the Chairman shall be final and conclusive.
Custody of Instrument	**140.** If any such instrument of appointment is confined to the object of appointing at attorney or proxy for voting at Meetings of the Company, it shall remain permanently or for such time as the Directors may determine, in the custody of the Company. If such instrument embraces other objects, a copy thereof examined with the original shall be delivered to the Company to remain in the custody of the Company.

DIRECTORS

Title of Article	Article Number and contents
Number of Directors	**141.** Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Companies Act, 2013, the number of Directors shall not be less than three and not more than fifteen. **141(a)** First Directors of the Company are: i. Collin R Timms ii. OlindaTimms
Appointment of Directors	**142.** The appointment of Directors of the Company shall be in accordance with the provisions of the Act and these Articles, to the extent applicable.
	143.

Title of Article	Article Number and contents
Debenture Directors	Any Trust Deed for securing Debentures may if so arranged, provide for the appointment, from time to time by the Trustees thereof or by the holders of Debentures, of some person to be a Director of the Company and may empower such Trustees or holder of Debentures, from time to time, to remove and re-appoint any Director so appointed. The Director appointed under this Article is herein referred to as "Debenture Director" and the term "Debenture Director" means the Director for the time being in office under this Article. The Debenture Director shall not be liable to retire by rotation or be removed by the Company. The Trust Deed may contain such ancillary provisions as may be agreed between the Company and the Trustees and all such provisions shall have effect notwithstanding any of the other provisions contained herein.
Nominee Director or Corporation Director	**144.** (a) Notwithstanding anything to the contrary containedin these Articles, so long as any moneys remain owing by the Company to any Finance Corporation or Credit Corporation or to any Financing company or body, (which corporation or body is hereinafter in this Article referred to as "the corporation") out of any loans granted or to be granted by them to the Company or so long as the corporation continue to hold Debentures in the Company by direct subscription or private placement, or so long as the Corporation holds Shares in the Company as a result of underwriting or direct subscription or so long as any liability of the Company arising out of any guarantee furnished by the Corporation on behalf of the Company remains outstanding, the Corporation shall have a right to appoint from time to time any person or persons as a Director, whole time or non-whole time (which Director or Directors is/are hereinafter referred to as "Nominee Director(s)") on the Board of the Company and to remove from such office any persons so appointed and to appoint any person or persons in his/their places. (b) The Board of Directors of the Company shall have no power to remove from office the Nominee Director(s). Such Nominee Director(s) shall not be required to hold any Share qualification in the Company. Further Nominee Director shall not be liable to retirement by rotation of Directors. Subject as aforesaid, the Nominee Directors(s) shall be entitled to the same rights and privileges and be subject to the obligations as any other Director of the Company. (c) The Nominee Director(s) so appointed shall hold the said office only so long as any moneys remain owing by the Company to the Corporation and the Nominee Director/s so appointed in exercise of the said power, shall *ipso facto* vacate such office immediately on the moneys owing by the Company to the Corporation being paid off. (d) The Nominee Director(s) appointed under this Article shall be entitled to receive all notices of and attend all General Meetings, Board Meetings and all the Meetings of the Committee of which the Nominee Director(s) is/are Member(s) as also the minutes of such Meetings. The Corporation shall also be entitled to receive all such notices and minutes. (e) The sitting fees in relation to such Nominee Director(s) shall also accrue to the

Title of Article	Article Number and contents
	Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any other fees, commission, moneys or remuneration in any form is payable to the Nominee Director of the Company, such fees, commission, moneys and remuneration in relation to such Nominee Director(s) shall accrue to the Corporation and the same shall accordingly be paid by the Company directly to the Corporation. Any expenses that may be incurred by the Corporation or such Nominee Director(s), in connection with their appointment or Directorship, shall also be paid or reimbursed by the Company to the Corporation or as the case may be to such Nominee Director/s provided that if any such Nominee Director/s is/are an officer(s) of the Corporation. Provided also that in the event of the Nominee Director(s) being appointed as Whole-time Director(s); such Nominee Director/s shall exercise such power and duties as may be approved by the lenders and have such rights as are usually exercised or available to a whole-time Director in the management of the affairs of Company. Such Nominee Director shall be entitled to receive such remuneration, fees, commission and moneys as may be approved by the Corporation(s) nominated by him.
Special Director	**145.** (a) 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. (b) 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. (c) 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 then one collaborator is so entitled there may be at any time as may special directors as the collaborators eligible to make the appointment.
Limit on number of non-retiring	**146.** The provisions of Articles 143, 144 and 145 are subject to the provisions of Section 152 of the Companies Act, 2013 and number of such Directors appointed shall not

Title of Article	Article Number and contents
Directors	exceed in the aggregate one third of the total number of Directors for the time being in office.
Alternate Director	**147.** The Board may appoint, an Alternate Director recommended for such appointment by the Director (hereinafter in this Article called "the Original Director") to act for him 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. Every such Alternate Director shall, subject to his giving to the Company an address in India at which notice may be served on him, be entitled to notice of meetings of Directors and to attend and vote as a Director and be counted for the purposes of a quorum and generally at such Meetings to have and exercise all the powers and duties and authorities of the Original Director. The Alternate Director appointed under this Article shall vacate office as and when the Original Director returns to the State in which the meetings of the Board are ordinarily held and if the term of office of the Original Director is determined before he returns to as aforesaid, any provisions in the Act or in these Articles for automatic reappointment of retiring Director in default of another appointment shall apply to the Original Director and not the Alternate Director.
Directors may fill in vacancies	**148.** The Directors shall have power at any time and from time to time to appoint any person to be a Director to fill a casual vacancy. Such casual vacancy shall be filled by the Board of Directors at a meeting of the Board. Any person so appointed shall hold office only up to the date to which the Director in whose place he is appointed would have held office, if it had not been vacated as aforesaid. However, he shall then be eligible for re-election.
Additional Directors	**149.** Subject to the provisions of Section 161 of the Companies Act, 2013 the Directors shall have the power at any time and from time to time to appoint any other person to be a Director as an addition to the Board ("Additional Director") so that the total number of Directors shall not at any time exceed the maximum fixed by these Articles. Any person so appointed as an Additional Director to the Board shall hold his office only up to the date of the next Annual General Meeting and shall be eligible for election at such Meeting.
Qualification shares	**150.** A Director need not hold any qualification shares.
Directors' sitting fees	**151.** The fees payable to a Director for attending each Board meeting shall be such sum as may be fixed by the Board of Directors not exceeding such sum as may be prescribed by the Central Government for each of the meetings of the Board or a Committee thereof and adjournments thereto attended by him. The Directors, subject to the sanction of the Central Government (if any required) may be paid such higher fees as the Company in General Meeting shall from time to time determine.

Title of Article	Article Number and contents
Extra remuneration to Directors for special work	**152.** Subject to the provisions of Sections 188 and 197 of the Companies Act, 2013, if any Director, being willing, shall be called upon to perform extra services (which expression shall include work done by a Director as a Member of any Committee formed by the Directors or in relation to signing share certificate) or to make special exertions in going or residing or residing out of his usual place of residence or otherwise for any of the purposes of the Company, the Company may remunerate the Director so doing either by a fixed sum or otherwise as may be determined by the Director, and such remuneration may be either in addition to or in substitution for his share in the remuneration herein provided. Subject to the provisions of the Act, a Director who is neither in the whole time employment nor a Managing Director may be paid remuneration either: i. by way of monthly, quarterly or annual payment with the approval of the Central Government; or ii. by way of commission if the Company by a Special Resolution authorized such payment.
Traveling expenses incurred by Directors on Company's business	**153.** The Board of Directors may subject to the limitations provided by the Act allow and pay to any Director who attends a meeting of the Board of Directors or any Committee thereof or General Meeting of the Company or in connection with the business of the Company 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 traveling, hotel, and other incidental expenses properly incurred by him in addition to his fees for attending such Meeting as above specified.
Director may act notwithstanding vacancy	**154.** The continuing Director or Directors may act notwithstanding any vacancy in their body, but if and so long as their number is reduced below the quorum fixed by these Articles for a meeting of the Board, the Director or Directors may act for the purpose of increasing the number of Directors or that fixed for the quorum or for summoning a General Meeting of the Company but for no other purposes.
Board resolution necessary for certain contracts	**155.** (1) Subject to the provisions of Section 188 of the Companies Act, 2013, 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: (a) For the sale, purchase or supply of goods, materials or services; or (b) for underwriting the subscription of any Share in or debentures of the Company; (c) nothing contained in clause (a) of sub-clause (1) shall

Title of Article	Article Number and contents
	affect:- (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 (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. (b) 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 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. (c) 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. (d) 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. (e) 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.
Disclosure to the Members of Directors' interest in contract appointing Managers, Managing Director or Whole-time	**156.** When the Company:- (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 (b) varies any such contract already in existence and in which a Director is concerned or interested as aforesaid, the provisions of Section 190 of the

Title of Article	Article Number and contents
Director	Companies Act, 2013 shall be complied with.
Directors of interest General notice of disclosure	**157.** (a) 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 184 of the Companies Act, 2013. (b) 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 184 of the Companies Act, 2013 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.
Directors and Managing Director may contract with Company	**158.** Subject to the provisions of the Act the Directors (including a Managing Director and Whole time Director) shall not be disqualified by reason of his or their office as such from holding office under the Company or from contracting with the Company either as vendor, purchaser, lender, agent, broker, lessor or lessee or otherwise, nor shall any such contract or any contracts or arrangement entered into by or on behalf of the Company with any Director or with any company or partnership of or in which any Director shall be a member or otherwise interested be avoided nor shall any Director so contracting be liable to account to the Company for any profit realized by such contract or arrangement by reason only of such Director holding that office or of the fiduciary relation thereby established, but it is declared that the nature of his interest shall be disclosed as provided by Section 184 of the Companies Act, 2013 and in this respect all the provisions of Section 184 and 189 of the Companies Act, 2013 shall be duly observed and complied with.
Disqualification of the Director	**159.** A person shall not be capable of being appointed as a Director of the Company if:- (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;

Title of Article	Article Number and contents
	(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, unless the leave of the Court has been obtained for his appointment.
Vacation of office by Directors	**160.** The office of Director shall become vacant if:- (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 185 of the Companies Act, 2013; 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 the Board of Directors as required by Section 184 of the Companies Act, 2013; or (i) he is removed by an Ordinary Resolution of the Company before the expiry of his period of notice; or (j) if by notice in writing to the Company, he resigns his office, or (k) 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.
Vacation of office by Directors (contd.)	**161.** Notwithstanding anything contained in sub-clauses (c), (d) and (i) of Article 160 hereof, the disqualification referred to in these clauses shall not take effect:

Title of Article	Article Number and contents
	(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.
Removal of Directors	**162.** (a) The Company may subject to the provisions of Section 169 and other applicable provisions of the Companies Act, 2013 and these Articles by Ordinary Resolution remove any Director not being a Director appointed by the Central Government in pursuance of Section 242 of the Companies Act, 2013 before the expiry of his period of office. (b) Special Notice as provided by these Articles or Section 115 of the Companies Act, 2013 shall be required of any resolution to remove a Director under this Article or to appoint some other person in place of a Director so removed at the Meeting at which he is removed. (c) 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. (d) where notice is given of a resolution to remove a Director under this Article and the Director concerned makes with respect thereto representations in writing to the Company (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: i) in the notice of the resolution given to the Members of the Company state the fact of the representations having been made, and ii) 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, the Court is satisfied that the rights concerned by this sub-clause are being abused to secure needless publicity for defamatory matter.

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	(e) A vacancy created by theremoval 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 153 or Section 161 of the Companies Act, 2013 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 clause (b) 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. (f) If the vacancy is not filled under sub-clause (e) hereof, it may be filled as a casual vacancy in accordance with the provisions, in so far as they are applicable of Article 148 or Section 161 of the Companies Act, 2013 and all the provisions of that Article and Section shall apply accordingly (g) Provided that the Director who was removed from office under this Article shall not be re-appointed as a Director by the Board of Directors. (h) Nothing contained in this Article shall be taken:- (i) 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 (ii) as derogating from any power to remove a Director which may exist apart from this Article.
Interested Directors not to participate or vote in Board's proceedings	**163.** 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 shallbe void. Provided however, that nothing herein contained shall apply to:- (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; (i) in his being: (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

Title of Article	Article Number and contents
	share capital.
Director may be director of companies promoted by the Company	**164.** A Director may be or become a director of any company promoted by the Company, or in which it may be interested as a vendor, shareholder, or otherwise and no such Director shall be accountable for any benefit received as director or shareholder of such company except in so far Section 197 or Section 188 of the Companies Act, 2013 may be applicable.

ROTATION AND APPOINTMENT OF DIRECTORS

Title of Article	Article Number and contents
Rotation of Directors	**165.** Not less than two third of the total number of Directors shall: (a) Be persons whose period of the office is liable to termination by retirement by rotation and (b) Save as otherwise expressly provided in the Articles be appointed by the Company in General Meeting.
Retirement of Directors	**166.** Subject to the provisions of Articles 145 and 147, the non-retiring Directors should be appointed by the Board for such period or periods as it may in its discretion deem appropriate.
Retiring Directors	**167.** Subject to the provisions of Section 152 of the Companies Act, 2013 and Articles 143 to 154, at every Annual General Meeting of the Company, one-third or such of the Directors for the time being as are liable to retire by rotation; or if their number is not three or a multiple of three the number nearest to one-third shall retire from office. The Debenture Directors, Nominee Directors, Corporation Directors, if any, subject to Article 180, shall not be taken into account in determining the number of Directors to retire by rotation. In these Articles a "Retiring Director" means a Director retiring by rotation.
Appointment of Technical or Executive Directors	**168.** (a) 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. (b) Subject to the provisions of Section 161 of the Companies Act, 2013 if the office of any Director appointed by the Company in General Meeting vacated before his

Title of Article	Article Number and contents
	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.
Ascertainment of Directors retiring by rotation and filling of vacancies	**169.** Subject to Section 152 of the Companies Act, 2013 the Directors retiring by rotation under Article 167 at every Annual General Meeting shall be those, who have been longest in office since their last appointment, but as between those who became Directors on the same day, those who are to retire shall in default of and subject to any agreement amongst themselves be determined by the lot.
Eligibility for re-election	**170.** A retiring Director shall be eligible for re-election and shall act as a Director throughout and till the conclusion of the Meeting at which he retires.
Company to fill vacancies	**171.** At the General Meeting, at which a Director retires as aforesaid, the Company may fill up the vacancy by appointing the retiring Director or some other person thereto.
Provision in default of appointment	**172.** (a) If the place of retiring Director is not so filled up and the Meeting has 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. (b) If at the adjourned Meeting also, the place of the retiring Director is not filled up and the 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: i) at that Meeting or the previous Meeting a resolution for the re-appointment of such Director has been put to the Meeting and lost. ii) the retiring Director has by a notice in writing addressed to the Company or its Board of Directors expressed his unwillingness to be so re-appointed. iii) he is not qualified or is disqualified for appointment. iv) a resolution, whether Special or Ordinary is required for his appointment or re-appointment by virtue of any provisions of the Act, or v) section 162 of the Companies Act, 2013 is applicable to the case.

Title of Article	Article Number and contents
Company may increase or reduce the number of Directors or remove any Director	**173.** Subject to the provisions of Section 149 and 152 of the Companies Act, 2013 the Company may by Ordinary Resolution from time to time, increase or reduce the number of Directors and may alter qualifications.
Appointment of Directors to be voted individually	**174.** (a) No motion, at any General Meeting of the Company shall 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 been first agreed to by the Meeting without any vote being given against it. (b) A resolution moved in contravention of clause (a) hereof shall be void, whether or not objection was taken at the time of its being so moved, provided where a resolution so moved has passed no provisions or the automatic re-appointment of retiring Directors in default of another appointment as therein before provided shall apply. (c) For the purposes of this Article, a motion for approving a person's appointment, or for nominating a person for appointment, shall be treated as a motion for his appointment.
Notice of candidature for office of Directors except in certain cases	**175.** (1) No person not being a retiring Director shall be eligible for election to the office of Director at any General Meeting unless he or some other Member intending to propose him has given at least fourteen days' notice in writing under his hand signifying his candidature for the office of a Director or the intention of such person to propose him as Director for that office as the case may be, along with a deposit of one lakh rupees or such higher amount as may be prescribed which shall be refunded to such person or, as the case may be, to such Member, if the person succeeds in getting elected as a Director or gets more than twenty-five per cent. of total valid votes cast either on show of hands or on poll on such resolution. (2) The Company shall inform its Members of the candidature of the person for the office of Director or the intention, of a Member to propose such person as candidate for that office in such manner as may be prescribed. (3) Every person (other than Director retiring by rotation or otherwise or a person who has left at the office of the Company a notice under Section 160 of the Companies Act, 2013 signifying his candidature for the office of a Director) proposed as a candidate for the office a Director shall sign and file with the Company his consent in writing to act as a Director, if appointed. (4) A person other than:

Title of Article	Article Number and contents
	i. a Director appointed after retirement by rotation or immediately on the expiry of his term of office, or ii. an Additional or Alternate Director or a person filling a casual vacancy in the office of a Director under Section 161 of the Companies Act, 2013 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 thirty days of his appointment signed and filled with the Registrar his consent in writing to act as such Director.
Disclosure by Directors of their holdings of their Shares and debentures of the Company	**176.** Every Director and every person deemed to be Director of the Company by virtue of Section 170 of the Companies Act, 2013 shall give notice to the Company of such matters relating to himself as may be necessary for the purpose of enabling the Company to comply with the provisions of that Section. Any such notice shall be given in writing and if it is not given at a meeting of the Board the person giving the notice shall take all reasonable steps to secure that it is brought up and read at the next meeting of the Board after it is given.
Votes of Body Corporate	**177.** A body corporate, whether a company within the meaning of the Act or not, which is a member of the Company, may by resolution of its Board of Directors or other governing body, authorize such person as it thinks fit to act as its representative at any meeting of the company or at any meeting of any class of members of the company and the persons so authorized shall be entitled to exercise the same rights and power (including the right to vote by proxy) on behalf of the body corporate which he represents as that body could exercise as if it were an individual member of the company and the production of a copy of the Minutes of such resolution certified by a director or the copy of the Minutes of such resolution certified by a Director or the Secretary of such body corporate as being a true copy of the Minutes of such resolution shall be accepted as sufficient evidence of the validity of the said representative's appointment and of his right to vote.

MANAGING DIRECTOR

Title of Article	Article Number and contents
Powers to appoint Managing Director	**178.** Subject to the provisions of Section 196 and 203 of the Companies Act, 2013 the Board may, from time to time, appoint one or more Directors to be Managing Director or Managing Directors or Whole-time Directors of the Company, for a fixed term not exceeding five years as to the period for which he is or they are to hold such office, 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. (a) The Managing Director shall perform such functions and exercise such

Title of Article	Article Number and contents
	powers as are delegated to him by the Board of Directors of the Company in accordance with the provisions of the Companies Act, 2013 and Companies Act, 1956, to the extent applicable. (b) Subject to the provisions of Section 152 of the Companies Act, 2013 the Managing Director shall be, while he continues to hold that office, subject to retirement by rotation.
Remuneration of Managing Director	**179.** Subject to the provisions of Sections 196 and 197 of the Companies Act, 2013 a Managing Director shall, in addition to any remuneration that might be payable to him as a Director of the Company under these Articles, receive such remuneration as may from time to time be approved by the Company.
Special position of Managing Director	**180.** Subject to any contract between him and the Company, a Managing or Whole-time Director shall, while he continues to hold that office, be subject to retirement by rotation, and be subject to the same provisions as to resignation and removal as the Directors of the Company and shall, *ipso facto* and immediately, cease to be a Managing Director if he ceases to hold the office of Director from any cause.
Powers of Managing Director	**181.** The Director may from time to time entrust to and confer upon a Managing Director or Whole-time Director for the time being such of the powers exercisable under these provisions by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions, as they think expedient and they may 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 from time to time, revoke, withdraw, alter, or vary all or any of such powers.
	182. The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Whole-time Director or Whole-time Directors of the Company and may exercise all the powers referred to in these Articles.
	183. Receipts signed by the Managing Director for any moneys, goods or property received in the usual course of business of the Company or for any money, goods, or property lent to or belonging to the Company shall be an official discharge on behalf of and against the Company for the money, funds or property which in such receipts shall be acknowledged to be received and the persons paying such moneys shall not be bound to see to the application or be answerable for any misapplication thereof. The Managing Director shall also have the power to sign, accept and endorse cheques on behalf of the Company.

Title of Article	Article Number and contents
	184. 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.
	185. 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.
Appointment and powers of Manager	**186.** The Board may, from time to time, appoint any person as Manager (under Section 2(53) of the Companies Act, 2013) to manage the affairs of the Company. The Board may from time to time entrust to and confer upon a Manager such of the powers exercisable under these Articles by the Directors, as they may think fit, and may confer such powers for such time and to be exercised for such objects and purposes and upon such terms and conditions and with such restrictions as they think expedient.

WHOLE TIME DIRECTOR

Title of Article	Article Number and contents
Power to appoint Whole-Time Director and/or Whole-time Directors	**187.** Subject to the provisions of the Act and of these Articles, the Board may from time to time with such sanction of the Central Government as may be required by law appoint one or more of its Director/s or other person/s as Whole-Time Director or Whole-Time Directors of the Company out of the Directors/persons nominated under Article only either for a fixed term that the Board may determine or permanently for life time upon such terms and conditions as the Board may determine and thinks fit. The Board may by ordinary resolution and/or an agreement/s vest in such Whole-Time Director or Whole Time Directors such of the powers, authorities and functions hereby vested in the Board generally as it thinks fit and such powers may be made exercisable and for such period or periods and upon such conditions and subject to such restrictions as it may be determined or specified by the Board and the Board has the powers to revoke, withdraw, alter or vary all or any of such powers and/or remove or dismiss him or them and appoint another or others in his or their place or places again out of the Directors/persons nominated under Article 188 only. The Whole Time Director or Whole Time Directors will be entitled for remuneration as may be fixed and determined by the Board from time to time either by way of ordinary resolution or a Court act/s or an agreement/s under such terms not expressly prohibited by the Act.
To what	**188.** Subject to the provisions of Section 152 of the Companies Act, 2013 and these

provisions Whole time Directors shall subject	Articles, a Whole Time Director or Whole Time Directors shall, while he/they continue to hold that office, be liable to retirement by rotation but (subject to the provisions of any contract between him/they and the Company) he/they shall be subject to the same provision as to resignation and removal as the other Directors and he/they shall *ipso facto* and immediately ceases or otherwise cease to hold the office of Director/s for any reason whatsoever save that if he/they shall vacate office whether by retirement, by rotation or otherwise under the provisions of the Act in any Annual General Meeting and shall be re-appointed as a Director or Directors at the same meeting he/they shall not by reason only of such vacation, cease to be a Whole Time Director or Whole Time Directors.
Seniority of Whole Time Director and Managing Director	**189.** 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.

PROCEEDINGS OF THE BOARD OF DIRECTORS

Title of Article	Article Number and contents
Meeting of Directors	**190.** The Directors may meet together as a Board for the dispatch of business from time to time, and unless the Central Government by virtue of the provisions of Section 173 of the Companies Act, 2013 allow otherwise, Directors shall so meet at least once in every three months and at least four such Meetings shall be held in every year. The Directors may adjourn and otherwise regulate their Meetings as they think fit. The provisions of this Article shall not be deemed to have been contravened merely by reason of the fact that the meeting of the Board which had been called in compliance with the terms of this Article could not be held for want of a quorum.
Quorum	**191.** (a) Subject to Section 174 of the Companies Act, 2013 the quorum for a meeting of the Board of Directors shall be one-third of its total strength (excluding Directors, if any, whose place may be vacant at the time and any fraction contained in that one third being rounded off as one) or two Directors whichever is higher. PROVIDED that where at any time the number of interested Directors at any meeting exceeds or is equal to two-third of the Total Strength, the number of the remaining Directors that is to say, the number of directors who are not interested present at the Meeting being not less than two shall be, the quorum during such time. (b) For the purpose of clause (a) (i) "Total Strength" means total strength of the Board of Directors of the Company determined in pursuance of the Act after deducting there from

Title of Article	Article Number and contents
	number of the Directors if any, whose places may be vacant at the time, and (ii) "Interested Directors" mean any Directors whose presence cannot by reason of any provisions in the Act count for the purpose of forming a quorum at a meeting of the Board at the time of the discussion or vote on any matter.
Procedure when Meeting adjourned for want of quorum	**192.** If a meeting of the Board could not be held for want of quorum then, the Meeting shall automatically 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 thenext succeeding day which is not a public holiday at the same time and place, unless otherwise adjourned to a specific date, time and place.
Chairman of Meeting	**193.** The Chairman of the Board of Directors shall be the Chairman of the meetings of Directors, provided that if the Chairman of the Board of Directors is not present within five minutes after the appointed time for holding the same, meeting of the Director shall choose one of their members to be Chairman of such Meeting.
Question at Board meeting how decided	**194.** Subject to the provisions of Section 203 of the Companies Act, 2013 questions arising at any meeting of the Board shall be decided by a majority of votes, and in case of any equality of votes, the Chairman shall have a second or casting vote.
Powers of Board meeting	**195.** A meeting of the Board of Directors at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions which by or under the Act, or the Articles for the time being of the Company which are vested in or exercisable by the Board of Directors generally.
Directors may appoint Committee	**196.** The Board of Directors may subject to the provisions of Section 179 and other relevant provisions of the Companies Act, 2013 and of these Articles delegate any of the powers other than the powers to make calls and to issue debentures to such Committee or Committees and may from time to time revoke and discharge any such Committee of the Board, either wholly or in part and either as to the persons or purposes, but every Committee of the Board so formed shall in exercise of the powers so delegated conform to any regulation(s) that may from time to time be imposed on it by the Board of Directors. All acts done by any such Committee of the Board in conformity with such regulations and in fulfillment of the purpose of their appointments, but not otherwise, shall have the like force and effect, as if done by the Board.
Meeting of the Committee how to be governed	**197.** The meetings and proceedings of any such Committee of the Board consisting of two or moremembers shall be governed by the provisions hereincontained for regulating the meetings and proceedingsof the Directors, so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last

Title of Article	Article Number and contents
	preceding article. Quorum for the Committee meetings shall be two.
Circular resolution	**198.** (a) A resolution passed by circulation without a meeting of the Board or a Committee of the Board appointed under Article 197 shall subject to the provisions of sub-clause (b) hereof and the Act, be as valid and effectual as the resolution duly passed at a meeting of Directors or of a Committee duly called and held. (b) A resolution shall be deemed to have been duly passed by the Board or by a Committee thereof by circulation if the resolution has been circulated in draft together with 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 fixed for a meeting of the Board or Committee as the case may be) and to all other Directors or members of the Committee at their usual addresses in India or to such other addresses outside India specified by any such Directors or members of the Committee and has been approved by such of theDirectors 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.
Acts of Board or Committee valid notwithstanding defect in appointment	**199.** 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 one or more of such Directors or any person acting as aforesaid; or that they or any of them were disqualified or had vacated office or that the appointment of any of them is deemed to be terminated by virtue of any provision 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; provided nothing in the Article shall be deemed to give validity to acts done by a Director after his appointment has been shown to the Company to be invalid or to have terminated.

POWERS OF THE BOARD

Title of Article	Article Number and contents
General powers of management vested in the Board of Directors	**200.** The Board may exercise all such powers of the Company and do all such acts and things as are not, by the Act, or any other Act or by the Memorandum or by the Articles of the Company required to be exercised by the Company in General Meeting, subject nevertheless to these Articles, to the provisions of the Act, or any other Act and to such regulations being not inconsistent with the aforesaid Articles, as may be prescribed by the Company in General Meeting but 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. Provided that the Board shall not, except with the consent of the Company in General Meeting :-

Title of Article	Article Number and contents
	(a) sell, lease or otherwise dispose of the whole, or substantially the whole, of the undertaking of the Company, or where the Company owns more than one undertaking of the whole, or substantially the whole, of any such undertaking; (b) remit, or give time for the repayment of, any debt due by a Director, (c) invest otherwise than in trust securities the amount of compensation received by the Company in respect of the compulsory acquisition or any such undertaking as is referred to in clause (a) or of any premises or properties used for any such undertaking and without which it cannot be carried on or can be carried on only with difficulty or only after a considerable time; (d) borrow moneys where the moneys to be borrowed together with the moneys already borrowed by the Company (apart from temporary loans obtained from the Company's bankers in the ordinary course of business), will exceed the aggregate of the paid-up capital of the Company and its free reserves that is to say, reserves not set apart for any specific purpose; (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 per cent of its average net profits as determined in accordance with the provisions of Section 349 and 350 of the Act during the three financial years immediately preceding whichever is greater, provided that the Company in the General Meeting or the Board of Directors shall not contribute any amount to any political party or for any political purposes to any individual or body; (i) Provided that in respect of the matter referred to in clause (d) and clause (e) such consent shall be obtained by a resolution of the Company which shall specify the total amount upto which moneys may be borrowed by the Board under clause (d) of as the case may be total amount which may be contributed to charitable or other funds in a financial year under clause (e) (ii) Provided further that the expression "temporary loans" in clause (d) above shall mean loans repayable on demand or within six months from the date of the loan such as short term cash credit arrangements, the discounting of bills and the issue of other short term loans of a seasonal character, but does not include loans raised for the purpose of financing expenditure of a capital nature.
Certain powers to be exercised by the Board only at Meetings	**201.** (1) Without derogating from the powers vested in the Board of Directors under these Articles, the Board shall exercise the following powers on behalf of the Company and they shall do so only by means of resolutions passed at the meeting of the Board; (a) the power to make calls, on shareholders in respect of money unpaid on their Shares, (b) the power to issue Debentures, (c) the power to borrow moneys otherwise than on Debentures, (d) the power to invest the funds of the Company, and (e) the power to make loans

Title of Article	Article Number and contents
	(2) Provided that the Board may, by resolution passed at a Meeting, delegate to any Committee of Directors, the Managing Director, the Manager or any other principal officer of the Company, the powers specified in sub-clause (c),(d) and (e) to the extent specified below. (3) Every resolution delegating the power referred to in sub-clause (1)(c) above shall specify the total amount outstanding at any one time, upto which moneys may be borrowed by the delegate. (4) Every resolution delegating the power referred to in sub-clause (1)(d) above shall specify the total amount upto which the funds of the Company may be invested, and the nature of the investments which may be made by the delegate. (5) Every resolution delegating the power referred to in sub-clause (1)(e) above shall specify the total amount upto which loans may be made and the maximum amount of loans which may be made for each such purpose in individual cases.
Certain powers of the Board	**202.** Without prejudice to the general powers conferred by the last preceding Article and so as not in any way to limit or restrict those powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the last preceding Article, it is hereby declared that the Directors shall have the following powers, that is to say, power: (1) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (2) 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. (3) Subject to Section 292 and 297 and other provisions applicable of the Act to purchase or otherwise acquire for the Company any property, right or privileges which the Company is authorized to acquire, at or for such price or consideration and generally on such terms and conditions as they may think fit and in any such purchase or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. (4) At their discretion and subject to the provisions of the Act to pay for any property, rights or privileges acquired by or services rendered to the Company, either wholly or partially in cash or in share, bonds, debentures, mortgages, or other securities of the Company, and any such Shares may be issued either as fully paid-up or with such amount credited as paid-up thereon as may be agreed upon and any such bonds, debentures, mortgages 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. (5) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge of all or any of the property of the Company and its uncalled capital for the time being or in such manner as they may think

Title of Article	Article Number and contents
	fit. (6) To accept from any Member, as far as may be permissible by law to a surrender of his Shares or any part thereof, on such terms and conditions as shall be agreed. (7) To appoint any person to accept and hold in trust for the Company any property belonging to the Company, in which it is interested, or for any other purpose and to execute and do all such deeds and things as may be required in relation to any trust, and to provide for the remuneration of such trustee or trustees. (8) To institute, conduct, defend, compound or abandon any legal proceedings by or against the Company or its officers or otherwise concerning the affairs of the Company, and also to compound and allow time for payment or satisfaction of any debts due and of any claim or demands by or against the Company and to refer any differences to arbitration and observe and perform any awards made thereon either according to Indian law or according to foreign law and either in India or abroad and to observe and perform or challenge any award made thereon. (9) To act on behalf of the Company in all matters relating to bankruptcy and insolvency, winding up and liquidation of companies. (10) To make and give receipts, releases and other discharges for moneys payable to the Company and for the claims and demands of the Company. (11) Subject to the provisions of Sections 291, 292, 295, 370, 372 and all other applicable provisions of the Act, to invest and deal with any moneys of the Company not immediately required for the purpose thereof upon such security (not being Shares of this Company), or without security and in such manner as they may think fit and from time to time 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. (12) 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 surety, for the benefit of the Company, such mortgages of the Company's property (present and future) as they think fit, and any such mortgage may contain a power of sale and such other powers, provisions, covenants and agreements as shall be agreed upon. (13) To open bank account and to determine from time to time who shall be entitled to sign, on the Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose. (14) To distribute by way of bonus amongst the staff of the Company a Share or Shares in the profits of the Company and to give to any Director, officer or other person employed by the Company a commission on the profits of any particular business or transaction and to charge such bonus or commission as a part of the working expenses of the Company. (15) To provide for the welfare of Directors or ex-Directors or employees or ex-

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	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. (16) Before recommending any dividend, to set aside out of the profits of the Company such sums as they may think proper for depreciation or to depreciation fund, or to an insurance fund, or as reserve fund or any special fund to meet contingencies or to repay redeemable preference shares or debentures or debenture stock, or for special dividends or for equalising dividends or for repairing, improving, extending and maintaining any of the property of the Company and for such other purposes (including the purpose referred to in the preceding clause), as the Board may in their absolute discretion, think conducive to the interest of the Company and subject to Section 292 of the Act, to invest several sums so set aside or so much thereof as required to be invested, upon such investments (other than Shares of the Company) as they may think fit, and from time to time to deal with and vary such investments and dispose of and apply and expend all or any such part thereof for the benefit of the Company, in such a manner and for such purposes as the Board in their absolute discretion, think conducive to the interest of the Company notwithstanding that the matters to which the Board apply or upon which they expend the same or any part thereof or upon which the capital moneys of the Company might rightly be applied or expended; and to divide the general reserve or reserve fund into such special funds as the Board may think fit with full power to transfer the whole or any portion of reserve fund or division of a reserve fund and with full power to employ the assets constituting all or any of the above funds, including the depreciation fund, in the business of the Company or in the purchase or repayment of redeemable preference shares or debentures or debenture stock, and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with power however, 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. (17) To appoint, and at their discretion, remove or suspend, such general managers, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisors, research workers, laborers, 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 fix their salaries or emoluments or remuneration, and to require security in such instances and to such amount as they may think fit. And also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think and the

Title of Article	Article Number and contents
	provisions contained in the four next following sub-clauses shall be without prejudice to the general powers conferred by this sub-clause. (18) To appoint or authorize appointment of officers, clerks and servants for permanent or temporary or special services as the Board may from time to time think fit and to determine their powers and duties and to fix their salaries and emoluments and to require securities in such instances and of such amounts as the Board may think fit and to remove or suspend any such officers, clerks and servants. Provided further that the Board may delegate matters relating to allocation of duties, functions, reporting etc. of such persons to the Managing Director or Manager. (19) From time to time and at any time to establish any local Board for managing any of the affairs of the Company in any specified locality in India or elsewhere and to appoint any person to be members of such local Boards, and to fix their remuneration or salaries or emoluments. (20) 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 money, and to authorize the members for the time being of any such local Board, or any of them to fill up any vacancies therein and to act notwithstanding vacancies, and any such appointment or delegation may be made on such terms and subject to such terms and subject to such conditions as the Board may think fit, and Board may at any time remove any person so appointed, and may annul or vary any such delegation. (21) At any time and from time to time by Power of Attorney under the Seal of the Company, to appoint any person or person 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 subject to the provisions of Section 292 of the Act) and for such period and subject to such conditions as the Board may from time to time think fit; and any such appointment may (if the Board thinks fit) be made in favour of any company, or the shareholders, directors, nominees, or managers of any company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and such Power of Attorney may contain such powers for the protection or convenience of persons dealing with such Attorneys as the Board may think fit, and may contain powers enabling any such delegates or attorneys as aforesaid to sub-delegate all or any of the powers authorities and discretions for the time being vested in them. (22) Subject to Sections 294 and 297 and other applicable provisions of the Act, for or in relation to any of the matters aforesaid or, otherwise for the purposes 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. (23) From time to time to make, vary and repeal bye-laws for the regulations of the business of the Company, its officers and servants. (24) To purchase or otherwise acquire any land, buildings, machinery, premises,

Title of Article	Article Number and contents
	hereditaments, property, effects, assets, rights, credits, royalties, business and goodwill of any joint stock company carrying on the business which the Company is authorized to carry on in any part of India. (25) To purchase, take on lease, for any term or terms of years, or otherwise acquire any factories or any land or lands, with or without buildings and out-houses thereon, situated in any part of India, at such price or rent and under and subject to such terms and conditions as the Directors may think fit. And in any such purchase, lease or other acquisition to accept such title as the Directors may believe or may be advised to be reasonably satisfactory. (26) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as it may think proper all or any part of the buildings, machinery, goods, stores, produce and other movable 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. (27) 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. (28) 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. (29) 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. (30) 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 freehold 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. (31) 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. (32) 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. (33) Generally subject to the provisions of the Act and these Articles, to delegate the

Title of Article	Article Number and contents
	powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (34) 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.

MANAGEMENT

Title of Article	Article Number and contents
Appointment of different categories of key managerial personnel	**203.** The Company shall have the following whole-time key managerial personnel,— i). managing director, or Chief Executive Officer or manager and in their absence, a whole-time director; ii). company secretary; and iii). Chief Financial Officer

MINUTES

Title of Article	Article Number and contents
Minutes to be made	**204.** (1) The Company shall cause minutes of all proceedings of General Meeting and of all proceedings of every meeting of the Board of Directors or every Committee thereof within thirty days of the conclusion of every such meeting concerned by making entries thereof in books kept for that purpose with their pages consecutively numbered. (2) Each page of every such books shall be initialed or signed and the last page of the record of proceedings of each Meeting in such books shall be dated and signed: (a) in the case of minutes of proceedings of a meeting of Board or of a Committee thereof by the Chairman of the said meeting or the Chairman of the next succeeding meeting. (b) in the case of minutes of proceeding 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.
Minutes to be evidence of the proceeds Books of minutes of General	**205.** (a) The minutes of proceedings of every General Meeting and of the proceedings of every meeting of the Board or every Committee kept in accordance with the provisions of Section 118 of the Companies Act, 2013 shall be evidence of the proceedings recorded therein. (b) The books containing the aforesaid minutes shall be kept at the Registered Office of the Company and be open to the inspection of any Member without charge as provided in Section 119 and Section 120 of the Companies Act, 2013 and any

Title of Article	Article Number and contents
Meeting to be kept	Member shall be furnished with a copy of any minutes in accordance with the terms of that Section.
Presumptions	**206.** 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 118 of the Companies Act, 2013 until the contrary is proved, the meeting shall be deemed to have been duly called and held, all proceedings thereat 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.

THE SECRETARY

Title of Article	Article Number and contents
Secretary	**207.** The Directors may from time to time appoint, and at their discretion, remove any individual, (hereinafter called "the Secretary") to perform any functions, which by the Act are to be performed by the Secretary, and to execute any other ministerial or administrative duties, which may from time to time be assigned to the Secretary by the Directors. The Directors may also at any time appoint some person (who need not be the Secretary) to keep the registers required to be kept by the Company. The appointment of Secretary shall be made according to the provisions of the Companies (Appointment and Qualifications of Secretary) Rules, 1988.
The Seal, its custody and use	**208.** a) The Board shall provide for the safe custody of the seal. b) The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and except in the presence of at least two directors and of the secretary or such other person as the Board may appoint for the purpose; and those two directors and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.

DIVIDENDS AND CAPITALISATION OF RESERVES

Title of Article	Article Number and contents
Division of profits	**209.** (a) 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 Share in the Company, dividends may be declared and paid according to the amounts of the Shares; (b) No amount paid or credited as paid on a Share in advance of calls shall be treated

Title of Article	Article Number and contents
	for the purpose of this Article as paid on the Shares.
The Company at General Meeting may declare dividend	**210.** The Company in General Meeting may declare dividends, to be paid to Members according to their respective rights and interest in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Companies Act, 2013 but no dividends shall exceed the amount recommended by the Board of Directors. However, the Company may declare a smaller dividend than that recommended by the Board in General Meeting.
Dividends out of profits only	**211.** No dividend shall be payable except out of profits of the Company arrived at the manner provided for in Section 123 of the Companies Act, 2013.
Interim Dividend	**212.** 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.
Debts may be deducted	**213.** (a) 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. (b) The Board of Directors may retain the dividend payable upon Shares in respect of which any person is, under the Transmission Article, entitled to become a Member or which any person under that Article is entitled to transfer until such person shall become a Member or shall duly transfer the same.
Capital paid-up in advance to carry interest, not the right to earn dividend	**214.** 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.
Dividends in proportion to amounts paid-up	**215.** 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 provided that it shall rank for dividends as from a particular date such Share shall rank for dividend accordingly.
No Member to receive dividend	**216.** 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

Title of Article	Article Number and contents
while indebted to the Company and the Company's right in respect thereof	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 to any Member all such sums of money so due from him to the Company.
Effect of transfer of Shares	**217.** A transfer of Shares shall not pass the right to any dividend declared therein before the registration of the transfer.
Dividend to joint holders	**218.** Any one of several persons who are registered as joint holders of any Shares may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such Shares.
Dividend how remitted	**219.** The dividend payable in cash may be paid by cheque or warrant sent through post directly to 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 who is first named on the Register of Members or to such person and to such address as the holder or joint holders may in writing direct. The Company shall not be liable or responsible for any cheque or warrant or pay slip or receipt lost in transit or for any dividend lost, to the Member or person entitled thereto by forged endorsement of any cheque or warrant or forged signature on any pay slip or receipt or the fraudulent recovery of the dividend by any other means.
Notice of dividend	**220.** Notice of the declaration of any dividend whether interim or otherwise shall be given to the registered holders of Share in the manner herein provided.
Reserves	**221.** 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.
Dividend to be paid within time required by law.	**222.** The Company shall pay the dividend, or send the warrant in respect thereof to the shareholders entitled to the payment of dividend, within such time as may be required by law from the date of the declaration unless:- (a) where the dividend could not be paid by reason of the operation on any law;

Title of Article	Article Number and contents
	or (b) where a shareholder has given directions regarding the payment of the dividend and those directions cannot be complied with; or (c) where there is dispute regarding the right to receive the dividend; or (d) where the dividend has been lawfully adjusted by the Company against any sum due to it from shareholder; or (e) where for any other reason, 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.
Unpaid or unclaimed dividend	**223.** **(a)** Where the Company has declared a dividend but which has not been paid or claimed within 30 days from the date of declaration, to any shareholder entitled to the payment of dividend, the Company shall within seven days from the date of expiry of the said period of thirty days, transfer the total amount of dividend which remains unpaid or unclaimed within the said period of thirty days, to a special account to be opened by the Company in that behalf in any scheduled bank to be called "Unpaid Dividend Account of **PECOS HOTELS ANDPUBS LIMITED**" **(b)** Any money transferred to the unpaid dividend account of a company which remains unpaid or unclaimed for a period of seven years from the date of such transfer, shall be transferred by the company to the Fund known as Investor Education and Protection Fund established under section 125 of the Companies Act, 2013. **(c)** No unclaimed or unpaid divided shall be forfeited by the Board.
Set-off of calls against dividends	**224.** Any General Meeting declaring a dividend may on the recommendation of the Directors make a call on 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 the Members, be set off against the calls.
Dividends in cash	**225.** No dividends shall be payable except in cash, provided that nothing in this Article shall be deemed to prohibit the capitalisation 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.
Capitalisation	**226.** (1) The Company in General Meeting may, upon the recommendation of the Board,

Title of Article	Article Number and contents
	resolve: (a) That is desirable to capitalise any part of the amount for the time being standing to the credit of the Company's reserve accounts or to the credit of the profit and loss account or otherwise available for distribution, and (b) That such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the Members who would have been entitled thereto, if distributed by way of dividend and in the same proportion. (2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provisions contained in clause (3) either in or towards; (a) paying up any amount for the time being unpaid on any Shares held by such Members respectively, or (b) paying up in full unissued Shares of the Company to be allocated and distributed, credited as fully paid up, to and amongst Members in the proportion aforesaid, or (c) partly in the way specified in sub clause (a) and partly in that specified in sub-clause(b) (3) A security premium account and capital redemption reserve account may, for the purpose of this Article, only be applied in the paying up of unissued Shares to be issued to Members of the Company as fully paid bonus shares.
Board to give effect	**227.** The Board shall give effect to the resolution passed by the Company in pursuance of above Article.
Fractional certificates	**228.** (1) Whenever such a resolution as aforesaid shall have been passed, the Board shall; (a) make all appropriations and applications of the undivided profits resolved to be capitalised thereby and all allotments and issues of fully paid Shares and (b) Generally do all acts and things required to give effect thereto. (2) The Board shall have full power: (a) to make such provision by the issue of fractional cash certificate or by payment in cash or otherwise as it thinks fit, in the case of Shares becoming distributable in fractions, also (b) to authorize any person to enter, on behalf of all the Members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further Shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment by the Company on their behalf by the application thereof of the respective proportions of the profits resolved to be capitalised of the amounts remaining unpaid on their existing Shares.

Title of Article	Article Number and contents
	(3) Any agreement made under such authority shall be effective and binding on all such Members. (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 question or difficulties that may arise in regard to any issue including distribution of new Shares and fractional certificates as they think fit.

ACCOUNTS

Title of Article	Article Number and Contents
Books to be kept	**229.** (1) The Company shall keep at its Registered Office proper books of account as would give a true and fair view of the state of affairs of the Company or its transactions with respect to: (a) all sums of money received and expended by the Company and the matters in respect of which the receipt and expenditure takes place (b) all sales and purchases of goods by the Company (c) the assets and liabilities of the Company and (d) if so required by the Central Government, such particulars relating to utilisation of material or labour or to other items of cost as may be prescribed by the Government (2) Provided that all or any of the books of account aforesaid may be kept at such other place in India as the Board of Directors may decide and when the Board of Directors so decides the Company shall within seven days of the decision file with the Registrar a notice in writing giving the full address of that other place. (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 transaction effected at the branch are kept at that office and proper summarised returns, made upto date at intervals of not more than three months, are sent by the branch office to the Company at its Registered Office or the other place referred to in sub-clause (1). The books of accounts and other books and papers shall be open to inspection by any Director during business hours.
Inspection by Members	**230.** No Members (not being a Director) shall have any right of inspecting any account books or documents of the Company except as allowed by law or authorized by the Board.

Statements of accounts to be furnished to General Meeting	**231.** The Board of Directors shall from time to time in accordance with Sections 129, 133, and 134 of the Companies Act, 2013, cause to be prepared and laid before each Annual General Meeting a profit and loss account for the financial year of the Company and a balance sheet made up as at the end of the financial year which shall be a date which shall not precede the day of the Meeting by more than six months or such extended period as shall have been granted by the Registrar under the provisions of the Act.
Right of Members or others to copies of balance sheet and Auditors' report and statement under Section 219	**232.** (1) The Company shall comply with the requirements of Section 136 of the Companies Act, 2013. (2) The copies of every balance sheet including the Profit & Loss Account, the Auditors' Report and every other document required to be laid before the Company in General Meeting shall be made available for inspection at the Registered Office of the Company during working hours for a period of 21 days before the Annual General Meeting. (3) A statement containing the salient features of such documents in the prescribed form or copies of the documents aforesaid, as the Company may deem fit will be sent to every Member of the Company and to every trustee of the holders of any Debentures issued by the Company not less than 21 days before the date of the Meeting.
Accounts to be audited	**233.** Once at least in every year the accounts of the Company shall be examined, balanced and audited and the correctness of the profit and loss Account and the balance sheet ascertained by one or more Auditor or Auditors.
Appointment of Auditors	**234.** (1) Auditors shall be appointed and their qualifications, rights and duties regulated in accordance with Section 139 to 146 of the Companies Act, 2013. (2) The Company shall at each Annual General Meeting appoint an individual or a firm as an auditor who shall hold office from the conclusion of that meeting till the conclusion of its sixth annual general meeting and thereafter till the conclusion of every sixth meeting. The company shall place the matter relating to such appointment for ratification by members at every annual general meeting. The company shall also inform the auditor concerned of his or its appointment, and also file a notice of such appointment with the Registrar within fifteen days of the meeting in which the auditor is appointed. (3) The company or shall not appoint or re-appoint— (*a*) an individual as auditor for more than one term of five consecutive years; and (*b*) an audit firm as auditor for more than two terms of five consecutive years: Provided that—

	(*i*) an individual auditor who has completed his term under clause (*a*) shall not be eligible for re-appointment as auditor in the same company for five years from the completion of his term; (*ii*) an audit firm which has completed its term under clause (*b*), shall not be eligible for re-appointment as auditor in the same company for five years from the completion of such term: (4) Subject to the provisions of Clause (1) and the rules made thereunder, a retiring auditor may be re-appointed at an annual general meeting, if— (*a*) he is not disqualified for re-appointment; (*b*) he has not given the company a notice in writing of his unwillingness to be re-appointed; and (*c*) a special resolution has not been passed at that meeting appointing some other auditor or providing expressly that he shall not be re-appointed. (5) Where at any annual general meeting, no auditor is appointed or re-appointed, the existing auditor shall continue to be the auditor of the company. (6) Any casual vacancy in the office of an auditor shall be filled by the Board of Directors within thirty days, but if such casual vacancy is as a result of the resignation of an auditor, such appointment shall also be approved by the company at a general meeting convened within three months of the recommendation of the Board and he shall hold the office till the conclusion of the next annual general meeting. (7) Special notice shall be required for a resolution at an annual general meeting appointing as auditor a person other than a retiring auditor, or providing expressly that a retiring auditor shall not be re-appointed, except where the retiring auditor has completed a consecutive tenure of five years or, as the case may be, ten years, as provided under Clause (3).
Accounts when audited and approved to be conclusive except as to errors discovered within 3 months	**235.** 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.

DOCUMENTS AND NOTICES

Title of Article	Article Number and Contents
To whom documents must	**236.** Document or notice of every Meeting shall be served or given on or to (a) every Member (b) every person entitled to a Share in consequence of the death or insolvency

be served or given	of a Member and (c) the Auditor or Auditors for the time being of the Company.
Members bound by documents or notices served on or given to previous holders	**237.** Every person, who by operation of law, transfer or other means whatsoever, shall become entitled to any Share, shall be bound by every document or notice in respect of such Share, which prior to his name and address being entered in the Register of Members shall have been duly served on or given to the person from whom he derived, his title to such Share.
Service of documents on the Company	**238.** A document may be served on the Company or anofficer thereof by sending it to the Company or officerat the Registered Office of the Company by post undera certificate of posting or by registered post or byleaving it at its Registered Office.
Authentication of documents and proceedings	**239.** Save as otherwise expressly provided in the Act, a document or proceedings requiring authentication by the Company may be signed by a Director, the Managing Director, or the Secretary or other authorized officer of the Company and need not be under the Seal of the Company.

REGISTERS AND DOCUMENTS

Title of Article	Article Number and Contents
Registers and documents to be maintained by the Company	**240.** The Company shall keep and maintain registers, books and documents required by the Act or these Articles, including the following: (a) Register of investments made by the Company but not held in its own name, as required by Section 187 of the Companies Act, 2013 (b) Register of mortgages and charges as required by Section 85 of the Companies Act, 2013 and copies of instruments creating any charge requiring registration according to Section 85 of the Companies Act, 2013. (c) Register and index of Members and debenture holders as required by Section 88 of the Companies Act, 2013. (d) Foreign register, if so thought fit, as required by Section 88 of the Companies Act, 2013. (e) Register of contracts, with companies and firms in which Directors are interested as required by Section 189 of the Companies Act, 2013. (f) Register of Directors and Secretaries etc. as required by Section 170 of the Companies Act, 2013. (g) Register as to holdings by Directors of Shares and/or Debentures in the Company as required by Section 170 of the Companies Act, 2013. (h) Register of investments made by the Company in Shares and Debentures of the

Title of Article	Article Number and Contents
	bodies corporate in the same group as required by Section 186 of the Companies Act, 2013. (i) Copies of annual returns prepared under Section 92 of the Companies Act, 2013 together with the copies of certificates and documents required to be annexed thereto under Section 92 of the Companies Act, 2013.
Inspection of Registers	**241.** The registers mentioned in clauses (f) and (i) of the foregoing Article and the minutes of all proceedings of General Meetings shall be open to inspection and extracts may be taken therefrom and copies thereof may be required by any Member of the Company in the same manner to the same extent and on payment of the same fees as in the case of the Register of Members of the Company provided for in clause (c) thereof. Copies of entries in the registers mentioned in the foregoing article shall be furnished to the persons entitled to the same on such days and during such business hours as may be consistent with the provisions of the Act in that behalf as determined by the Company in General Meeting.

WINDING UP

Title of Article	Article Number and Contents
Distribution of assets	**242.** If the Company shall be wound up, and the assets available for distribution among the Members as such shall be 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 the 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 the winding up the assets available for distribution among the Members shall be more than sufficient to repay the whole of the capital paid up at the commencement of the winding up, the excess shall be distributed amongst the Members in proportion to the capital at the commencement of the winding up, paid up or which ought to have been paid up on the Shares held by them respectively. But this Article is to be without prejudice to the rights of the holders of Shares issued upon special terms and conditions.
Distribution in specie or kind	**243.** (a) If the Company shall be wound up, whether voluntarily or otherwise, the Liquidator 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 liquidator, with the like sanction, shall think fit. (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 contributions (except where unalterably fixed by the Memorandum of Association and in particular any

Title of Article	Article Number and Contents
	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 prejudicial thereby shall have a right to dissent and ancillary rights as if such determination were a Special Resolution passed pursuant to Section 494 of the Act. (c) In case any Shares 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 the passing of the Special Resolution by notice in writing direct the Liquidator to sell his proportion and pay him the net proceeds and the Liquidator shall, if practicable act accordingly.
Right of shareholders in case of sale	**244.** A Special Resolution sanctioning a sale to any other Company duly passed pursuant to Section 319 of the Companies Act, 2013 may subject to the provisions of the Act in like manner as aforesaid determine that any Shares or other consideration receivable by the liquidator be distributed against 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 sanction.
Directors and others right to indemnity	**245.** 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, out of the funds of the Company to pay all costs, charges, losses and damages which any such person may incur or become liable to pay by reason of any contract entered into or any act, deed, matter 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 office of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favour, or in which he is acquitted or in connection with any application under Section 463 of the Companies Act, 2013 in which relief is granted to him by the Court.
Director, officer not responsible for acts of others	**246.** 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 the title to any property acquired by order of the Directors for and 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 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 of for any other loss, damage, or misfortune whatever shall happen in relation to execution of the duties of

Title of Article	Article Number and Contents
	his office or in relation thereto unless the same shall happen through his own dishonesty.

SECRECY CLAUSE

Title of Article	Article Number and Contents
Secrecy Clause	**247.** Every Director/Manager, Auditor, treasurer, trustee, member of a committee, officer, servant, agent, accountant or any other person-employed in the business of the Company shall, if so required by the Director, before entering upon his duties, sign a declaration pledging himself, to observe a strict secrecy respecting all transactions and affairs of the Company with the Company customers and the state of the accounts with individuals and in matter thereto and shall by such declaration pledge himself not to reveal any of the matters which may come to his knowledge in discharge of his duties except when required to do so by the Directors or by law or by the person to whom such matters relate and except so far as may be necessary in order to comply with any of the provisions in these presents contained.
No Member to enter the premises of the Company without permission	**248.** No Member or other person (not being a Director) shall be entitled to visit or inspect any property or premises of the Company without the permission of the Board of Directors or Managing Director, or to inquire discovery of or any information respecting any details of the Company's trading or any matter which is or may be in the nature of a trade secret, mystery of trade, secret process or any other matter which relate to the conduct of the business of the Company and which in the opinion of the Directors, it would be inexpedient in the interest of the Company to disclose.

SECTION IX – OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following contracts (not being contracts entered into in the ordinary course of business carried on by our Company or contracts entered into more than two (2) years before the date of filing of this Prospectus) which are or may be deemed material have been entered or are to be entered into by our Company. These contracts, copies of which will be attached to the copy of Prospectus to be delivered to the RoC for registration and also the documents for inspection referred to hereunder, may be inspected at the Registered Office of our Company located at No. 189/1, 1st 2nd, 3rd Floor & 4th Floor, Brigade Road, Bangalore Karnataka, 560001, India, from date of filing Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

MATERIAL CONTRACTS

1. Mandate letter dated December 03, 2014issue by our Company to the Lead manager.
2. Issue Agreement dated March 27, 2015 between our Company and the Lead Manager.
3. Agreement dated March 21, 2015 between our Company and the Registrar to the Issue.
4. Escrow agreement dated June 15, 2015 among our Company, the Lead Manager, the Escrow Collection Banks, and the Registrar to the Issue.
5. Underwriting agreement dated March 27, 2015 between our Company and Lead Manager.
6. Market Making Agreement dated March 27, 2015 between our Company, the Lead Manager and the Market Maker.
7. Agreement among NSDL, our Company and the Registrar to the Issue dated March 31, 2015.
8. Agreement among CDSL, our Company and the Registrar to the Issue dated March 27, 2015.
9. Agreement to takeover business dated January 14, 2015 for acquiring over the business of M/s PECOS PUBS, a proprietorship concern of Mr. Collin Richard Timms.

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 February 02, 2015 authorizing the Issue.
3. Special Resolution of the shareholders passed at the Extra-Ordinary Meeting dated March 02, 2015 authorizing the Issue.
4. Statement of Tax Benefits issued by Statutory Auditor, K Venkatachalam Aiyer and Co.
5. Report of the Statutory Auditor, K Venkatachalam Aiyer and Co., Chartered Accountants on the Restated Financial Statements for the Financial Year ended as on March 31, 2014, 2013, 2012, 2011, 2010 and stub period ending January 31, 2015 of our Company.
6. Consents of Directors, Company Secretary and Compliance Officer, Statutory 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 May 07, 2015 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 July 06, 2015 from the Lead Manager.
9. Copy of Managing Director Agreement with Mr. Collin Richard Timms and our Company dated March 25, 2015 for his appointment.

10. Copy of the Special Resolution dated March 25, 2015 for the appointment of Mr. Collin Richard Timms as Managing Director of the Company.

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 hereby declare that, all relevant provisions of the Companies Act, 1956,the Companies Act, 2013 and the guidelines/regulations 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, notified provisions 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 statements made in the Prospectus are true and correct.

Signed by the Directors of our Company

Name	DIN	Designation	Signature
Mr. Collin Richard Timms	00523528	Chairman and Managing Director	
Ms. Olinda Timms	00523561	Non-Executive Director	
Mr. Liam Norman Timms	06453032	Non-Executive Director	
Ms. Nina Nayar	02874239	Non-Executive Independent Director	
Mr. Lloyd John Pereira	05207676	Non-Executive Independent Director	
Mr. Joseph Davaraj	01931821	Non-Executive Independent Director	

SIGNED BY THE CHIEF FINANCIAL OFFICER OF OUR COMPANY

Mr. Shailesh B. M

Chief Financial Officer

Date: July 06, 2015

Place: Bangalore

Annexure A

FORMAT FOR DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY SARTHI 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 10th calender day from listing day	Benchmark index as on 10th calender day from listing day (closing)	Closing price as on 20th calender day from listing agreement	Benchmark index as on 20th Calendar day from listing day (closing)	Closing price as on 30th calender day from listing day	Benchmark index as on 30th Calendar day from listing day (closing)
1	Bothra Metals & Alloys Limited	12.21	25.00	March 25, 2013	25.50	25.00	0.00	18,681.42	25.75	18,509.70	26.50	18,357.80	27.75	19,406.85
2	Tiger Logistics (India) Limited	7.52	66.00	September 12, 2013	69.20	69.10	4.70	19,781.88	65.85	19,900.96	67.40	19,902.07	60.00	20,607.54
3	R J Bio-Tech Limited	5.00	20.00	September 25, 2013	21.00	22.05	5.00	19,856.24	25.50	19,895.10	44.35	20,547.62	42.55	20,683.52
4	RCI Industries & Technologies Limited	11.52	40.00	January 21, 2014	41.00	38.05	(4.87)	21,251.12	31.05	20,513.85	28.80	20,334.27	28.01	20,536.54
5	B.C. Power Controls Limited	10.36	18.00	March 14, 2014	17.15	18.10	0.55	21,809.80	17.30	22,055.48	18.30	22,509.07	18.30	22,484.93

6.	Starlit Power Systems Limited	2.95	18.00	October 22, 2014	18.10	18.95	5.28	26,787.23	19.00	27,860.38	19.00	27,910.06	18.20	28,334.63
7.	JLA Infraville Shoppers Limited	2.00	10.00	November 12, 2014	11.05	11.60	16.00	28,008.90	13.35	28,499.54	14.10	28,444.01	12.20	27,350.68
8.	Akme Starhousing Finance Limited	4.80	30.00	March 20, 2015	32.00	31.75	5.83	28,261.08	30.50	27,975.86	34.75	28,885.21	30.50	27,886.21
9.	Mahabir Metallex Limited	3.90	10.00	March 27, 2015	10.30	10.10	1.00	27,248.64	10.45	28,504.46	12.50	28,666.04	12.40	27,176.99

Sources: All share price data is from www.bseindia.com

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 (trading holiday), closing price on BSE of the next trading day has been considered
4. In case 10th/20th/30th day there is no tradethenthe closing price of the next day when trading has taken place has been considered

TABLE 2: 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 30th Calender day from listing date			Nos of IPOs trading at premium on 30th 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	12.21	-	-	-	-	-	-	-	-	1	-	-	-
13-14	4	34.39	-	-	1	-	-	3	-	-	1	-	2	-
14-15	4	13.65	-	-	-	-	-	4	-	-	-	-	-	4

As on the listing day, the price of Bothra Metals & Alloys Limited is exactly equal to its Issue Price and hence it is neither trading at Premium or Discount.