Prospectus
Dated: January 28, 2016
Please read Section 26 of the Companies Act, 2013
100% Fixed Price Issue

VIDLI kamats®
Original Family Restaurant
Achha Hai. Sachha Hai.

VIDLI RESTAURANTS LIMITED

Our Company was originally incorporated as "Kanisha Hotels Private Limited" under the provisions of the Companies Act, 1956 vide Certificate of Incorporation dated August 24, 2007 bearing Registration No. 173446 issued by Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to "Vithal Kamats Restaurants Private Limited" and a fresh certificate of incorporation consequent upon change of name was issued by the Registrar of Companies on October 1, 2013. Subsequently, the name of our Company was changed to "Vidli Restaurants Private Limited" and a Certificate of Incorporation pursuant to change of name was issued by the Deputy Registrar of Companies on February 26, 2015. Subsequently our Company was converted into a public limited company vide Certificate of Incorporation consequent upon conversion to Public Limited Company dated November 23, 2015 and the name of our Company was changed to "Vidli Restaurants Limited". The Corporate Identity Number of our Company is U55101MH2007PLC173446. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled "*General Information*" and '*Our History and Certain Other Corporate Matters*' beginning on page 56 and 134 respectively of this Prospectus.

Registered Office : Office No. 26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai–400059.
Tele Fax No. : 022 – 6697 8736
Company Secretary and Compliance Officer: Ms. Payal Barai
Email: investors@kamatsrestaurants.com; **Website**: www.kamatsrestaurants.com
PROMOTERS OF OUR COMPANY: Ms. Vidhi V Kamat, VITS Hotels Worldwide Private Limited and Conwy Finance and Leasing Private Limited

THE ISSUE

PUBLIC ISSUE OF 13, 10,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH ("EQUITY SHARES") OF VIDLI RESTAURANTS LIMITED(THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF RS. 10 PER EQUITY SHARE (THE "ISSUE PRICE"), AGGREGATING RS.131.00 LAKHS ("THE ISSUE"), OF WHICH 70,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 10 PER EQUITY SHARE, AGGREGATING RS. 7.00 LAKHS WILL BE RESERVED FOR SUBSCRIPTION BY THE MARKET MAKER TO THE ISSUE (THE "MARKET MAKER RESERVATION PORTION"). THE ISSUE LESS MARKET MAKER RESERVATION PORTION I.E. ISSUE OF 12,40,000 EQUITY SHARES OF FACE VALUE OF RS. 10 EACH FOR CASH AT A PRICE OF RS. 10 PER EQUITY SHARE, AGGREGATING RS. 124.00 LAKHS IS HEREINAFTER REFERRED TO AS THE "NET ISSUE". THE ISSUE AND THE NET ISSUE WILL CONSTITUTE 30.25% AND 28.64% RESPECTIVELY OF THE FULLY DILUTED POST ISSUE PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS RS. 10 EACH AND THE ISSUE PRICE OF RS.10 IS 1.0 TIMES OF THE FACE VALUE OF THE EQUITY SHARES.

In terms of SEBI Circular No. CIR/CFD/POLICYCELL/11/2015, all potential investors shall participate in the Issue only through an Application Supported by Blocked Amount ("ASBA") process providing details about the bank account which will be blocked by the Self Certified Syndicate Banks ("SCSBs") for the same. For details in this regard, specific attention is invited to the chapter titled "Issue Procedure" beginning on page 269 of this Prospectus. A copy has been delivered for registration to the Registrar of companies as required under Section 26 of the Companies Act, 2013.

THE ISSUE IS BEING MADE IN ACCORDANCE WITH CHAPTER XB OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED FROM TIME TO TIME ("SEBI ICDR REGULATIONS"). For further details please refer the section titled '*Issue Information*' beginning on page 261 of this Prospectus.

RISKS IN RELATION TO FIRST ISSUE

This being the first public issue of the Issuer, there has been no formal market for our Equity Shares. The face value of the Equity Shares of our Company is ₹ 10 and the Issue price of ₹ 10 per Equity Share is 1.0 times of the face value. The Issue Price (as determined by our Company in consultation with the Lead Manager as stated in the chapter titled '*Basis for Issue Price*' beginning on page 85 of this Prospectus) should not be taken to be indicative of the market price of the Equity Shares after such Equity Shares are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this 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 the Company and this Issue, including the risks involved. The Equity Shares offered in the issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Prospectus. **Specific attention of the investors is invited to the section titled 'Risk Factors' beginning on page 16 of this Prospectus.**

ISSUER'S ABSOLUTE RESPONSIBILITY

The Issuer, having made all reasonable inquiries, accepts responsibility for and confirms that this Prospectus contains all information with regard to the Issuer and this 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 of our Company offered through this Prospectus are proposed to be listed on the SME platform of BSE Limited ('BSE'). In terms of the Chapter XB of the SEBI ICDR Regulations, 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 January 27, 2016 from BSE for using its name in this offer document for listing of our shares on the SME Platform of BSE. For the purpose of this Issue, SME Platform of the BSE shall be the Designated Stock Exchange.

LEAD MANAGER TO THE ISSUE	REGISTRAR TO THE ISSUE
PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED 406-408, Keshva Premises, Behind Family Court, Bandra Kurla Complex, Bandra (East), Mumbai – 400051 **Tel:** +91-22 2659 8687 **Fax:** +91-22 2659 8690 **Website:** www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Investor Grievance Id:** ipo@pantomathgroup.com **Contact Person:** Mr. Yogesh Malpani **SEBI Registration No:** INM000012110	**BIGSHARE SERVICES PRIVATE LIMITED** E/2, Ansa Industrial Estate, Saki Vihar Road Saki Naka, Andheri (East) Mumbai – 400 072 **Tel:** +91 22 40430200 **Fax:** +91 22 28475207 **Email:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Babu Raphael **SEBI Registration Number:** INR000001385

ISSUE PROGRAMME

ISSUE OPENS ON WEDNESDAY, FEBRUARY 03, 2016	ISSUE CLOSES ON FRIDAY, FEBRUARY 05, 2016

Table of Contents

SECTION I: GENERAL 3
DEFINITIONS AND ABBREVIATIONS 3
PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA 13
FORWARD LOOKING STATEMENTS 15
RISK FACTORS 16
SECTION III – INTRODUCTION 39
SUMMARY OF INDUSTRY 39
SUMMARY OF BUSINESS 47
SUMMARY OF FINANCIAL STATEMENTS 52
THE ISSUE 55
GENERAL INFORMATION 56
CAPITAL STRUCTURE 62
OBJECTS OF THE ISSUE 79
BASIS FOR ISSUE PRICE 85
STATEMENT OF POSSIBLE TAX BENEFIT 88
SECTION IV – ABOUT THE COMPANY 96
OUR INDUSTRY 96
OUR BUSINESS 115
KEY INDUSTRY REGULATIONS AND POLICIES 129
OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS 134
OUR MANAGEMENT 151
OUR PROMOTER GROUP AND GROUP COMPANIES / ENTITIES 171
RELATED PARTY TRANSACTIONS 192
DIVIDEND POLICY 193
SECTION V – FINANCIAL STATEMENTS 194
FINANCIAL STATEMENTS AS RE-STATED 194
FINANCIAL INDEBTNESS 221
MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATION 222
SECTION VI – LEGAL AND OTHER INFORMATION 231
OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS 231
GOVERNMENT AND OTHER STATUTORY APPROVALS 238
OTHER REGULATORY AND STATUTORY DISCLOSURES 248
SECTION VII – ISSUE INFORMATION 261
TERMS OF THE ISSUE 261
ISSUE STRUCTURE 267
ISSUE PROCEDURE 269
RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES 313
SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION 314
SECTION IX – OTHER INFORMATION 359
MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION 359
DECLARATION 360

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

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

SECTION I: GENERAL

DEFINITIONS AND ABBREVIATIONS

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

Conventional / General Terms

Term	Description
"Vidli Restaurants Limited", "VRL", "Vidli Restaurants", "We" or "us" or "our Company" or "the Issuer" or "the Company"	Unless the context otherwise requires, refers to Vidli Restaurants Limited (formerly known as Vidli Restaurants Private Limited, Vithal Kamats Restaurants Private Limited and Kanisha Hotels Private Limited), a Company incorporated under the Companies Act, 1956 vide a Certificate of Incorporation issued by the Registrar of Companies, Maharashtra, Mumbai.
"you", "your" or "yours"	Prospective investors in this Issue
AOA / Articles / Articles of Association	Articles of Association of Vidli Restaurants Limited, as amended from time to time
Audit Committee	The committee of the Board of Directors constituted as the Company's Audit Committee in accordance with Section 177 of the Companies Act, 2013.
Board of Directors/ the Board / our Board	The Board of Directors of Vidli Restaurants Limited, including all duly constituted Committee(s) thereof.
Companies Act / Act	The Companies Act, 2013 and amendments thereto and the Companies Act, 1956, to the extent applicable
Depositories Act	The Depositories Act, 1996, as amended
Depositories	National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL)
DIN	Directors Identification Number
Director(s)	Director(s) of Vidli Restaurants Limited, unless otherwise specified
Equity Shares	Equity Shares of our Company of Face Value of Rs. 10 each unless otherwise specified in the context thereof
Equity Shareholders	Persons/ Entities holding Equity Shares of Our Company
General Information Document (GID)	The General Information Document for investing in Public Issues prepared and issued in accordance with SEBI circular CIR/CFD/DIL/12/2013 dated October 23, 2013
Group Companies	Such entities as are included in the chapter titled 'Our Group Entities' beginning on page 171 of this Prospectus
ISIN	International Securities Identification Number. In this case being INE564S01019
MOA / Memorandum / Memorandum of Association	Memorandum of Association of Vidli Restaurants Limited, as amended till date
Non Resident	A person resident outside India, as defined under FEMA Regulations, 2000
NRI/ Non-Resident Indian	A person resident outside India, as defined under FEMA and who is a citizen of India or a person of Indian origin, each such term as defined under the FEMA (Deposit) Regulations, 2000, as amended.
Peer Review Auditor	Independent Auditor having a valid Peer Review certificate in our case being M/s. R. T. Jain & Co., Chartered Accountants
Person or Persons	Any individual, sole proprietorship, unincorporated association, unincorporated organization, body corporate, corporation, Company,

Term	Description
	partnership firm, limited liability partnership firm, joint venture, or trust or any other entity or organization validly constituted and/or incorporated in the jurisdiction in which it exists and operates, as the context requires
Promoter / Promoters	Shall mean promoters of our Company i.e. Ms. Vidhi V Kamat, VITS Hotels Worldwide Private Limited (formerly known as UK Hospitality Infotech Private Limited) and Conwy Finance and Leasing Private Limited
Promoter Group Companies	Persons and entities covered under Regulation 2(1)(zb) of the SEBI (ICDR) Regulations as enlisted in the section titled "*Our Promoter Group and Group Companies / Entities*" beginning on page 171 of this Prospectus.
Registered Office of our Company	Office No.26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai – 400059
RoC / Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai
SEBI	Securities and Exchange Board of India constituted under the SEBI Act, 1992
SEBI Act	Securities and Exchange Board of India Act, 1992, as amended
SEBI (ICDR) Regulations, 2009	SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended, including instructions and clarifications issued by SEBI from time to time.
SEBI Takeover Regulations	Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations, 2011.
SEBI Insider Trading Regulations	The SEBI (Prohibition of Insider Trading) Regulations, 2015, as amended, including instructions and clarifications issued by SEBI from time to time.
Sub-Account	Sub-accounts registered with SEBI under the SEBI (Foreign Institutional Investor) Regulations, 1995, other than sub-accounts which are foreign corporate or foreign individuals.
Statutory Auditors / Auditor	The statutory auditor of our Company being M/s. V B G & Co., Chartered Accountants

Issue Related Terms

Term	Description
Allot/ Allotment/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges.
Allottee	An applicant to whom the Equity Shares are being / have been issued /allotted.
Applicant	Any prospective investor who makes an application pursuant to the terms of the Prospectus and the Application Form.
Application	An indication to make an offer during the Issue Period by an Applicant pursuant to submission of an Application Form, to subscribe for or purchase our Equity Shares at Issue Price, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations
Application Amount	The number of Equity Shares applied for and as indicated in the

Term	Description
	Application Form multiplied by the price per Equity Share payable by the Applicants on submission of the Application Form.
Application Collecting Intermediaries	1. an SCSB, with whom the bank account to be blocked, is maintained 2. a syndicate member (or sub-syndicate member) 3. a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') 4. a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) 5. a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Form/ASBA Applicant	The form in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company.
Application Supported by Blocked Amount / ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the appropriate Application Amount of the ASBA Applicant and as defined in the Application Form.
Bankers to the Company	Such banks which are disclosed as bankers to our Company in the chapter titled "***General Information***" on page 56 of this Prospectus
Banker to Issue Agreement	Agreement entered into on January 21, 2016 amongst our Company, Lead Manager, the Registrar, the Banker to the Issue for collection of the Application Amounts on the terms and condition thereof.
Bankers to the Issue	The bank(s), which are clearing members and are registered with SEBI as Escrow Collection Bank, with whom the Public Issue Account for the Issue will be opened, in this case being IndusInd Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled ***"Issue Procedure - Basis of Allotment"*** beginning on page 305 of this Prospectus.
Broker Centres	Broker centres notified by the Stock Exchanges, where the Applicants can submit the Application Forms to a Registered Broker. The details of such broker centres, along with the names and contact details of the Registered Brokers, are available on the website of the BSE on the following link:- http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=6
BSE	BSE Limited.
Business Day	Monday to Friday (except public holidays)
CAN or Confirmation of Allocation Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Collecting Centres	Centres at which the Designated Intermediaries shall accept the Application Forms, being the Designated SCSB Branch for SCSBs, Specified Locations for Syndicate, Broker Centres for Registered Brokers, Designated RTA Locations for RTAs and Designated CDP Locations for CDPs
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Company Secretary and	The Company Secretary & Compliance Officer of our Company being

Term	Description
Compliance Officer	Ms. Payal Barai.
Controlling Branches of SCSBs	Such branches of the SCSBs which co-ordinate Applications under this Issue made by the Applicants with the Lead Manager, the Registrar to the Issue and the Stock Exchanges, a list of which is provided on http://www.sebi.gov.in
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Depository / Depositories	A depository registered with SEBI under the SEBI (Depositories and Participant) Regulations, 1996
Depository Participant/DP	A depository participant as defined under the Depositories Act.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account in terms of the Prospectus.
Draft Prospectus	This Draft Prospectus dated December 30, 2015 issued in accordance with Section 32 of the Companies Act, 2013.
Designated RTA Locations	Such centres of the RTAs where Applicants can submit the Application Forms. The details of such Designated RTA Locations, along with the names and contact details of the RTAs are available on the respective websites of the Stock Exchanges (www.nseindia.com and www.bseindia.com) and updated from time to time
Eligible NRI	NRIs from such jurisdiction outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom this Prospectus constitutes an invitation to subscribe for the Equity Shares on the basis of the terms thereof.
FII / Foreign Institutional Investors	Foreign Institutional Investor (as defined under SEBI (Foreign Institutional Investors) Regulations, 1995, as amended) registered with SEBI under applicable laws in India.
First/Sole Applicant	The Applicant whose name appears first in the Application Form or Revision Form.
Issue Closing Date	Friday, February 5, 2016
Issue Opening Date	Wednesday, February 3, 2016
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Issue Price	The price at which Equity Shares will be issued and allotted by our Company being Rs. 10/- per Equity Share.
Issue Proceeds	Proceeds to be raised by our Company through this Issue, for further details please refer chapter title *"Objects of the Issue"* page no. 79 of this Prospectus.
Issue/Offer	Public Issue of 13,10,000 Equity Shares of face value Rs. 10 each of Vidli Restaurants Limited for cash at a price of Rs. 10 per Equity Share (the "***Issue Price***") aggregating up to Rs. 131.00 Lakhs.
LM / Lead Manager	The Lead Manager for the Issue being Pantomath Capital Advisors Private Limited.
Market Maker	Market Maker appointed by our Company from time to time, in this case being BCB Brokerage Private Limited who has agreed to receive or deliver the specified securities in the market making process for a period of three years from the date of listing of our Equity Shares or for

Term	Description
	any other period as may be notified by SEBI from time to time
Market Making Agreement	The Market Making Agreement dated December 30, 2015 between our Company and Market Maker BCB Brokerage Private Limited
Market Maker Reservation Portion	The reserved portion of 70,000 Equity Shares of Rs. 10 each at an Issue Price of Rs. 10 each to be subscribed by Market Maker.
MOU/ Issue Agreement	The Memorandum of Understanding dated December 30, 2015 between our Company and Lead Manager.
Mutual Fund(s)	Mutual fund(s) registered with SEBI pursuant to the SEBI (Mutual Funds) Regulations, 1996, as amended.
Net Issue	The Issue (excluding the Market Maker Reservation Portion) of 12,40,000 Equity Shares of face value Rs. 10 each of Vidli Restaurants Limited for cash at a price of Rs. 10 per Equity Share (the "*Issue Price*") aggregating up to Rs. 124.00 Lakhs.
Non Institutional Investors or NIIs	All Applicants, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 200,000 but not including NRIs other than Eligible NRIs
Other Investors	Investors other than Retail Individual Investors. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
Overseas Corporate Body / OCB	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Prospectus	The Prospectus, to be filed with the RoC in accordance with the provisions of Section 32 of the Companies Act, 2013.
Public Issue Account	The Bank Account opened with the Banker(s) to this Issue to receive monies from the SCSBs from the bank accounts of the ASBA Applicants on the Designated Date.
Qualified Institutional Buyers or QIBs	A Mutual Fund, Venture Capital Fund, Alternative Investment Fund and Foreign Venture Capital investor registered with the Board, foreign portfolio investor other than Category III foreign portfolio investor registered with the Board; a public financial institution as defined in Section 2(72) of the Companies Act, 2013; a scheduled commercial bank; a multilateral and bilateral development financial institution; a state industrial development corporation; an insurance company registered with the Insurance Regulatory and Development Authority; a provident fund with minimum corpus of Rs. 25.00 Crore; a pension fund with minimum corpus of Rs. 25.00 Crore rupees; 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, insurance funds set up and managed by army, navy or air force of the Union of India and insurance funds set up and managed by the Department of Posts, India.
Registered Broker	Individuals or companies registered with SEBI as "Trading Members" (except Syndicate/Sub-Syndicate Members) who hold valid membership of either BSE or NSE having right to trade in stocks listed

Term	Description
	on Stock Exchanges, through which investors can buy or sell securities listed on stock exchanges, a list of which is available on http://www.bseindia.com/members/MembershipDirectory.aspx & http://www.nseindia.com/membership/dynaContent/find_a_broker.htm
Regulations	SEBI (Issue of Capital and Disclosure Requirement) Regulations, 2009 as amended
Registrar/ Registrar to this Issue/RTI	Registrar to the Issue being Bigshare Services Private Limited.
Registrar and Share Transfer Agents or RTAs	Registrar and share transfer agents registered with SEBI and eligible to procure Applications at the Designated RTA Locations in terms of circular no. CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 issued by SEBI
Reserved Category / Categories	Categories of persons eligible for making application under reservation portion.
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors/RIIs	Individual Bidders (including HUFs in the name of Karta and Eligible NRIs) who have applied for an amount less than or equal to Rs. 2,00,000 in this Issue.
SEBI Listing Regulations	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and includes the agreement to be entered into between our Company and the Stock Exchange in relation to listing of Equity Shares on such Stock Exchange.
Self Certified Syndicate Bank or SCSB	A Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA including blocking of bank account, a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
SME Exchange	SME Platform of the BSE Limited
Specified Locations	Collection centres where Application Forms will be accepted, a list of which is included in the Application Form
Stock Exchange	BSE Limited (SME Platform)
Underwriters	The Lead Manager and the Market Maker who have underwritten this Issue pursuant to the provisions of the SEBI (ICDR) Regulations and the SEBI (Underwriters) Regulations, 1993, as amended from time to time.
Underwriting Agreement	The Agreement dated December 30, 2015 entered into amongst the Underwriters and our Company.
Working Days	All days other than Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

Technical and Industry Related Terms

Term	Description
AICTE	All India Council for Technical Education
APEDA	Agricultural and Processed Food Products Export Development Authority

Term	Description
ATM	Automated Teller Machines
BCG	Boston Consulting Group
BMI	Body Mass Index
BRIC	Acronym that refers to the countries of Brazil, Russia, India and China
British thermal unit	a traditional unit of energy equal to about 1055 joules.
CAGR	Compound Annual Growth Rate
CE	Capital Economics
CII	The Confederation of Indian Industry
DIPP	Department of Industrial Policies and Promotion
EDP	Entrepreneurship Development Programme
EMDEs	Emerging Market and Developing Economies
F & B	Food and Beverage
FDI	Foreign Direct Investment
FICCI	Federation of Indian Chambers of Commerce and Industry
FIPB	Foreign Investment Promotion Board
FPTC	Food Processing Training Centres
FSSAI	The Food Safety and Standards Authority of India
FY	Financial Year
GCMMF	Gujarat Cooperative Milk Marketing Federation
GDP	Gross Domestic Product
GHP	Good Hygienic Practices
GMP	Good Manufacturing Practices
GST	Goods and Services Tax
HACCP	Hazard Analysis and Critical Control Points
HRD	Human Resource Development
IBEF	India Brand Equity Foundation
ICICI	Industrial Credit and Investment Corporation of India
IMF	International Monetary Fund
ISO	International Organization for Standardization
JV	Joint Venture
M&A	Mergers and Acquisitions
MLPD	Million Litres per day
MNC	Multi National Company
MoFPI	Ministry of Food Processing Industries
MOUs	Memoranda of Understanding
NABARD	National Bank for Agriculture and Rural Development
NCML	National Collateral Management Services Limited
NMFP	National Mission on Food Processing
NOC	No Objection Certificate
NSDC	National Skill Development Corporation
OECD	Organisation for Economic Cooperation and Development
One Billion	Ten Thousand Lakhs
One million	Ten Lakhs
One Trillion	One Crore Lakhs

Term	Description
PE	Private Equity
PIB	Press Information Bureau
POS	Point of Sale
PPP	Purchasing Power Parity
QSR	Quick Service Restaurant
RBI	Reserve Bank of India
SEZ	Special Economic Zone
Sq. ft.	Sqaure Foot
TCIL	Telecommunications Consultants India Ltd
TQM	Total Quality Management
USA	United States of America
USD	United States Dollar
VAT	Value Added Tax
WEO	World Economic Outlook

Abbreviations

Term	Description
A/c	Account
AGM	Annual General Meeting
AS	Accounting Standards issued by the Institute of Chartered Accountants of India.
A.Y.	Assessment Year
AoA	Articles of Association
ASBA	Application Supported by Blocked Amount
B.Com	Bachelor of Commerce
BG/LC	Bank Guarantee / Letter of Credit
BIFR	Board for Industrial and Financial Reconstruction
B.Sc.	Bachelor of Science
B. Tech.	Bachelor of Technology
BSE	BSE Limited
CAGR	Compounded Annual Growth Rate
CB	Controlling Branch
CC	Cash Credit
CDSL	Central Depository Services (India) Limited
CENVAT	Central Value Added Tax
CIN	Corporate Identity Number
CS	Company Secretary
CST	Central Sales Tax
DGFT	Directorate General of Foreign Trade
DIN	Director Identification Number
DIPP	Department of Industrial Policy & Promotion
DP	Depository Participant
DP ID	Depository Participant's Identification Number
ECS	Electronic Clearing System
EBIDTA	Earnings before Interest, Depreciation, Tax and Amortisation
EGM	Extraordinary General Meeting of the shareholders
EPFA	The Employees' Provident Funds and Miscellaneous Provisions Act,1952

Term	Description
EPS	Earnings Per Share
ESIC	Employee's State Insurance Corporation
ESOP	Employee Stock Option Plan
FCNR Account	Foreign Currency Non Resident Account
FDI	Foreign Direct Investment
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
FEMA	Foreign Exchange Management Act, 1999, as amended from time to time, and the Regulations framed there under
Financial Year/ Fiscal/ F.Y.	The period of twelve (12) months ended on March 31 of that particular year.
FI's	Financial Institutions
FPIs	"Foreign Portfolio Investor" means a person who satisfies the eligibility criteria prescribed under regulation 4 and has been registered under Chapter II of Securities And Exchange Board Of India (Foreign Portfolio Investors) Regulations, 2014, which shall be deemed to be an intermediary in terms of the provisions of the SEBI Act,1992
FTP	Foreign Trade Policy, 2009
FV	Face Value
FVCI	Foreign Venture Capital Investors registered with SEBI under the SEBI (Foreign Venture Capital Investor) Regulations, 2000.
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
HNI	High Net Worth Individual
i.e.	That is
IFRS	International Financial Reporting Standards
Indian GAAP	Generally Accepted Accounting Principles in India
INR / Rs./ Rupees	Indian Rupees, the legal currency of the Republic of India
IPO	Initial Public Offer
IRDA	Insurance Regulatory and Development Authority
I. T. Act	The Income Tax Act, 1961, as amended.
IT Authorities	Income Tax Authorities
I. T. Rules	The Income Tax Rules, 1962, as amended, except as stated otherwise.
KMP	Key Managerial Personnel
LM	Lead Manager
MICR	Magnetic Ink Character Recognition
Mn	Million
MNC	Multi National Company
MoA	Memorandum of Association
MoF	Ministry of Finance, Government of India
MoU	Memorandum of Understanding
N.A.	Not Applicable
NAV	Net Asset Value
NBFC	Non- Banking Finance Company
No.	Number

Term	Description
NoC	No Objection Certificate
NI Act	Negotiable Instruments Act, 1881
NOC	No Objection Certificate
NRE Account	Non-Resident (External) Account
NRO Account	Non-Resident (Ordinary) Account
NSDL	National Securities Depository Limited
OCB	Overseas Corporate Bodies
p.a.	Per annum
PAC	Persons Acting in Concert
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
P/E Ratio	Price/Earnings Ratio
Pvt.	Private
QIB	Qualified Institutional Buyer
RBI	Reserve Bank of India
RBI Act	The Reserve Bank of India Act, 1934 as amended from time to time.
R & D	Research and Development
ROE	Return on Equity
RoC	Registrar of Companies
RONW	Return on Net Worth
`	Indian Rupees, the official currency of the Republic of India
SARFAESI	The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
SCRA	Securities Contract (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts Regulations Rules, 1957
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992.
SEBI (Venture Capital) Regulations	Securities Exchange Board of India (Venture Capital) Regulations, 1996 as amended from time to time
Sec.	Section
SICA	Sick Industrial Companies (Special Provisions) Act, 1985
SME	Small and Medium Enterprises
STT	Securities Transaction Tax
TAN	Tax Deduction Account Number
TRS	Transaction Registration Slip
TIN	Taxpayers Identification Number
U.S.A. / United States / US / U.S.	United States of America
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$/ $	United States Dollar, the official currency of the Unites States of America
VAT	Value added tax
VCF / Venture Capital Fund	Foreign Venture Capital Funds (as defined under the Securities and Exchange Board of India (Venture Capital Funds) Regulations, 1996) registered with SEBI under applicable laws in India
w.e.f.	With effect from
YoY	Year on Year

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Certain Conventions

All references in this Prospectus to "India" are to the Republic of India. All references in this Prospectus to the "U.S.", "USA" or "United States" are to the United States of America.

In this Prospectus, the terms "we", "us", "our", the "Company", "our Company", "Vidli Restaurants Limited", "Vidli Restaurants", unless the context otherwise indicates or implies, refers to Vidli Restaurants Limited. In this Prospectus, unless the context otherwise requires and the word "Lac / Lakh" means "one hundred thousand", the word "million (mn)" means "Ten Lac / Lakh", the word "Crore" means "ten million" and the word "billion (bn)" means "one hundred crore". In this Prospectus, any discrepancies in any table between total and the sum of the amounts listed are due to rounding-off.

Use of Financial Data

Unless stated otherwise, the financial data in this Prospectus is derived from our financial statements prepared and restated for the financial year ended 2011 2012, 2013, 2014 and 2015 and for the period ended April 01, 2015 to September 30, 2015 in accordance with Indian GAAP, Accounting Standards, the Companies Act, as stated in the reports of our Peer Auditors and SEBI (ICDR) Regulations, 2009 included under Section titled **"***Financial Information of the Company***"** beginning on page 194 of this Prospectus. In this Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off. All decimals have been rounded off to two decimal points. Our Company has no subsidiaries. Accordingly, financial information relating to us is presented on a Standalone basis. Our fiscal year commences on April 1 of every year and ends on March 31st of every next year.

There are significant differences between Indian GAAP, U.S. GAAP and the International Financial Reporting Standards (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 Indian accounting practice and Indian GAAP. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Prospectus should accordingly be limited. We have not attempted to explain those differences or quantify their impact on the financial data included herein, and we urge you to consult your own advisors regarding such differences and their impact on our financial data.

For additional definitions used in this Prospectus, see the section ***"Definitions and Abbreviations"*** on page 3 of this Prospectus. In the section titled ***"Main Provisions of Articles of Association"*** on page 314 of this Prospectus**,** defined terms have the meaning given to such terms in the Articles of Association of our Company.

Use of Industry & Market Data

Unless stated otherwise, industry and market data and forecast used throughout this Prospectus was obtained from internal Company reports, data, websites, Industry publications report as well as Government Publications. Industry publication data and website data generally state that the information contained therein has been obtained from sources believed to be reliable, but that their accuracy and completeness and underlying assumptions are not guaranteed and their reliability cannot be assured.

Although, we believe industry and market data used in this Prospectus is reliable, it has not been independently verified by us or the LM or any of their affiliates or advisors. Similarly, internal

Company reports and data, while believed by us to be reliable, have not been verified by any independent source. There are no standard data gathering methodologies in the industry in which we conduct our business and methodologies and assumptions may vary widely among different market and industry sources.

In accordance with the SEBI (ICDR) Regulations, the section titled ***"Basis for Issue Price"*** on page 85 of this Prospectus includes information relating to our peer group companies. Such information has been derived from publicly available sources, and neither we, nor the LM, have independently verified such information.

Currency of Financial Presentation and Exchange Rates

All references to "Rupees" or "INR" or "Rs." or " ` " are to Indian Rupees, the official currency of the Republic of India. Except where specified, including in the section titled "***Industry Overview***" throughout this Prospectus all figures have been expressed in Lakhs / Lacs, Million and Crores.

Any percentage amounts, as set forth in *"Risk Factors"***,** *"Our Business"***,** *"Management's Discussion and Analysis of Financial Conditions and Results of Operation"* on page 16, 115 & 222 in this Prospectus, unless otherwise indicated, have been calculated based on our restated respectively financial statement prepared in accordance with Indian GAAP.

This Prospectus contains conversions of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of the SEBI (ICDR) Regulations. These conversions should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

FORWARD LOOKING STATEMENTS

We have included statements in this Prospectus which contain words or phrases such as "will", "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".

All forward looking statements are subject to risks, uncertainties and assumptions about us that could cause actual results to differ materially from those contemplated by the relevant forward-looking statement. Forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. These statements are based on our management's beliefs and assumptions, which in turn are based on currently available information. Although we believe the assumptions upon which these forward-looking statements are based are reasonable, any of these assumptions could prove to be inaccurate, and the forward-looking statements based on these assumptions could be incorrect. Important factors that could cause actual results to differ materially from our expectations include but are not limited to:

1. General economic and business conditions in India and in the markets in which we operate and in the local, regional and national economies;
2. Changes in laws and regulations relating to the Sectors in which we operate;
3. Realization of Contingent Liabilities;
4. Occurrence of Environmental Problems & Uninsured Losses;
5. Increased competition in industries / sector in which we operate;
6. Factors affecting the industry in which we operate;
7. Our ability to meet our capital expenditure requirements
8. Our ability to successfully implement our growth strategy and expansion plans and to successfully launch and implement various projects and business plans for which funds are being raised through this Issue;
9. Fluctuations in operating costs;
10. Our ability to attract and retain qualified personnel;
11. Our failure to keep pace with rapid changes in technology;
12. Changes in political and social conditions in India or in countries that we 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.
13. Occurrence of natural disasters or calamities affecting the areas in which we have operations;
14. Any adverse outcome in the legal proceedings in which we/our group companies are involved;
15. Other factors beyond our control;
16. Our ability to manage risks that arise from these factors;
17. Changes in Government policies and Regulatory actions that apply to or affect our business;
18. Conflicts of interest with affiliated companies, the promoter group and other related parties; and
19. The performance of the financial markets in India and globally.

For further discussion of factors that could cause our actual results to differ, see the Section titled "*Risk Factors*", ***"Our Business"*** & and *"Management's Discussion and Analysis of Financial Condition and Results of Operations"* beginning on page 16, 115 & 222 respectively of this Prospectus. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated.

Neither our Company, our Directors, our Officers, Lead Manager and Underwriter nor any of their respective affiliates have any obligation to update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, our Company, and the Lead Manager will ensure that investors in India are informed of material developments until such time as the grant of listing and trading permission by the Stock Exchange for the Equity Shares allotted pursuant to this Issue.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. Prospective investors should carefully consider all the information in this Prospectus, particularly the "Restated Financial Statements" and the related notes, "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operation" on page 194, 115 and 222 respectively of this Prospectus and the risks and uncertainties described below, before making a decision to invest in our Equity Shares.

Any of the following risks, individually or together, could adversely affect our business, financial condition, results of operations or prospects, which could result in a decline in the value of our Equity Shares and the loss of all or part of your investment in our Equity Shares. While we have described the risks and uncertainties that our management believes are material, these risks and uncertainties may not be the only risks and uncertainties we face. Additional risks and uncertainties, including those we currently are not aware of or deem immaterial, may also have an adverse effect on our business, results of operations, financial condition and prospects.

This Prospectus contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the considerations described below and elsewhere in this Prospectus.

The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors below. However, there are risk factors the potential effects of which are not quantifiable and therefore no quantification has been provided with respect to such risk factors.

In making an investment decision, prospective investors must rely on their own examination of our Company and the terms of the Issue, including the merits and the risks involved. You should not invest in this Issue unless you are prepared to accept the risk of losing all or part of your investment, and you should consult your tax, financial and legal advisors about the particular consequences to you of an investment in our Equity Shares.

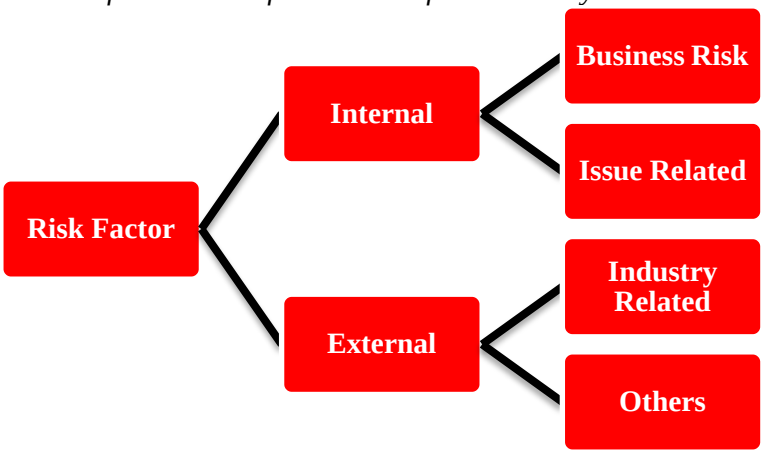
Unless otherwise stated, the financial information of our Company used in this section is derived from our audited financial statements under Indian GAAP, as restated.

Materiality

The Risk Factors have been determined on the basis of their materiality. The following factors have been considered for determining the materiality:

1. *Some events may not be material individually but may be found material collectively*
2. *Some events may have material impact qualitatively instead of quantitatively*
3. *Some events may not be material at present but may be having material impact in future*

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



Internal Risk Factors

1. ***Certain of our Directors, Promoters and Group Companies are currently involved in legal proceedings pending at different levels of adjudication before various courts and tribunals. A classification of legal proceedings and the monetary amount involved in the cases currently outstanding is mentioned in brief below***

   There is no assurance that in future we may not face legal proceedings, any adverse decision in the said

Name of Entity	Criminal Proceedings	Civil/ Arbitration Proceedings	Tax Proceedings	Labour Disputes	Consumer Complaints	Complaints under Section 138 of NI Act, 1881	Aggregate amount involved
Company							
By the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Company	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Promoters							
By the promoter	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the promoters	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Group Companies							
By Group Companies	5	9	Nil	1	Nil	5	10.65 crores
Against Group Companies	3	1	Nil	1	1	Nil	1.36 crores
Directors other than Promoters							
By the Directors	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Against the Directors	Nil	Nil	1	Nil	Nil	Nil	Nil

   There is no assurance that in future we or our directors may not face legal proceedings, any adverse decision in the said legal proceedings against our group companies or directors may impact our business. For further details in relation to legal proceedings involving our Company,

Promoters and Directors, see the section entitled "*Outstanding Litigation and Material Developments*" on page 231 of this Prospectus.

2. ***Our success depends significantly on the value, perception and marketing of brands namely "VITHAL KAMATS" and "KAMATS".***

Our ability to market and increase our franchisee network is significantly dependent on brands like "*VITHAL KAMATS*" and "*KAMATS*". We believe that maintaining and enhancing the abovementioned brands is important for our competitive advantage. However, the abovementioned brands are not owned by us; nor do we have exclusive agreement with their owners for their usage.

Further, our business could be damaged by negative publicity or by claims or perceptions about the quality or safety of our outlets, food products and quality of our suppliers or our services. Any unforeseen incidents such as litigation or negative publicity, affecting our business, franchisees or suppliers, can hamper our image, customer perception, our revenue from operations etc.

Moreover, our success depends on various factors, including customer preference, our ability to maintain uniform quality of services and food, ambience etc. across our outlets. As we continue to grow, our business by expanding our geographical reach, maintaining quality and consistency may be more difficult and we cannot assure you that our customer's confidence in us may not be affected.

Most of the outlets are managed by franchisees, who may misuse the abovementioned brands/trademarks and we may not be able to control such franchisees. Unauthorized use of the trademarks, including imitating or copying our products, by unrelated third parties may damage our reputation and brand. The measures we take to protect the trademarks may not be adequate to prevent unauthorized use by third parties, which may affect our image and in turn adversely affect our business, financial condition, results of operations and prospects.

3. ***We rely significantly on our agreement for use of copy right mark / trade mark with Dr. Vithal Kamat and Kamat Holiday Resorts (Silvassa) Limited for our business operations.***

The brands "*Vithal Kamats*" and "*Kamats*" which we use are neither owned by us nor do we have an exclusive agreement with their owners for their usage. We rely significantly on our agreement for use of copy right mark / trade mark with Dr. Vithal Kamat and Kamats Holiday Resorts (Silvassa) Limited. These agreements provide us with the right to the copyrights/marks/logos such as *Vithal Kamats*, *Zhatpat* and *Kamats* for existing and new restaurants, outlets, franchisee units etc. on payment of royalty. The terms of both the agreements is for a period of fifteen years subject to fulfilment of certain conditions from October 12, 2013 to October 11 2028 in case of *Vithal Kamats* and *Zhapat* while for *Kamats*, it is from April 18, 2015 to April 17, 2030. The agreement may be terminated as a result of a breach under the agreement by us, including, without limitation, due to our bankruptcy, our failure to make payments etc. We would be unable to continue with our business operations as result of termination of the aforesaid agreement due to our default, or our inability to renew the agreement upon expiry of its term thereby affecting our business and results of operations. For details of the terms of the agreements please refer "*History and Certain Corporate Matters*" on page 134 of this Prospectus.

4. ***Our trademark is not currently registered under the Trade Marks Act, 1999. Also the application is not in the name of our Company***

Currently, we do not have a registered trademark over our name and logo VIDLI under the Trade Marks Act, 1999, and consequently do not enjoy the statutory protections accorded to a

trademark registered in India. Though we have made an application for registration, the registration of any trademark is a time-consuming process, and there can be no assurance that any such registration will be granted. In the absence of such registration, competitors or other companies may challenge the validity or scope of our intellectual property. Unless our trademarks are registered, we may only get passing off relief for our marks if used by others, which could materially and adversely affect our brand image, goodwill and business.

Further, the registration is applied in the name of Mr. Vikram Kamat, spouse of our promoter. As the trade mark will not be owned by our Company, we may have to enter into trademark usage agreement and there could be various clauses attached to such agreement. The agreement may also be terminated as a result of a breach under the agreement by us, including, without limitation, due to our bankruptcy, our failure to make payments etc. Such restrictions and terms may affect our usage of the trademark thereby affecting our business and results of operations.

5. ***Our group company Kamat Hotels (India) Limited was referred to Corporate Debt Restructuring cell during Fiscal 2013. Post failure of CDR, Kamat Hotels (India) Limited received recall notices and subsequently many lenders have assigned the loans in favour of asset reconstruction companies.***

   Our group company, Kamat Hotels (India) Limited (KHIL) had made a reference to Corporate Debt Restructuring (CDR) Cell for restructuring its debts in view of difficult financial situation. The CDR Empowered Group, at its meeting held on February 15, 2013, had approved the CDR Package. The Asset Sale Committee constituted by the CDR lenders could not materialize sale of specified assets of KHIL despite best efforts by KHIL's management, promoters and the Asset Sale Committee, by the deadline, that is, March 31, 2014 and therefore the CDR empowered Group communicated revocation of CDR mechanism as decided in the Joint Lenders Meeting. Consequently, KHIL received loan recall notices and notices purportedly under section 13(2) of the SARFAESI Act, 2002 from some of its lenders. Lenders like Tourism Finance Corporation. Of (India) Ltd and L & T Infrastructure Finance Company Limited assigned their respective debts to Asset Care & Reconstruction Enterprise Ltd. (ACRE) and Edelweiss Asset Reconstruction Company Limited respectively. State Bank Of India have assigned their loans to Asset Care & Reconstruction Enterprise Ltd, while Vijaya Bank has assigned its debts to Invent Asset Securitization and Reconstruction Private Limited. For further details, please refer chapter titled "Our Group Entities" starting on page 171 of this Prospectus. There can be no assurance that such developments will not be an adverse effect on our reputation or business and results of operations.

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

   Our Company started commercial operations from November 2013. Thus, we have a very limited operating history from which one can evaluate our business, future prospects and viability. Our future revenues and profitability are difficult to estimate and could fluctuate significantly and as a result the price of our equity shares may be volatile. Further, our promoter Ms. Vidhi Kamat is first generation entrepreneur. Her experience in managing and being instrumental in the growth of our company is limited to the extent of her knowledge and experience and we cannot assure that this will not affect our business growth.

7. ***We are subject to risks associated with leasing space subject to long-term agreements and we may not be able to operate our outlets and franchisees successfully.***

   Our outlets are set up on space taken on lease. Further, our franchisee may have also taken the premises on lease basis. There may be instances, wherein a number of lease agreements may not be duly registered or adequately stamped. The effect of inadequate stamping and non-registration

is that the document is not admissible as evidence in legal proceedings, and parties to that agreement may not be able to legally enforce it, except after paying a penalty for inadequate stamping and non-registration. In the event of any dispute arising out of such unstamped or inadequately stamped and/or unregistered lease agreements, the franchisees may not be able to effectively enforce the leasehold rights arising out of such agreements which may have a material adverse impact on our business.

There may be a possibility, that we may not be able to identify suitable locations for the new food joint/ outlet and / or franchisee outlets or operate them successfully. And if such outlets are not profitable, and we decide to close any of them, we may nonetheless be committed to performing our obligations under the applicable lease including, among other things, paying the base rent for the notice period or the termination fee. In addition, as our leases expire, we may fail to negotiate renewals, either on commercially acceptable terms or at all, which could cause us to pay increased occupancy costs or to close outlets in desirable locations or to shift them, which may not necessarily yield past results. These potentially increased occupancy costs and closed franchisee could materially adversely affect our business, financial condition and results of operations.

8. ***We rely on the proficiency and skills of our personnel to maintain the quality of our service.***

The quality of our services at our outlets is crucial for the success of our business. This in turn depends on the proficiency and skills of our personnel. Our success also depends on our ability to retain and attract experienced and well-qualified employees, customer service and kitchen staff. Though we have developed an in-house training academy to ensure maintenance of quality and uniformity of service, there can be no assurance that the personnel will adhere to the standards set forward by us. Any unforeseen deterioration in the quality of our service may significantly influence opening of new franchisee outlets and outlets and thereby affect our results of operations.

9. ***We generate major portion of our revenue from operations from franchisees outlets. Their discontinuation with us could have an adverse impact on our revenue and results of operations.***

A major portion of our total sales are generated from franchisee outlets. Currently, we have 37 franchisee outlets. Under our franchise agreement we grant the right and license to use the marks and to establish and operate outlets using the marks and the system in the identified location. Though we take great care in selecting franchisees there can be no guarantee that the franchisee will continue to work with us. Any significant loss of franchisees could materially and adversely affect our business, financial condition, results of operations and prospects.

If our existing franchisees joins a competitor or forms a competing company, we may consequently lose our proprietary know-how including pricing of our menu items, new restaurant launches and pricing relating to the procurement of raw material.

10. ***We generate major portion of our revenue from operations from franchisees located in Maharashtra region and any adverse developments affecting our operations in this region could have an adverse impact on our revenue and results of operations.***

A major portion of our total sales are generated from restaurant and franchisees located in Maharashtra. Such geographical concentration of our franchisees and outlets business in Maharashtra heightens our exposure to adverse developments related to competition, as well as economic and demographic changes in this region which may adversely affect our business prospects, financial conditions and results of operations. We may not be able to leverage our experience in Maharashtra region to expand our operations in other parts of India.

Factors such as competition, culture, regulatory regimes, business practices and customs, industry needs, transportation, in other markets where we may expand our operations may differ from those in Maharashtra, and our experience in Maharashtra may not be applicable to other markets. In addition, as we enter new markets and geographical areas, we are likely to compete not only with national players, but also local players who might have an established local presence, are more familiar with local regulations, business practices and industry needs, or are in a stronger financial position than us, all of which may give them a competitive advantage over us. Our inability to successfully replicate success we have achieved in Maharashtra region to other markets outside Maharashtra may adversely affect our business prospects, financial conditions and results of operations. While our management believes that the Company has requisite expertise and vision to grow and mark its presence in other markets going forward, investors should consider our business and prospects in light of the risks, losses and challenges that we face and should not rely on our results of operations for any prior periods as an indication of our future performance.

11. ***We are yet to identify properties or entered into any definitive agreements for setting-up of our proposed food joint outlets. We cannot assure you that the set-up will be undertaken as per planned implementation.***

    We intend to utilise a sum of Rs. 103.00 lakhs out of Issue Proceeds for setting-up 8 new food joints / outlets. However, as on date except the property located in Lodha Palava, Maharashtra for which we have entered into letter of intent for acquisition of property on lease basis, we have not identified any other properties on which our food joints will be established nor do we have entered into any long term agreement. We have conducted market analysis in the state of Maharashtra and are currently in the process of identifying the locality specific malls as mentioned in the chapter Objects of the Issue for setting up of our proposed food joints. While we expect that we will be able to establish these food joints as per the planned implementation, we may experience delays or financial or operational difficulties in relation to the establishment of these new food joints, including if we are unable to identify suitable locations or conclude definitive agreements for the lease of such new food joints on terms anticipated by us or at all, which would in turn affect our growth and results of operations.

12. ***Our ability to maintain our competitive position and to implement our business strategy is dependent to a significant extent on our senior management team and other key personnel.***

    We depend on our current senior management for the implementation of our strategy and the operation of our day-to-day activities. Furthermore, relationships of members of senior management are important to the conduct of our business. Competition for experienced management personnel in the hospitality sector is intense, the pool of qualified candidates is limited, and we may not be able to retain the services of our senior executives or key personnel or attract and retain high-quality senior executives or key personnel in the future. Consequently, there can be no assurance that these individuals will continue to make their services available to us in the future. Any significant loss of senior management or key personnel could materially and adversely affect our business, financial condition, results of operations and prospects.

    In addition, if any member of our senior management team or any of our other key personnel joins a competitor or forms a competing company, we may consequently lose our proprietary know-how including pricing of our menu items, new restaurant launches and pricing relating to the procurement of raw material.

13. ***We do not own the Registered Office of our Company from which we operate.***

We do not own the Registered Office of our Company from which we operate. We have taken the premises on lease which is valid until November 30, 2018. If we do not comply with certain conditions of the lease it may lead to termination of the lease, which could have an adverse affect on our operations and there can be no assurance that renewal of lease agreement with the owner of the land will be entered into. In the event of non-renewal of lease, we may be required to shift our registered office to a new location and there can be no assurance that the arrangement we enter into in respect of new premises would be on such terms and conditions as the present one.

14. ***Our Company has not complied with certain statutory provisions and has made delayed filing with Registrar of Companies. Such non-compliances/lapses may attract penalties.***

Our Company has not complied with certain statutory provisions such as the following:

a. Our Company, in the past has not filed Form 32 with the registrar of Company for regularizing its directors, though the approval of members was sought in the general meeting;
b. Our Company has also made delayed filing of forms under the Companies Act.

Such delay/non-compliance may in the future render us liable to statutory penalties which may have consequence of violation of statutory provisions concerned. To avoid such non-compliances/lapses, our Company has appointed Company Secretary to oversee compliance and secretarial related matters of our Company.

15. ***Our Company is yet to deploy the funds raised through the Rights issue in the past.***

Our Company has raised a sum of Rs. 262.00 lakhs by allotting equity shares on Rights basis to the existing shareholder vide Letter of Offer dated March 07, 2015. The object of the issue was to utilise the funds for business purposes & general corporate expenses. Out of the said sum our Company has till December 28, 2015 deployed a sum of Rs. 36.00 lakhs and remaining amount of Rs. 226.00 lakhs has been temporarily invested in mutual funds pending utilisation. Our Company is yet to utilise the amount for the aforesaid object.

16. ***There exist certain brands or entities whose names resemble to our existing brand.***

Certain entities/brands like (i) "Natural" owned by Kamaths Ourtimes Ice-creams Pvt Ltd, Mumbai popularly known as "Kamath's Ice Cream", (ii) KAMAT Restaurant, Bangalore (Since 1948), (iii) Kamath Yatri Nivas, Murudeshwar, Bangalore, Kamat Vegetarian Restaurant, UAE, (iv) Kamats Suruchi, Singapore etc. do not belong to us and should not be associated with us. These brands are not owned or managed by us and thus investors should not relate or identify these brands to our business.

17. ***Some of our Group companies have incurred losses during the last three fiscal year***

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. Our Group Entities, Kamat Hotels (India) Limited, Orchid Hotels Pune Private Limited, Conwy Finance & Leasing Private Limited, Kamat Hotels Private Limited, VITS Hotel Worldwide Private Limited, Indira Investments Private Limited, Venketesh Hotels Private Limited, Vishal Amusements Limited, Vikram Kamats Academy LLP, Kamats Club Private Limited, Kamats Development Private Limited, Kamats Super Snacks Private Limited, Kamburger Foods Private Limited and Kamats Eateries Private Limited, has incurred losses in previous years:

Details of Profit/loss for last three financial years of our loss making group entity:

(Rs. In Lacs)

Group Entities	For the year ended March 31,		
	2013	2014	2015
Kamat Hotels (India) Limited	(566.39)	(23,260.69)	(5,915.69)
Orchid Hotels Pune Private Limited	(2,128.87)	(1,549.26)	(456.85)
Conwy Finance and Leasing Private Limited	(26.41)	(13.97)	(18.13)
Kamat Hotels Private Limited	(0.07)	(0.07)	(0.06)
VITS Hotel Worldwide Private Limited	(8.74)	(20.48)	(3.18)
Indira Investments Private Limited	0.36	(0.03)	(4.13)
Venketesh Hotels Private Limited	0.37	0.45	(11.45)
Vishal Amusements Limited	(0.14)	(4.20)	(3.59)
Vikram Kamats Academy LLP*	-	-	(0.57)
Kamats Club Private Limited	(0.43)	(0.32)	(0.56)
Kamats Development Private Limited	(4.17)	10.66	(0.52)
Kamats Super Snacks Private Limited	(0.10)	(0.12)	(0.25)
Kamburger Foods Private Limited	(0.12)	(0.25)	(0.16)
Kamats Eateries Private Limited	(0.12)	(0.11)	(0.15)

**Vikram Kamats Academy LLP was formed on June 11, 2014; hence financial year 2014-15 was its first financial year.*

There can be no assurance that our Group entity(ies), or any other ventures promoted by our Promoters, will not incur losses in any future periods, or that there will not be an adverse effect on our reputation or business as a result of such losses.

18. ***Some of our Group companies have negative networth during the last three fiscal year***

Some of our Group Entities namely Kamat Hotels (India) Limited, VITS Hotel Worldwide Private Limited, Conwy Finance and Leasing Private Limited, Venketesh Hotels Private Limited and Indira Investments Private Limited has negative networth. Such negative networth reported by our Group Entities may not be perceived positively by external parties such as customers, bankers, suppliers etc:

Details of networth of last 3 financial years of our group company having negative networth in financial year 2014-15:

(Rs. In Lacs)

Group Entities	For the year ended March 31,		
	2013	2014	2015
Kamat Hotels (India) Limited	24,316.87	3542.28	(2933.42)
VITS Hotel Worldwide Private Limited	(19.41)	(38.88)	(42.40)
Conwy Finance and Leasing Private Limited	(141.49)	(155.45)	(173.59)
Venketesh Hotels Private Limited	(155.78)	(155.33)	(166.45)
Indira Investments Private Limited	(3.27)	(3.31)	(7.44)

There can be no assurance that our Group entity(ies), or any other ventures promoted by our Promoters, will earn profits thereby reflecting positive networth in future periods, or that there will not be an adverse effect on our reputation or business as a result of such negative networth of our Group Companies.

19. ***Some of Our Group Entities may not have necessary approval for their business.***

Our Group Entities namely, Indira Investments Private Limited and Kamat Holdings Private Limited are yet to obtain licenses for operating as NBFC from RBI. In case they fail to take any corrective measures they may face legal action.

20. ***We may not be able to forecast our raw material procurement accurately.***

We generally procure raw materials based on forecasts and estimates prepared by our outlet managers in consultation with our area managers. These forecasts are generally based on past month sales and anticipated demand. Our inability to accurately forecast the demand would lead to excess or shortage in supply of raw materials which would have a material adverse impact on our revenue and profitability.

21. ***New outlets present increased risks due to our unfamiliarity with the area.***

To increase our market reach and presence, we will continue to open our new outlets/franchisee units in areas where we have little or no experience. These areas may have different competitive conditions, consumer tastes and discretionary spending patterns than our existing locations, which may cause such outlets to be less fruitful than our existing outlets. Further, such outlets may also require additional overheads for which we may not have made provision for or monthly sales may be lower than the average monthly sales derived from our other outlets. Although, we carry in-depth research prior to setting-up an outlet, we cannot assure you that we may able to generate positive cash flows from such outlets.

22. ***We propose to utilize Rs. 103 lacs from the Net Proceeds of the Issue for setting-up new outlets.***

We propose to utilize Rs. 103 lacs from the Net Proceeds of the Issue, which amounts to 79% of the Issue Proceeds, towards setting-up of new outlets. We cannot assure you that we may able to execute and manage such expansion in a timely and affective manner and any failure to do so could materially and adversely affect our ability to capitalize on new business opportunities, which in turn may have a material adverse effect on our revenue and profitability. For further details about setting-up of new outlets, please refer to the chapter titled "Objects of the Issue" beginning on page 79 of the Prospectus.

23. ***Our inability to identify restaurant locations or set-up and operate new outlets profitably may adversely affect our business.***

Our area managers based on their experience study and identify ideal and prominent locations for restaurant. Such locations many-a-times may not be available due to various factors. Further, such locations may not be available at an acceptable cost or on acceptable terms or at all. Also, the location identification depends on experience and expertise of area managers, there can be instances wherein they may not identity prime locations.

Moreover, we have in the past and may in the future experience delays or higher-than-anticipated overheads in opening new outlets and franchisee outlets. We may also experience regulatory challenges or delays which are beyond our control in opening a new restaurant and franchisee outlets. We require a number of approvals, licences, registrations etc. for setting-up and operating a restaurant and franchisee outlets and failure to obtain or renew them in a timely manner may adversely affect our operations. For details about the approvals, licences, registrations etc. required for setting-up and operating a restaurant, please refer chapter titled "Government and Other Statutory Approvals" beginning on page 238 of this Prospectus.

We depend primarily on our ability to operate new and existing outlets and food joints/outlets on a profitable basis. Further, we are proposing to utilise 79% of the Issue Proceeds in setting-up new food joints. Any cost escalations beyond our estimation may add up to our capital expenditure. We also cannot assure that such outlets will provide desired yield or will be profitable at all. Any such unforeseen event, may affect our business operations and thereby affecting our revenue and profitability.

24. ***We are dependent on third party suppliers for timely delivery of quality ingredients. However, we do not have any written agreements with them.***

We have entered into various arrangements with suppliers for timely and quality delivery of raw materials. Further, we are dependent on third-party distributors and suppliers for supply of raw materials and therefore, are subject to the risk viz. shortages or interruptions in supply. We also cannot assure consistency in quality of raw materials in all our outlets over a period of time. Further, there can be no assurance that our suppliers will not prematurely terminate their arrangements with us or seek to vary the terms of such arrangements. Our suppliers may discontinue their operations with us or choose to work with our competitors on favourable terms. Any such adverse situations may hamper our business operations and thereby adversely affect our revenues.

25. ***We are susceptible to changes in raw materials costs.***

Our raw materials are mainly food products and ingredients. The prices of these raw materials are subject to price fluctuation due to various factors beyond our control, including but not limited to severe climatic conditions, outbreak of diseases and governmental regulations, which may reduce supply and lead to increase in food and supply costs. In the event that we are unable to anticipate and react to changing food and supply costs by adjusting our purchasing practices or passing on any increase in such costs to our customers, our business, profitability and financial performance may be materially and adversely affected.

26. ***Negative publicity could adversely affect our revenue model and profitability. Further, we may not be able to control the quality of services offered by our franchisees.***

We may, from time to time, receive negative publicity with respect to quality of our services or food, ambience, hygiene & safety, employee relationships or other matters. We may in future experience adverse publicity as a result of employee misconduct, including employee theft. Any adverse publicity will create a negative image of our Company, irrespective of the fact that such allegations are true or not. The repercussion of such negative publicity may affect the revenue generation ability of all our outlets. This could lead to an adverse impact on our business, financial condition, results of operations and prospects.

Quality control at franchisees is quite challenging. Though we take great care to make our franchisees adhere to the prescribed standards of quality, service and cleanliness, there can be no assurance that our franchisees will adhere to the prescribed standards. Any such mismanagement and lapses at franchisees end can hamper our current as well as future business prospects and thereby affect our results from operations.

27. ***Our industry is labour intensive and our business operations may be materially affected by strikes, work stoppages or increased wage demands by our employees or those of our suppliers.***

We believe that the hospitality industry faces competitive pressures in recruiting and retaining skilled and unskilled staff. Shortage of skilled/unskilled personnel or work stoppages caused by

disagreements with staff could have an adverse effect on our business and results of operations. Our Company has taken efforts to maintain a lower attrition among our employees by promoting "*Sadhak-Chalak-Malak*" approach. We have not experienced any major disruptions in our business operations due to disputes or other problems with our work force in the past; however there can be no assurance that we will not experience such disruptions in the future. Such disruptions may adversely affect our business and results of operations and may also divert the management's attention and result in increased costs.

India has stringent labour legislation that protects the interests of workers, including legislation that sets forth detailed procedures for the establishment of unions, dispute resolution and employee removal and legislation that imposes certain financial obligations on employers upon retrenchment. We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees. Although our employees are not currently unionized, there can be no assurance that they will not unionize in the future. If our employees unionize, it may become difficult for us to maintain flexible labour policies and we may face the threat of labour unrest, work stoppages and diversion of our management's attention due to union intervention, which may have a material adverse impact on our business, results of operations and financial condition.

28. ***We lease premises for all the outlets owned by our Company and our inability to secure our lease rights and keep up with increasing lease rentals in certain key locations may adversely affect our business, financial condition, results of operations and prospects.***

We currently lease premises for the outlets owned by our Company. We generally enter into long-term lease agreements, that have an initial term that typically range for a period of five to ten years and certain of our lease agreements may also provide for our right of renewal of the lease agreements upon expiration, provided that we remain in compliance with the terms of the lease. Also, any party may terminate its lease agreement by giving prior notice. In recent years, real estate costs including rents have escalated significantly. There can be no assurance that such significant increases in real estate costs will not continue to occur in the future. Our operating performance depends in part on our ability to secure leases for our outlets in appropriate locations at rents we believe are cost effective. The early termination of any of our leases due to noncompliance with the lease terms or the failure to renew leases at suitable costs or at all, could adversely affect our business, financial condition, results of operations and prospects. There is no guarantee that we will be able to renew our leases or conclude new agreements on commercially acceptable terms. The loss of outlet locations could have a material adverse effect on our business, financial condition, results of operations and prospects. Please refer section "Our Business—Property" on page 122 of this Prospectus for more details.

29. ***Our franchised outlets, present and proposed, are not owned by us and are taken on contractual basis by the Franchisees themselves. Non-renewal of lease or any deficiency in the title/ownership rights/development rights of the owners may adversely impact our operations.***

Currently we operate around 37 outlets on franchisee model and these outlets are not owned by us. These premises are owned by the franchisees itself or acquired by them on a contractual basis. Any non-renewal of lease or any deficiency in the title / ownership rights of such third parties may lead to legal implications which can result in us having to vacate the premises or increase our cost of operations, thus affecting our operations.
In recent years, real estate costs including rents have escalated significantly in many of our existing locations and may also escalate in new locations that we are proposing to enter and there can be no assurance that such significant increases in real estate costs will not continue to occur in the future. Our operating performance depends, in part, on our ability to secure such arrangement

with our franchisees. Further, early termination of any of such arrangements could adversely affect our business, financial condition, results of operations and prospects.

There is no guarantee that we will be able to renew such arrangements or conclude new agreements on commercially acceptable terms. The loss of franchise outlets could have a material adverse effect on our business, financial condition and results of operations.

30. ***Any occurrence of negative event in consumer food services industry in the states where we have presence could materially affect our overall business and results of operations***

Currently, we have our outlets in Maharashtra, Gujarat, Rajasthan, Uttar Pradesh and Madhya Pradesh. We expect this market to continue to account for a substantial portion of our revenues in the near future also. Customer preference and taste may vary from state to state. Currently, we are serving these states based on our experience and study of customer preferences and tastes of the particular state. However, any negatively event affecting its consumer food services industry, such as a local economic downturn, a natural disaster, a contagious disease outbreak or a terrorist attack, or if the local authorities adopt regulations that place additional restrictions or burdens on us or on our industry in general, our overall business and results of operations may be materially and adversely affected.

31. ***The food service market is affected by consumer preferences and taste which are beyond our control. Any changes in these preferences and taste may lessen the demand for our products***

Customer food consumption pattern and preferences vary from state to state. Our business can largely be affected by changing in consumer preferences or pattern of consumption, including changes in consumer tastes and consumer acceptance of our outlets, all of which may be caused by many factors that are generally beyond our control. If we are unable to adapt our products to successfully meet changes in consumer tastes and trends, our business and financial condition may be materially adversely affected.

32. ***Our revenues could be adversely affected if our Company would be unable to maintain distribution network.***

Our company procures raw materials with the help of distribution network of various dealers/retailers/distributors. Our inability to maintain our existing distribution network or to expand it further as per the requirement of our proposed increased capacities, can adversely affect our operations.

33. ***We operate in a highly competitive environment and may not be able to maintain our market position, which may adversely impact our business, results of operations and financial condition.***

The food services industry is high fragmented in nature and subject to growing competition. There is increasing competition in respect of price, location, quality of food/service etc. A growing, under-served market, such as India, is particularly attractive to new entrants, who may also offer new cuisines that appeal to consumer tastes. We may also face competition from existing outlets willing to accept low margins on investment in order to enter new markets as well as from business conglomerates willing to cross-subsidise restaurant business in order to enter new markets. Further, we generally face competition from local outlets. As a result, in addition to national and regional restaurant chains, we also compete with smaller restaurant chains as well as individual outlets within the cities in which we operate. A significant increase in competition, whether from one new competitor or many, could exert downward pressure on prices, lower demand for our products and restaurant concepts, an inability to take advantage of new business

opportunities and a loss of market share, all of which would adversely affect our business, financial condition, results of operations and prospects.

34. ***Our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, workmen's compensation etc. In the event of the occurrence of such events, our insurance coverage may not adequately protect us against possible risk of loss.***

    Our Company has obtained insurance coverage in respect of certain risks. Our significant insurance policies consist of, among others, standard fire and special perils, fidelity guarantee, plate glass insurance etc. While we believe that we maintain insurance coverage in adequate amounts consistent with size of our business, our insurance policies do not cover all risks, specifically risks like loss of profits, terrorism, workmen's compensation etc. There can be no assurance that our insurance policies will be adequate to cover the losses in respect of which the insurance has been availed. If we suffer a significant uninsured loss or if insurance claim in respect of the subject-matter of insurance is not accepted or any insured loss suffered by us significantly exceeds our insurance coverage, our business, financial condition and results of operations may be materially and adversely affected.

35. ***There are potential conflicts of interest with our Group Companies. Such conflicts of interest may have an adverse effect on our business, financial condition, results of operations and prospects.***

    Our Promoter's spouse, Mr. Vikram Kamat is shareholder and/or director on the board of certain of our Group Companies. See the sections "Our Promoters and Promoter Group" and "Group Companies" on page 171 of this Prospectus. There can be no assurance that his role in such Group Companies will not present any conflicts of interest or potential conflicts of interest. Further, the memorandum of association of certain of our Group Companies, including, Kamat Hotels (India) Limited, Venketesh Hotels Private Limited, VITS Hotel Worldwide Private Limited, Green Dot Restaurants Private Limited, Kamburger Foods Private Limited, Orchid Hotels Pune Private Limited and Kamats Holiday Resorts (Silvassa) Limited entitle such companies to undertake and carry out businesses that are similar or related to our business. For further details, see the section "Group Companies" on page 171 of this Prospectus. There can be no assurance that such Group Companies will not provide comparable services, expand their presence or acquire interests in competing ventures in the locations in which we operate. As a result, a conflict of interest may occur between our business and the businesses of our Group Companies which could have an adverse effect on our business, financial condition, results of operations and prospects.

36. ***We have not made any alternate arrangements for meeting our capital requirements for the 'Objects of the Issue'. Further we have not identified any alternate source of financing the 'Objects of the Issue'. Any shortfall in raising / meeting the same could adversely affect our growth plans, operations and financial performance.***

    As on date, we have not made any alternate arrangements for meeting our capital requirements for the objects of the issue. We meet our capital requirements through our owned funds and internal accruals. Any shortfall in our net owned funds, internal accruals and our inability to raise debt in future would result in us being unable to meet our capital requirements, which in turn will negatively affect our financial condition and results of operations. Further we have not identified any alternate source of funding and hence any failure or delay on our part to raise money from this issue or any shortfall in the issue proceeds may delay the implementation schedule and could adversely affect our growth plans. For further details please refer to the chapter titled "Objects of the Issue" beginning on page 79 of this Prospectus.

37. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditure and restrictive covenants in our financing arrangements.***

    We may retain all our future earnings, if any, for use in the operations and expansion of our business. As a result, we may not declare dividends in the foreseeable future. Any future determination as to the declaration and payment of dividends will be at the discretion of our Board of Directors and will depend on factors that our Board of Directors deem relevant, including among others, our results of operations, financial condition, cash requirements, business prospects and any other financing arrangements. Accordingly, realization of a gain on shareholders investments may largely depend upon the appreciation of the price of our Equity Shares. There can be no assurance that our Equity Shares will appreciate in value. For details of our dividend history, see "Dividend Policy" on page 193 of this Prospectus.

38. ***Within the parameters as mentioned in the chapter titled 'Objects of this Issue' beginning on page 79 of this Prospectus, our Company's management will have flexibility in applying the proceeds of this Issue. The fund requirement and deployment mentioned in the 'Objects of the Issue' have not been appraised by any bank or financial institution.***

    We intend to use entire Issue Proceeds towards setting-up of new food joints/outlets, general corporate purpose and to meet the issue expenses. We intend to deploy the Issue Proceeds in financial year 2015-16, 2016-17 & 2017-18 and such deployment is based on certain assumptions and strategy which our Company believes to implement in future. The funds raised from the fresh Issue may remain idle on account of change in assumptions, market conditions, strategy of our Company, etc., For further details on the use of the Issue Proceeds, please refer chapter titled "Objects of the Issue" beginning on page 79 of this Prospectus.

    The deployment of funds for the purposes described above is at the discretion of our Company's Board of Directors. The fund requirement and deployment is based on internal management estimates and has not been appraised by any bank or financial institution. Accordingly, within the parameters as mentioned in the chapter titled 'Objects of the Issue' beginning on page 79 of this Prospectus, the Management will have significant flexibility in applying the proceeds received by our Company from the Issue. However, the Company shall comply with Section 27 of the Companies Act, 2013 before varying the 'Object of the Issue'. Our Board of Directors will monitor the utilisation of the proceeds of this Issue.

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

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

40. ***Our success depends largely upon the services of our Directors, Promoters and other Key Managerial Personnel and our ability to attract and retain them. Demand for Key Managerial Personnel in the industry is intense and our inability to attract and retain Key Managerial Personnel may affect the operations of our Company.***

    Our success is substantially dependent on the expertise and services of our Directors, Promoters and our Key Managerial Personnel. They provide expertise which enables us to make well informed decisions in relation to our business and our future prospects. Our future performance will depend upon the continued services of these persons. Demand for Key Managerial Personnel in the industry is intense. We cannot assure you that we will be able to retain any or all, or that our succession planning will help to replace, the key members of our management. The loss of the services of such key members of our management team and the failure of any succession plans to replace such key members could have an adverse effect on our business and the results of our operations.

41. ***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.***

    After completion of the Issue, our Promoters and Promoter Group will collectively own 57.09% of the Equity Shares. As a result, our Promoters together with the members of the Promoter Group will be able to exercise a significant degree of influence over us and will be able to control the outcome of any proposal that can be approved by a majority shareholder vote, including, the election of members to our Board, in accordance with the Companies Act and our Articles of Association. Such a concentration of ownership may also have the effect of delaying, preventing or deterring a change in control of our Company.

    In addition, our Promoters will continue to have the ability to cause us to take actions that are not in, or may conflict with, our interests or the interests of some or all of our creditors or minority 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.

42. ***In addition to normal remuneration or benefits and reimbursement of expenses, some of our Directors and key managerial personnel are interested in our Company to the extent of their shareholding and dividend entitlement in our Company.***

    Our Directors and Key Managerial Personnel are interested in our Company to the extent of remuneration paid to them for services rendered and reimbursement of expenses payable to them. In addition, some of our Directors and Key Managerial Personnel may also be interested to the extent of their shareholding and dividend entitlement in our Company. For further information, see "Capital Structure" and "Our Management" on pages 62 and 151, respectively, of this Prospectus.

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

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

transactions entered by us, please refer to section "Related Party Transactions" in Section "Financial Statements" beginning on page 215 of this Prospectus.

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

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

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

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

- ***Issue Specific Risks***

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

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

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

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

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

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

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

The Issue Price of our Equity Shares has been determined by fixed price method. This price is be based on numerous factors (For further information, please refer chapter titled "Basis for Issue Price" beginning on page 85 of this Prospectus) and may not be indicative of the market price of our Equity Shares after the Issue. The market price of our Equity Shares could be subject to significant fluctuations after the Issue, and may decline below the Issue Price. We cannot assure you that you will be able to sell your Equity Shares at or above the Issue Price. Among the factors that could affect our share price include without limitation. The following:

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

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

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

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

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

EXTERNAL RISK FACTORS

***Industry Risks*:**

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

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

Other Risks

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

    A majority of the provisions and rules under the Companies Act, 2013 have recently been notified and have come into effect from the date of their respective notification, resulting in the corresponding provisions of the Companies Act, 1956 ceasing to have effect. The Companies Act, 2013 has brought into effect significant changes to the Indian company law framework, such as in the provisions related to issue of capital, disclosures in draft prospectus / prospectus, corporate governance norms, audit matters, related party transactions, introduction of a provision allowing the initiation of class action suits in India against companies by shareholders or depositors, a restriction on investment by an Indian company through more than two layers of subsidiary investment companies (subject to certain permitted exceptions), prohibitions on loans to directors and insider trading and restrictions on directors and key managerial personnel from engaging in forward dealing. To ensure compliance with the requirements of the Companies Act, 2013, we may need to allocate additional resources, which may increase our regulatory compliance costs and divert management attention.

    The Companies Act, 2013 introduced certain additional requirements which do not have corresponding equivalents under the Companies Act, 1956. Accordingly, we may face challenges in interpreting and complying with such provisions due to limited jurisprudence on them. In the event, our interpretation of such provisions of the Companies Act, 2013 differs from, or contradicts with, any judicial pronouncements or clarifications issued by the Government in the future, we may face regulatory actions or we may be required to undertake remedial steps. We may face difficulties in complying with any such overlapping requirements. Further, we cannot currently determine the impact of provisions of the Companies Act, 2013 which are yet to come in force. Any increase in our compliance requirements or in our compliance costs may have an adverse effect on our business and results of operations.

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

    Under current Indian tax laws and regulations, capital gains arising from the sale of equity shares in an Indian company are generally taxable in India. Any gain realised on the sale of shares on a stock exchange held for more than 12 months will not be subject to capital gains tax in India if the securities transaction tax ("STT") has been paid on the transaction. The STT will be levied on and collected by an Indian stock exchange on which equity shares are sold. Any gain realised on the sale of shares held for more than 12 months to an Indian resident, which are sold other than on a

recognised stock exchange and as a result of which no STT has been paid, will be subject to long term capital gains tax in India. Further, any gain realised on the sale of shares held for a period of 12 months or less will be subject to capital gains tax in India. Further, any gain realised on the sale of listed equity shares held for a period of 12 months or less which are sold other than on a recognised stock exchange and on which no STT has been paid, will be subject to short term capital gains tax at a relatively higher rate as compared to the transaction where STT has been paid in India.

54. ***Significant differences exist between Indian GAAP and other accounting principles, such as U.S. GAAP and IFRS, which may be material to the financial statements prepared and presented in accordance with SEBI ICDR Regulations contained in this Prospectus.***

As stated in the reports of the Auditor included in this Prospectus under chapter "Financial Statements as restated" beginning on page 194, the financial statements included in this Prospectus are based on financial information that is based on the audited financial statements that are prepared and presented in conformity with Indian GAAP and restated in accordance with the SEBI ICDR Regulations, and no attempt has been made to reconcile any of the information given in this Prospectus to any other principles or to base it on any other standards. Indian GAAP differs from accounting principles and auditing standards with which prospective investors may be familiar in other countries, such as U.S. GAAP and IFRS. Significant differences exist between Indian GAAP and U.S. GAAP and IFRS, which may be material to the financial information prepared and presented in accordance with Indian GAAP contained in this Prospectus. Accordingly, the degree to which the financial information included in this Prospectus will provide meaningful information is dependent on familiarity with Indian GAAP, the Companies Act and the SEBI ICDR Regulations. Any reliance by persons not familiar with Indian GAAP on the financial disclosures presented in this Prospectus should accordingly be limited.

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

Taxes and other levies imposed by the Central or State Governments in India that affect our industry include:

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

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

56. ***The nationalized goods and services tax (GST) regimes proposed by the Government of India may have material impact on our operations.***

The Government of India has proposed a comprehensive national goods and service tax (GST) regime that will combine taxes and levies by the Central and State Governments into a unified rate structure. Given the limited liability of information in the public domain covering the GST we are unable to provide/ measure the impact this tax regime may have on our operations.

57. ***Political instability or a change in economic liberalization and deregulation policies could seriously harm business and economic conditions in India generally and our business in particular.***

The Government of India has traditionally exercised and continues to exercise influence over many aspects of the economy. 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. The rate of economic liberalization could change, and specific laws and policies affecting the information technology sector, foreign investment and other matters affecting investment in our securities could change as well. Any significant change in such liberalization and deregulation policies could adversely affect business and economic conditions in India, generally, and our business, prospects, financial condition and results of operations, in particular.

58. ***We cannot guarantee the accuracy or completeness of facts and other statistics with respect to India, the Indian economy and hospitality industry contained in the Prospectus.***

While facts and other statistics in the Prospectus relating to India, the Indian economy and the hospitality industry has been based on various government publications and reports from government agencies, reports from research organisation and others that we believe are reliable, we cannot guarantee the quality or reliability of such materials. While we have taken reasonable care in the reproduction of such information, industry facts and other statistics have not been prepared or independently verified by us or any of our respective affiliates or advisors and, therefore we make no representation as to their accuracy or completeness. These facts and other statistics include the facts and statistics included in the chapter titled *'Our Industry'* beginning on page 96 of the Prospectus. Due to possibly flawed or ineffective data collection methods or discrepancies between published information and market practice and other problems, the statistics herein may be inaccurate or may not be comparable to statistics produced elsewhere and should not be unduly relied upon. Further, there is no assurance that they are stated or compiled on the same basis or with the same degree of accuracy, as the case may be, elsewhere.

59. ***Conditions in the Indian securities market may affect the price or liquidity of our Equity Shares.***

The Indian securities markets are smaller than securities markets in more developed economies and the regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in the more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. Further, the Indian stock exchanges have also experienced volatility in the recent times.

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

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

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

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

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

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

63. ***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.

64. ***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, floods etc. 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 operations as well as the price of the Equity Shares.

PROMINENT NOTES

1. Public Issue of 13,10,000 Equity Shares of face value of Rs. 10/- each of our Company for cash at a price of Rs. 10/- per Equity Share ("Issue Price") aggregating upto Rs. 131.00 Lakhs, of which 70,000 Equity Shares of face value of Rs. 10/- 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. Net Issue of 12,40,000 Equity Shares of face value of Rs. 10/- each is hereinafter referred to as the "Net Issue". The Issue and the Net Issue will constitute 30.25% and 28.64%, respectively of the post Issue paid up equity share capital of the Company.

2. Investors may contact the Lead Manager or the Company Secretary & Compliance Officer for any complaint/clarification/information pertaining to the Issue. For contact details of the Lead Manager and the Company Secretary & Compliance Officer, please refer to chapter titled "*General Information*" beginning on page 55 of this Prospectus.

3. The pre-issue net worth of our Company was Rs. 334.33 Lakhs for the period ended September 30, 2015 and Rs. 308.97 Lakhs as of March 31, 2015. The book value of each Equity Share was Rs. 11.07 for the period ended September 30, 2015 and Rs. 10.23 as of March 31, 2015 as per the restated financial statements of our Company. For more information, please refer to section titled "Financial Statements" beginning on page 194 of this Prospectus.

4. The average cost of acquisition per Equity Share by our Promoters is set forth in the table below:

Name of the Promoters	No. of Shares held	Average cost of acquisition (in Rs.)
Ms. Vidhi V Kamat	5,42,000	10.00
VITS Hotel Worldwide Private Limited	7,75,000	10.00
Conwy Finance and Leasing Private Limited	11,55,000	10.00

For further details relating to the allotment of Equity Shares to our Promoters, please refer to the chapter titled *"Capital Structure"* beginning on page number 62 of this Prospectus.

5. For details on related party transactions and loans and advances made to any company in which Directors are interested, please refer *Annexure "*XXIV*" "Related Party Transaction"* beginning on page 215 under chapter titled *"Financial Statements as restated"* beginning on page 194 of this Prospectus.

6. 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 267 of this Prospectus.

7. Except as disclosed in the chapter titled *"Capital Structure", "Our Promoter and Promoter Group*", "*Our Management*" and *"Related Party Transaction"* beginning on pages 62, 134, 151 and 192 respectively, of this Prospectus, none of our Promoters, Directors, Group Companies or Key Management Personnel has any interest in our Company.

8. Except as disclosed in the chapter titled "Capital Structure" beginning on page 62 of this Prospectus, we have not issued any Equity Shares for consideration other than cash.

9. Trading in Equity Shares of our Company for all investors shall be in dematerialized form only.

10. Investors are advised to refer to the chapter titled *"Basis for Issue Price"* beginning on page 85 of the Prospectus.

11. 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 our Company during the period of six months immediately preceding the date of filing of this Prospectus with the Stock exchange.

12. Our Company was originally incorporated on August 24, 2007, as "Kanisha Hotels Private Limited" under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to "Vithal Kamats Restaurants Private Limited" and a fresh certificate of incorporation consequent upon change of

name was issued by the RoC on October 1, 2013. Subsequently, the name of our Company was changed to "Vidli Restaurants Private Limited" and a fresh Certificate of Incorporation pursuant to change of name was issued by the Deputy ROC on February 26, 2015. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the AGM of the Company held on October 7, 2015 and the name of our Company was changed to "Vidli Restaurants Limited". A Certificate of Incorporation consequent upon conversion to public limited company was issued by the Deputy RoC on November 23, 2015. The Corporate Identification Number of our Company is U55101MH2007PLC173446. For details of incorporation, change of name and Registered Office of our Company, please refer to chapter titled "General Information" and "Our History and Certain Other Corporate Matters" beginning on page 56 and 134 respectively of this Prospectus. Except as stated in the chapter titled "Our Group Entities" beginning on page 171 and chapter titled "Related Party Transactions" beginning on page 192 of this Prospectus, our Group Entities have no business interest or other interest in our Company.

SECTION III – INTRODUCTION

SUMMARY OF INDUSTRY

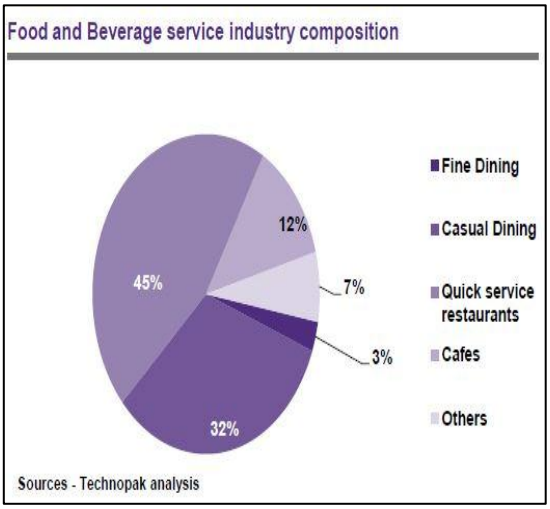
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any person connected with the issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and accuracy, completeness and underlying assumptions are not guaranteed and their reliability can not be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled *"Risk Factors"* and *"Financial Statements*" and related notes beginning on page 16 and 194 respectively of this Prospectus before deciding to invest in our Equity Shares.

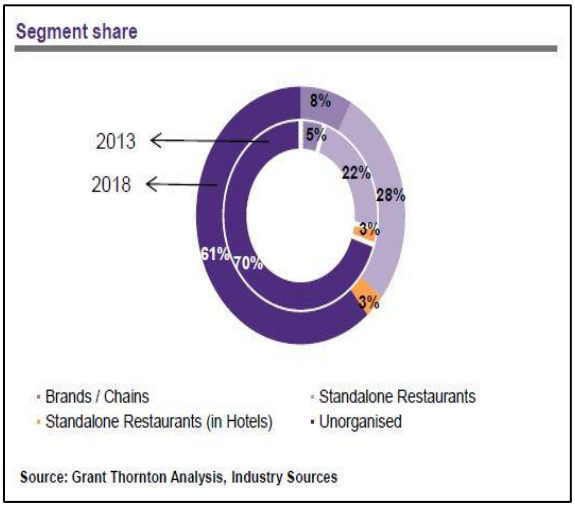
INDUSTRY OVERVIEW

The Indian Food and Beverage (F&B) service Industry is one of the most vibrant industries that has seen unprecedented growth in the recent past and continues to expand rapidly. This can be attributed to the changing demographics, increase in disposable incomes, urbanisation and growth of organised retail. The F&B service market is worth INR 2,04,438 crore and is expected to reach INR 3,80,000 crore by 2017.

The sector is dominated primarily by the traditional segment. The brands and restaurant chains of both Indian origin and multinationals have not optimally penetrated the market so far. The F&B sector has evolved over the past decade, giving rise to exciting new concepts in food and beverage offerings and new and innovative service elements.

Segments such as fine dining, casual dining, quick service restaurants, cafes, etc. have found favour with the consumers. The F&B industry has been at the forefront of attracting investments into India and has played an integral role in portraying India as a land of opportunity. Several success stories of both domestic and multinational companies tapping into the Indian food services sector are examples of the current trends.





Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI *www.ficci.com*

GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its October 2014 projections owed to the weaker economic prospects in China, Russia, the Euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. 4.3 In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in the year 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

Source: Economic Survey 2014-15 - Volume II; *www.indiabudget.nic.in*

OVERVIEW OF INDIAN ECONOMY

One of the redeeming features, while comparing economic performance across different countries for the year 2014-15, has been the emergence of India among the few large economies with propitious economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee in 2011-12 and 2012-13. From the macroeconomic perspective, the worst is clearly behind us. The latest indicators, emerging from the recently revised estimates of national income brought out by the Central Statistics Office, point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15.

Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world, and potential impact of the reform initiatives of the new government at the centre along with its commitment to calibrated fiscal management and consolidation bode well for the growth prospects and the overall macroeconomic situation. Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond.

The possible headwinds to such promising prospects, however, emanate from factors like inadequate support from the global economy saddled with subdued demand conditions, particularly in Europe and Japan, recent slowdown in China, and, on the domestic front, from possible spill-overs of below normal agricultural growth and challenges relating to the massive requirements of skill creation and infrastructural up gradation. The encouraging results from the Advance Estimates for 2014-15 suggest that though the global sluggishness has partly fed into the lacklustre growth in foreign trade; yet this

downward pressure has been compensated by strong domestic demand, keeping the growth momentum going.

Source: Economic Survey 2014-2015 – Volume I ; *www.indiabudget.nic.in*

GLOBAL RESTAURANT INDUSTRY

The global restaurant industry has been forecast to reach a value of $2.1 trillion by 2015, driven by increasing preference for eating out and waxing demand for take away foods among modern time crunched consumers. Robust growth in the number of franchise restaurants, especially exotic fast food restaurants, cafés and snack bars will translate into increased revenues in the industry in the upcoming years.

When the economy emerged from the 2008 / 2009 recession, the restaurant industry staged a strong rebound in 2010. As 2011 rolled around, rising commodity costs and political turmoil in the Middle East cast a pail of uncertainty on the industry's ability to continue on this path to a healthy recovery. Thankfully, the sustained optimism of the everyday consumer carried the industry into another record year, with all dining segments achieving positive increases in comparable store sales. This optimism, combined with favourable economic indicators, suggests 2013 may represent the third consecutive year of real sales growth.

In this age of busy lifestyles, where people are left with little time to spend on preparing food at home, eating out at restaurants has become a common practice. Preference for restaurant food is even higher among younger consumers with high disposable incomes but very little time to spare. This scenario provides an opportunity for restaurateurs to offer food service options in morning breakfast, brunch, meals and dinner. Franchising of restaurants, food joints, and even food products and ingredients has helped boost overall growth in the global restaurant industry in recent years.

There are about 8 million restaurants in the world and some 300,000 restaurant companies. The restaurant industry divides itself into full-service and fast-food restaurants. Full-service restaurants include family restaurants (such as Denny's), dinner houses (Darden Restaurants' Red Lobster), and grill/buffet type eateries (Metromedia's Ponderosa). The fast-food sector includes sandwich shops, which means hamburgers and Mexican food, as well as pizza and chicken joints. Companies in this sector include giants such as Kahala (Great Steak & Potato, Frullati Cafe), Texas Pacific Group (Burger King), YUM! Brands (Taco Bell, KFC, Pizza Hut), and of course, McDonald's.

Fast food is the term given to food that can be prepared and served very quickly, first popularized in the 1950s in the United States. While any meal with low preparation time can be considered to be fast food, typically the term refers to food sold in a restaurant or store with preheated or precooked ingredients, and served to the customer in a packaged form for take-out/take-away.

Outlets may be stands or kiosks, which may provide no shelter or seating, or fast food restaurants (also known as quick service restaurants). Franchise operations which are part of restaurant chains have standardised foodstuffs shipped to each restaurant from central locations.

The world fast-food industry is expected to generate almost $240 billion in 2014, representing a 19% increase over five years. The market is predicted to reach a volume of almost 249 billion transactions in 2014. Quick-service restaurants represent the leading market segment, with 71% of overall market value. The Americas represent almost half of the global market share.

The US fast food industry is expected to record yearly growth of 4% through 2014. The US remains one of the world's dominant nations in the global fast-food market even during the economic recession. The market is driven by a growing young population and an expanding middle class with

rising disposable income. Fast-food sector growth is outpacing restaurant industry growth in the US, with leading companies invested heavily in promoting their products to further fuel expansion. Burgers represent the largest market segment, followed by other products such as pizza, pasta, sandwiches and snacks.

The UK fast food industry will record weak growth during 2013-14 as some consumers trade down from more expensive restaurant meals and uncertain times lead others to their favourite comfort foods. Mobile and online technologies are changing the industry and many operators now offer online ordering and delivery services. Industry revenue is estimated to decline at a compound annual rate of 1.7% over the five years through 2013-14, to reach £5.5 billion. Revenue growth in the current year is anticipated to be 1.7%.

Fast food had been thought to be largely recession proof, and indeed the industry did not suffer nearly as much as other discretionary spending sectors. In fact, there was some increase in consumer visits as people choose cheaper fast food options over fast casual or traditional restaurant choices. But overall, the recession hurt spending, and consumers overall purchased less with each trip. Fast food franchises fared reasonably well but still felt some pain.

The restaurant world is growing beyond the usual suspects like Brazil Russian India and China - the "BRICs" get a lot of attention from the media, but there are untold stories of other emerging markets that foodservice executives should be considering. There are approximately 15 million restaurants in the world and approximately 1/3 of them are in China. Of course, the majority of those 5 million Chinese restaurants are street stalls, independently owned/operated and/or small chains by American standards.

The number one "chain restaurant" market in the world is still the USA, but the largest population centres in the world are India and China. It is forecast that as consumers in China (and India and other emerging markets) continue to grow wealthier and enjoy more buying power, that big-budget Western brands will go in and win not just a share of the growth in these markets but also claw-away share of the existing market; edging out less sophisticated and well-funded incumbent enterprises.

Although late, the restaurant sector is nevertheless catching up with healthy eating trend. A majority of restaurant goers prefer healthy food items in restaurants. Organic food, beverages and food with less trans fats are increasingly finding their place in restaurant menus. Quick Service Restaurants (QSRs) are most noteworthy given the strides taken by this category of restaurants in changing menus to include healthy foods. Freshly prepared salads and fresh cut meats have become part of standard menus at QSR outlets.

Source: Market Insight: Global Restaurant Industry *www.companiesandmarket.com*

INDIAN FOOD INDUSTRY

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, the food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years with the country's domestic food market estimated to reach US$ 258 billion by 2015.

The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all

efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licences and 100 per cent export oriented units.

Source: India Brand Equity Foundation www.ibef.org

INDIAN FOOD & BEVERAGE INDUSTRY

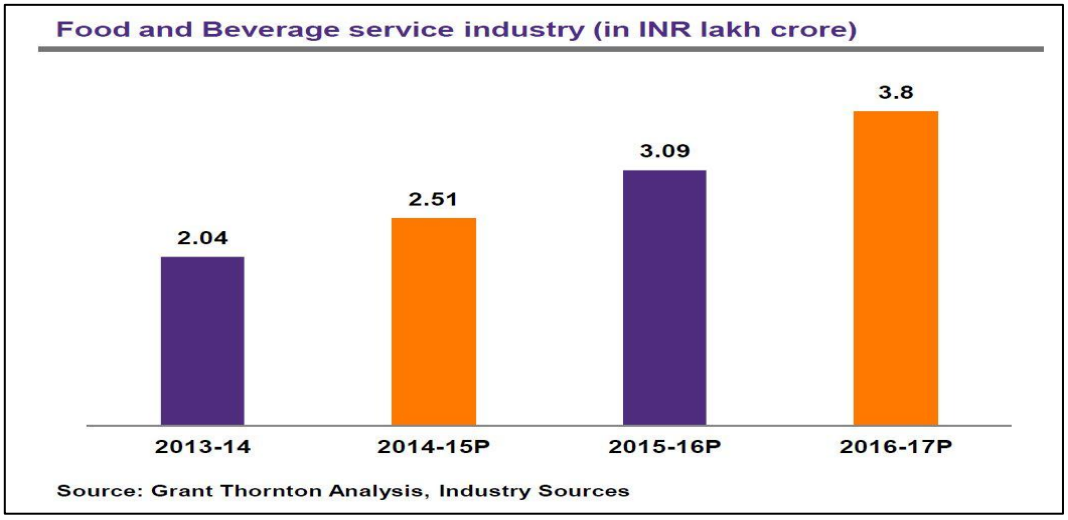
The Food and Beverage service industry is one of the most vibrant service industries within India with over 25% yearly growth. Although predominantly concentrated in the unorganized space, with the advent of foreign and Indian restaurant chains, the organised market is likely to expand quite rapidly. Food expenditure constitutes the majority of our consumption basket and with an increasing young population, eating out will only grow. Eating out has evolved from an occasion driven activity to an occasion in itself for the youth for whom eating out is the most favoured activity besides hanging out with friends.

Amongst the various segments within the restaurant sector, Quick Service Restaurants and Casual Dining Restaurants constitute the largest categories – combined they constitute more than 77% of the overall market. The Restaurant Sector has been one of the first sectors to attract foreign interest due to huge opportunity. Indian entrepreneurs will capitalise on the opportunity and it is likely for more organised chains to emerge in the next decade.

MARKET OVERVIEW

Changing demographics, increase in income, urbanisation and growth in organised retail is driving India's F&B sector:

- The combined F&B service market is worth INR 204,438 crore, growing at compound annual growth rate (CAGR) of 23-24% and is expected to touch INR 380,000 crore by 2017.
- Quick Service Restaurants (QSR) and casual dining are the two most popular formats that form 45% and 32% of the overall market respectively.
- The F&B service market is dominated by unorganised segment and although it will decline significantly over the next 4-5 years, it is likely to remain more than 60% of the market.
- Brands/ chains of both Indian and MNC brands are still less penetrated and there exists a large opportunity in this space to create bigger restaurant chains.
- The maximum growth being witnessed is still in the standalone restaurant space where local taste along with uniqueness of concept are the key deciding factors.



Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

DEMAND DRIVERS OF THE FOOD & BEVERAGE INDUSTRY

- **Demographics - Youth is a growth driver for the food industry**
  India, with its population of 1.2 billion, is one of the largest consumer markets in the world. It is also demographically one of the youngest with around 50% of its population below the age of 25 and around 65% below the age of 35. The majority of Indian consumption of fast food is driven by people between the ages of 18 and 40. The appetite of the young Indian population has been a key driver in QSR industry growth.

- **Increase in disposable income - Growing economy has resulted in higher expenditure on food and related products**
  Increase in disposable incomes of middle class families resulted in them spending more on food consumption. Per capita income increased by CAGR 9% to US$ 1,350 in 2013 compared to US$ 450 in 2000. Consumers are now spending as high as 51% of their income on food products.

- **Change in customer preferences - Increasing number of people prefer eating out and convenience food**
  Food habits have changed due to changes in family structures. With the changing habits there is an increased preference for convenience and higher instances of eating out. Certain section has been exploring culinary experiences due to the global mobility of the Indian consumer. This resulted in the emergence of the QSR industry and also the ready-to-cook/ ready-to-eat segments of the food & beverage industry.

- **Rise in number of working women - Increasing incidence of working women is resulting in frequent eating out occasions**
  Women form nearly 25% of the workforce now. With more women spending a substantial number of hours at work, there is little to no time to prepare elaborate meals at home, as generations before them did. More working women are spending their disposable incomes on eating out or serving ready-to-eat or prepared foods picked up on the way home from work.

- **Health and hygiene consciousness - Awareness for hygiene and health have increased sale of organised section of market**
  Rising awareness and incomes among upwardly mobile urban consumers are making them care more about health and fitness. The mushrooming of juice bars and kiosks selling salads and wraps are cases in point. Consumers are opting for healthy options at the supermarket as well. Many now cook with healthier oils as opposed to ghee and butter, the traditional cooking medium in India.

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

CHALLENGES AND PROBLEMS FACING THE INDIAN FOOD & BEVERAGES INDUSTRY

Below are the challenges and problems faced by the Indian Food and Beverages Industry

1. **Lack of quality infrastructure**
   The food processing industry is among one of the largest industries in India and ranks 5th in terms of production, consumption and exports – its market size is estimated to be around INR 7.5 lakh crore. The food processing industry has a large presence of about 42% in the un-organised sector, whereas the organised sector is only 25% and the remaining is small scale industries. Consumption of processed food is still nascent to India and with growing urbanisation and disposable incomes, this trend is now increasing.

The government is also providing incentives for reducing food wastage and increase the value addition to the end produce. The uniformity and quality of processed food available is still not at par with global standards which are required by a buoyant restaurant industry – as the sector develops and focused collaboration starts for farm to fork production, the processed food available in India would also increase.

2. **Lack of adequate skilled manpower**

Gross annual demand of employees in the hospitality sector had crossed 500,000 in 2009 – 10 and is likely to grow to almost 920,000 in 2021-22.It has been estimated that current supply available for trained manpower for the entire hospitality industry is only 9-12%. This leaves a very large gap to be fulfilled. With a fast growing industry, the problem only multiplies and this is one of the main reasons hampering the further growth & development of the sector.

There are a total of 337 training institutes (March 2010) in the hospitality sector. This includes 38 government owned hotel management and food craft institutes and almost 200 others which are either affiliated to a university or approved by the AICTE.

The biggest gap is in the front office/ restaurant service/ waiter category:

- Housekeeping, followed by F&B and front office, together account for 68% of the workforce in the hotels industry
- In restaurants and other eating outlets, F&B service closely followed by the kitchen account for close to 70% of all employees
- Formal training is required to produce both managerial and non-managerial personnel.

3. **High real estate cost are a big hindrance to growth**

While the Indian F&B service space has seen rapid growth in the past few years, the rising real estate costs is proving detrimental to the holistic growth of the industry. There is a shortage of quality real estate in India and due to the high demand, restaurants often find themselves paying global rentals at Indian prices. Real estate rentals have increased 3 to 4 times in the past 4 years, contributing a significant percentage to the total costs incurred during operations.

Real estate costs account for on an average 15-20% of the revenues and is the second largest item after raw materials – this is significantly larger than the global average of <15%. This is further accentuated with the addition of service tax on the rental value.

In such situations, the stand alone restaurants lose out as the larger chains / brand aggregators are able to lower the rentals through effective negotiations and cornering a large chunk of the prime space available. Innovative models have been explored in retail which need to percolate in the restaurant business i.e. revenue share, deferred rents, equity share, etc.

4. **Licensing**

There are several different types of licenses required before one can commence his/her restaurant operations. With the large number of licenses required and the time taken for obtaining these, the restaurant industry always has a large lead time for opening new outlets.

In addition to the time taken, the cost of compliance is also high which can be easily avoidable. Internationally, the ease of setting up a new restaurant is significantly high and in countries like Turkey, the number of licenses can be as low as 2.

The license requirements are mostly consistent throughout India except for states like Maharashtra that may have some regulations specific to that state only. Following are some of the key licenses required to open a new restaurant in the country:

Indicative

General Licensing Requirements		
Nature Of License	Issuing and Regulatory Body	Compulsory/ Optional
Health/Trade License	Municipal Corporation / State Health Department	Compulsory
Eating House License	Licensing Branch – Police Commissioner	Compulsory
Liquor License (L17 as per new excise law)	Excise Commissioner	Compulsory for service of liquor
Approval/ Re-approval of restaurants	Dept. of Tourism of the state concerned	Compulsory for obtaining a liquor license
Playing Music in restaurants-License	Phonographic Performance Limited/ Indian Performing Rights Society	Compulsory if recorded/ live music of copyright holders is being played
Environmental Clearance	As per state laws	Compulsory
NOC (Fire Department)	State Fire Departments	Compulsory
Lift License	Concerned authority of states/ Office of the Labor Commissioner	Compulsory if lift is to be operational
Insurance 1) Public Liability 2) Product Liability 3) Fire Policy 4) Building & Asset	Insurance policies are must can be obtained from any insurance company	Compulsory
Nominations Under PFA(Food Adulteration) Act 1) 1954 section 17 (2) 2) Rule 12 B of 1955	Director Prevention of Food Adulteration of the State	Compulsory and to be applied for in prescribed form
Shop and Establishment Act	Applicable as per act and state law	Compulsory
Signage License	Municipal Committee/ Corporation of city	Compulsory

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

5. Tax incidence

The Indian restaurant industry is burdened with multiple taxes like VAT, excise, and service tax, besides different state taxes, which add up to 17.5-25% of the bill value. The 2 key taxes levied are VAT and Service Tax:

- VAT rates can vary between 5% and 20% usually and is different in case of food items & alcoholic drinks – the states decide on the rates
- Service tax is the tax levied by the government on the services rendered by specifically air-conditioned restaurants and is charged at 12.36% of 40% of the total bill value. This can be equated to 40% x 12.36% = 4.94% on the total bill, including food, drinks and the service charge.

In comparison to regular retail, the incidence of such taxes are around 10-15%. Since this is usually charged to the customers, with a customary tip / service charge of 10%, the incidence of taxes and charges over and above the bill value is almost 33%. In addition, charging VAT and service tax on the same bill value (even though 60% reduction is available on service tax), amounts to double taxation as by definition, they should not be charged on the same item. This inflates the overall cost to the consumer thereby dissuading them from returning frequently.

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

SUMMARY OF BUSINESS

Overview

Incorporated in 2007, our Company Vidli Restaurants Limited is engaged in the hospitality business and runs chain of restaurants either through own operated outlets or through franchisee operated outlets. Our Company started its commercial operations from November 2013. The registered office of our Company is situated at Office no. 26, Building 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri (East), Mumbai – 400 059. Over these last 2 years, our Company has carved a niche for itself and is successfully operating 2 restaurants and running 37 franchisee outlets.

Our Company runs a chain of restaurants serving hygienic standardized food items in a quick serve format at various outlets on national highways, state highways and cities. Currently, as on December 30, 2015, our Company has 39 restaurants in western & central India having presences on major highways. Our Company believes in providing quality food in hygienic surroundings at convenient locations for serving our customers better. Hygiene, quality and customer satisfaction are core concepts exercised by our team at all outlets which distinguishes us from local restaurants. Our hygienic and convenient locations, dedicated team efforts, quality of service and products are our strengths which help us work towards our long term vision of being largest, trusted and premium vegetarian family restaurants.

Our success depends on the value, perception and marketing of brands "VITHAL KAMATS" and "KAMATS". Our ability to market and increase our franchisee network is significantly dependent on these brands. We believe that maintaining and enhancing the abovementioned brands is important for our competitive advantage. However, the abovementioned brands are not owned by us; nor do we have exclusive agreement with their owners for their usage.

"Vithal Kamats" and "Kamats" Group is a known name in Hotel & Restaurant Industry segment. Over the years, Kamat Group has been instrumental in launch of successful hospitality verticals and Restaurants Brand **"Vithal Kamats Original Family Restaurants" and "Kamats Original Family Restaurants".** Over the years, Kamat Group has emerged as a symbol of quality, originality and truth, which has in turn nurtured trust among people for our services.

We do not own the brands "VITHAL KAMATS" and "KAMATS" but have a right to use the same by virtue of Trade Mark User Agreement executed with the owner of the Brands.

Our Company has also entered into Master Franchisee Agreement dated August 6, 2015 with MNM Group for a period of 5 years wherein the said group would have exclusive rights to give franchisee in Gujarat region.

The food menu at the restaurant mainly comprises of South Indian Snacks, Pav Bhaji, Sandwiches, North Indian Snacks, Indian Foods items etc.

Our Business Operations

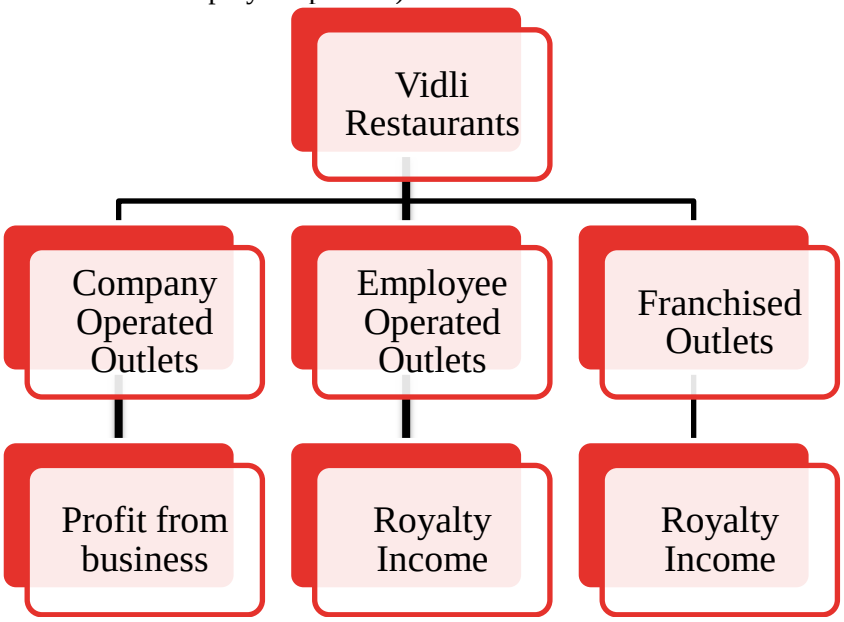
Our Company started its commercial operations in November 2013. Since then, the company started expanding its restaurant chain and concentrated on standardising its products and services through centralised purchasing and training system. As on December 30, 2015, there are 39 operational restaurants of our Company.

Our Company largely targets affordable segment of the market through our outlets. Presently, our operations are categorised into ***family dining, khaojao and kamat's corner model***:

Family Dinning: This type of outlet is built on 1500 sq. ft. or more area space with seating space of 80 to 100 persons. Currently, our Company has 34 family dinning outlets, of which, 29 are located in Maharashtra, three are located in Gujarat, one is located in Rajasthan and one is located in Madhya Pradesh.	
	KhaoJao: This form of outlet is favourable for high traffic moving streets of a city. It needs less than 500 sq. ft of area to set-up with standard and limited items on its menu. We have 3 *khaojao* outlets, of which, one is located in Uttar Pradesh and two are located in Maharashtra.
Kamat's Corner: This form of food joints / outlet is specially designed for space constraint viz. malls etc. serving fast food and ready to eat items. Currently, our Company has a kamat's corner in Metro Junction mall, Kalyan, Maharashtra and Ved Trans Cube Plaza, Vadodara, Gujarat.	

Operating Model:

Our Company mainly operates through franchisee model. As on December 30, 2015, our Company has 39 outlets, of which 2 outlets are Company operated and rest 37 outlets are franchised outlets (including 4 outlets that are employee operated).



Our Presence:

We have currently as on December 30, 2015, 32 outlets in Maharashtra, 1 in Madhya Pradesh, 1 in Uttar Pradesh, 1 in Rajasthan and 4 in Gujarat. Below are the locations of our outlets across India marking our existing set-up and prominent landmarks:

COMPETITIVE STRENGTHS

Hygienic environment, quality of services and products, effective project management, etc. have contributed to our success and given us a competitive edge over local competitors.

1. Hygienic and Prominent Location of our outlets:

Our area manager identifies prominent location and conducts feasibility study of the location. We have a robust location selection process considering factors like location visibility, presence of competition, vehicle count etc. Based on such research, we move forward and develop the set-up. Further the outlets are developed as per our architectural manual. This helps us provide hygienic and safe environment to our customers.

2. Sadhak-Chalak-Malak Approach:

We follow '*Sadhak-Chalak-Malak*' approach in our business set-up. Under this concept, an employee first joins Kamat family as a staff i.e. *Sadhak*. Then capable employee is promoted to the level of manager i.e. he becomes a *Chalak*. Further, on gaining requisite experience, he is allowed to be the owner of the outlet i.e. he becomes the *Malak* of the restaurant. This enables us develop a long term bond and commitment with our employees.

3. Effective Project Management:

A single area manager is in-charge of 10 outlets. On constant basis, the area manager conducts surprise visits of our outlets and reports the same to management. Additionally, we conduct mystery audits by external agency to review the performance. Any discrepancy in performance or operations, is reported to our management for remedial measures.

4. Standardised Procurement of Raw Materials:

We procure raw-materials like premix, gravy/paste etc. from select third party suppliers on centralised basis and then dispatch it to our various outlets as per their requirement. This helps us ensure serving of standard products at all our outlets.

5. Software Based Billing System:

All our outlets are provided with 'Point-of-Sale' (POS) billing system. Daily sales report is generated through the software which is forwarded by outlet owner to area manager. This helps us keep a track on the revenue generated from an outlet on daily basis.

6. Quality Products and Services:

Standardised raw materials, on-job training, conducting mystery audits and such other measures ensure that our quality of products and services are never compromised.

7. In-house Training Academy:

We have an in-house training academy at Panvel wherein we train our employee to prepare our cuisines, operate POS billing system, Material Management System (MMS), quality and cost control etc. Further, the restaurant owners / chefs are given an opportunity to attend paid 'Restaurant Manager Training Certification Program' and 'Chef Training Certification Program' for constant updation.

OUR STRATEGIES

Our long term vision is to be the largest premium trusted vegetarian family restaurant chain serving best to our guests and delight them through dedicated and experienced team.

1. Penetrate our Presence through establishing new food joints in malls

Currently, we have presence in Maharashtra, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh and serve our customers majorly on national highways, state highways and cities. Our Company has 2 outlets located in malls at Kalyan and Vadodara. We plan to expand our presence in the state of Maharashtra through opening 8 new company operated food joints in various malls. We have already identified 1 location in Maharashtra and are in the process of identifying other location which will help expand our reach and presence in the state. For details, please refer to chapter titled "Objects of the Issue" on page 79 of this Prospectus.

2. Penetrate our Presence in exiting cities

Currently we have presence in Maharashtra, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh. We plan to expand our presence in these cities by entering into new franchisees. We have already identified around 20 franchisees located in Maharashtra and Gujarat which will help expand our reach and presence in the state.

3. Expand our reach by entering into new cities

We plan to broaden our reach by expanding in new cities and towns where we currently have no operations. Our team constantly searches for new location by considering factors like location visibility, presence of competition, vehicle count etc. This will help us expand our footprint and increase our scale of operations.

4. Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

5. Leveraging our market skills and relationship

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

SUMMARY OF FINANCIAL STATEMENTS

The following tables set forth summary financial information derived from our statement of Assets and Liabilities and Profit and Loss as restated for the period ended September 30, 2015 and for the years ended 2015, 2014, 2013, 2012 and 2011. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI (ICDR) Regulations, restated and presented in the section titled ―Financial Information of the Company beginning on page 194 of this Prospectus.

ANNEXURE –I

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED

Amount (Rs. in Lakhs)

Sr. No.	Particulars	As at September 30	As at March 31				
		2015	2015	2014	2013	2012	2011
	EQUITY AND LIABILITIES						
1)	**Shareholders Funds**						
	a. Share Capital	302.00	302.00	1.00	1.00	1.00	1.00
	b. Reserves & Surplus	32.33	6.97	3.68	(0.56)	(0.52)	(0.46)
2)	**Share Application Money Pending Allotment**	-	-	-	-	-	-
3)	**Non Current Liabilities**						
	a. Long Term Borrowings	-	-	-	0.41	0.50	0.50
	b. Deferred Tax Liabilities (Net)	0.29	-	0.11	-	-	-
	c. Other Long Term Liabilities	304.90	197.44	87.99	-	-	-
	d. Long Term Provisions	0.63	0.71	-	-	-	-
4)	**Current Liabilities**						
	a. Short Term Borrowings	-	-	-	-	-	-
	b. Trade Payables	23.04	16.45	9.20	-	-	-
	c. Other Current Liabilities	65.12	32.37	27.00	0.07	0.07	0.07
	d. Short Term Provisions	1.09	5.33	2.27	-	-	-
	T O T A L (1+2+3+4)	**729.41**	**561.28**	**131.25**	**0.92**	**1.06**	**1.11**
	ASSETS						
5)	**Non Current Assets**						
	a. Fixed Assets						
	i. Tangible Assets	16.57	18.49	5.69	-	-	-
	ii. Intangible Assets	3.73	3.35	-	-	-	-
	Less: Accumulated Depreciation	1.62	1.69	0.03	-	-	-
	Net Block	18.68	20.16	5.66	-	-	-
	b. Deferred Tax Assets(Net)	-	0.28	-	0.01	0.02	0.03
	c. Non-current Investments	30.00	30.00	30.00	-	-	-
	d. Long Term Loans & Advances	-	-	-	-	-	-
	e. Other Non Current Assets	25.31	123.80	3.12	-	-	-
6)	**Current Assets**						
	a. Current Investments	146.93	0.18	45.10	-	-	-
	b. Inventories	8.70	6.30	0.82	-	-	-
	c. Trade Receivables	28.98	12.18	1.81	-	-	-
	d. Cash and Cash Equivalents	112.11	258.62	40.76	0.90	1.03	1.08
	e. Short Term Loans & Advances	331.37	96.87	3.06	-	-	-
	f. Other Current Assets	27.33	12.89	0.92	-	-	-
	T O T A L(5+6)	**729.41**	**561.28**	**131.25**	**0.92**	**1.06**	**1.11**

STATEMENT OF PROFIT AND LOSS AS RESTATED **ANNEXURE – II**

Amount (Rs. in Lakhs)

Sr. No.	Particulars	For the period ended September 30	For the Year ended March 31				
		2015	2015	2014	2013	2012	2011
A	**INCOME**						
	Revenue from Operations	163.41	244.56	46.40	-	-	-
	Other Income	29.38	14.51	1.80	-	-	-
	Total Income (A)	**192.79**	**259.07**	**48.20**	**-**	**-**	**-**
B	**EXPENDITURE**						
	Cost of Goods Traded	46.26	57.37	12.25	-	-	-
	Cost of Food and Beverages Consumed	13.53	20.00	3.58	-	-	-
	Employee benefit expenses	37.61	71.13	8.57	-	-	-
	Finance Costs	0.01	0.14	0.21	-	-	-
	Depreciation	1.64	1.71	0.03	-	-	-
	Other Expenses	56.79	96.12	16.75	0.04	0.05	0.15
	Total Expenses (B)	**155.86**	**246.47**	**41.39**	**0.04**	**0.05**	**0.15**
C	**Profit before extraordinary items and tax (C) = (A-B)**	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
	Extraordinary items	-	-	-	-	-	-
D	**Profit before tax**	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
	Tax expense						
	(i) Current tax	11.00	6.10	2.27	-	-	-
	(ii) Deferred tax	0.58	(0.39)	0.12	0.01	0.01	(0.03)
E	**Total Tax Expense**	**11.58**	**5.71**	**2.39**	**0.01**	**0.01**	(0.03)
F	**Restated profit after tax (D-E)**	**25.36**	**6.89**	**4.42**	**(0.05)**	**(0.06)**	**(0.12)**

STATEMENT OF CASH FLOW AS RESTATED

ANNEXURE -III

Amount (Rs. in Lakhs)

Particulars	For the period ended September 30	For the year ended March 31				
	2015	2015	2014	2013	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES:						
Net profit before tax for the year	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
Adjustments for:						
Interest Income	(18.70)	(8.85)	(1.51)	-	-	-
Interest Expense	0.01	0.14	0.21	-	-	-
Depreciation Expense	1.64	1.71	0.03	-	-	-
Preliminary Expenses W/off	-	-	-	-	-	0.12
Share Issue Expenses W/off	0.39	5.09	-	-	-	-
Profit on Sale of Investments	(0.75)	(3.10)	-	-	-	-
Profit / (Loss) on sale of Fixed Assets	(6.36)	1.48	-	-	-	-
Provision for Doubtful Debts	0.71	1.95	-	-	-	-
Provision for Employee Benefits	-	0.73	-	-	-	-
Bad Debts Written off		1.56				
Provisions written back	(0.19)	(0.48)	-	-	-	-
Operating Profit Before Working Capital Changes	***13.68***	***12.84***	***5.55***	***(0.04)***	***(0.05)***	***(0.03)***
Movements in working capital:						
Decrease / (Increase) in Trade receivables	(16.79)	(10.37)	(1.81)	-	-	-
(Increase)/Decrease in Inventories	(2.40)	(5.48)	(0.82)	-		-
Decrease / (Increase) in Other Current & Non Current Assets	(13.63)	(31.69)	(3.16)			
Increase / (Decrease) in Trade payables	6.59	7.25	9.18	-	-	-
Increase / (Decrease) in Other Long Term Liabilities	107.46	109.45	87.99			
Increase/(Decrease) in Other Current Liabilities	32.85	6.04	26.95			
Cash Generated From Operations	***127.76***	***88.04***	***123.88***	***(0.04)***	***(0.05)***	***(0.03)***
Net Income Tax paid / refunded	(15.24)	(2.88)	(1.30)	-	-	-
Cash from operating activities before extra-ordinary items	**112.51**	**85.16**	**122.58**	**(0.04)**	**(0.05)**	**(0.03)**
Extra Ordinary Items	-	-	-	-	-	-
Net Cash Flow from/(used in) Operating Activities: (A)	**112.51**	**85.16**	**122.58**	**(0.04)**	**(0.05)**	**(0.03)**
Cash Flow From Investing Activities:						
Purchase of fixed assets(Including capital advances)	(5.35)	(17.69)	(5.69)	-	-	-
Purchase of Investments	(183.00)	(117.00)	(75.10)	-	-	-
Sale of fixed assets	11.55	-	-	-	-	-
Sale of Investments	37.00	165.02	-	-	-	-
Fixed Deposit (made) / matured with Banks	100.00	(100.00)	-	-	-	-
Interest income	15.28	1.63	1.51	-	-	-
Loans and Advances Given	(234.50)	(96.15)	(3.06)	-	-	-
Net cash used in investing activities (B)	**(259.03)**	**(164.19)**	**(82.34)**	**-**	**-**	**-**
Cash Flow from Financing Activities:						
Proceeds from issue of share capital	-	301.00	-	-	-	-
Net Increase/(Decrease) in Borrowings	-	-	(0.41)	(0.09)	-	-
Interest paid	0.01	(0.09)	(0.21)	-	-	-
Dividend paid	-	(3.78)	-	-	-	-
Net cash from financing activities (C)	0.01	297.12	(0.62)	(0.09)	-	-
Net increase in cash and cash equivalents (A+B+C)	**(146.50)**	**218.10**	**39.62**	**(0.13)**	**(0.05)**	**(0.03)**
Cash and cash equivalents at the beginning of the period	**258.62**	**40.52**	**0.90**	**1.03**	**1.08**	**1.11**
Cash and cash equivalents at the end of the period	**112.11**	**258.62**	**40.52**	**0.90**	**1.03**	**1.08**

THE ISSUE

Present issue in terms of this Prospectus	
Equity Shares Offered: Public Issue of Equity Shares by our Company	13,10,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share aggregating to Rs. 131.00 Lakhs
Issue Reserved for the Market Makers	70,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share aggregating Rs. 7.00 Lakhs
Net Issue to the Public*	12,40,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share aggregating Rs. 124.00 Lakhs
	Of which
	6,20,000 Equity Shares of face value of Rs. 10/- each at a cash price of Rs. 10/- per share will be available for allocation to Retail Individual Investors up to Rs. 2.00 Lakhs
	6,20,000 Equity Shares of Rs. 10/- each at a cash price of Rs. 10/- per share will be available for allocation to Other Investors above Rs. 2.00 Lakhs
Equity Shares outstanding prior to the Issue	30,20,000 Equity Shares of face value of Rs.10 each
Equity Shares outstanding after the Issue	43,30,000 Equity Shares of face value of Rs.10 each
Objects of the Issue	Please see the chapter titled ***"Objects of the Issue***" on page 79 of this Prospectus

This Issue is being made in terms of Chapter XB of the SEBI (ICDR) Regulations, 2009, as amended from time to time. For further details please refer to **"Issue Structure"** on page 267 of this Prospectus.

The Issue has been authorized by the Board of Directors vide a resolution passed at its meeting held on December 28, 2015 and by the shareholders of our Company vide a special resolution passed pursuant to section 62(1)(c) of the Companies Act, 2013 at the EGM held on December 28, 2015.

*As per Regulation 43(4) of the SEBI (ICDR) Regulations, as amended, as present issue is a fixed price issue 'the allocation' is the net offer to the public category shall be made as follows:

a) Minimum fifty percent to retail individual investors; and
b) Remaining to:
   i. Individual applicants other than retail individual investors; and
   ii. Other investors including corporate bodies or institutions, irrespective of the number of specified securities applied for;
c) The unsubscribed portion in either of the categories specified in (a) or (b) above may be allocated to the applicants in the other category.

If the retail individual investor category is entitled to more than fifty per cent on proportionate basis, accordingly the retail individual investors shall be allocated that higher percentage.

GENERAL INFORMATION

Our Company was originally incorporated on August 24, 2007, as "**Kanisha Hotels Private Limited**" under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to **"Vithal Kamats Restaurants Private Limited"** and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on October 1, 2013. Subsequently, the name of our Company was changed to **"Vidli Restaurants Private Limited"** and a fresh Certificate of Incorporation pursuant to change of name was issued by the Deputy ROC on February 26, 2015. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the Extra-Ordinary General Meeting of the Company held on October 7, 2015 and the name of our Company was changed to **"Vidli Restaurants Limited"**. A Certificate of Incorporation consequent upon conversion to public limited company was issued by the Deputy RoC on November 23, 2015. The Corporate Identification Number of our Company is U55101MH2007PLC173446. For details of the changes in our Name and Registered Office, please see section titled "***History and Certain Corporate Matters"*** on page 134 of this Prospectus.

Brief Company and Issue Information:

Registered Office	Office No.26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai – 400059
Date of Incorporation	August 24, 2007
Corporate Identification No.	U55101MH2007PLC173446
Address of Registrar of Companies	Registrar of Companies, Maharashtra, Mumbai 100, Everest, Marine Drive, Mumbai 400002
Name of the Stock Exchange	SME Platform of BSE Limited
Issue Programme	Issue Opens on : Wednesday, February 3, 2016 Issue Closes on : Friday, February 5, 2016
Company Secretary & Compliance Officer	Ms. Payal Barai

Note: Investors can contact the Compliance Officer or the Lead Manager or the Registrar to the Issue in case of any Pre Issue or Post Issue related problems such as non-receipt of letter of allotment, credit of allotted shares in depository's beneficiary account or unblocking of ASBA Account etc.

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

Board of Directors of Our Company: Our Board of Directors of our Company consists of:

Name	Designation	Address	DIN
Mr. Ramnath J Pradeep	Chairman & Non-Executive Independent Director	102, A-8E, Tulip Bhakti Park, Sector-2, CHS, Anik Wadala Link Road, Wadala East, Mumbai 400037	02608230
Ms. Vidhi V Kamat	Managing Director	C-1502, RNA Azzure, Prajakta CHS, Kher Nagar, Bandra East, Mumbai 400051	07038524
Mr. Vaibhav V Rathi	Independent Director	27, Sadhna Enlave, New Delhi, 110017	01107150

Name	Designation	Address	DIN
Mr. Arun S Jain	Additional Independent Director	A1/202, Ostwal Park, Jesal Park, Bhayandar East, Thane 401105	07011393

*For further details of the Directors of Our Company, please refer to the chapter titled "**Our Management**" on page* 151 *of this Prospectus.*

Details of Key Intermediaries pertaining to this Issue and Our Company:

Lead Manager of the Issue	Banker to the Issue
Pantomath Capital Advisors Private Limited 406-408, Keshva Premises, Behind Family Court Bandra Kurla Complex, Bandra (East) Mumbai - 400051 **Tel. No.:** +9122 26598687 **Fax No.:** +9122 26598690 **Website:** www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Contact Person:** Mr. Yogesh Malpani **SEBI Regn. No.** INM000012110	**IndusInd Bank Limited** IndusInd Bank, PNA House, 4th Floor, Plot No. 57 & 57/1, Road No. 17 Near SRL, MIDC Andheri East, Mumbai - 400093 **Tel:** +9122 61069248 **Fax:** +9122 66238021 **Email:** suresh.esaki@indusindbank.com **Contact Person:** Mr. Suresh Esaki **Website:** www.indusind.com **SEBI Registration Number:** INBI00000002
Registrar to the Issue	**Legal Advisor to the Issue**
Bigshare Services Private Limited E/2, Ansa Industrial Estate, Sakivihar Road Saki Naka, Andheri East, Mumbai - 400072 **Tel:** +9122 40430200 **Fax:** +9122 28475207 **E-mail:** ipo@bigshareonline.com **Website:** www.bigshareonline.com **Contact Person:** Mr. Babu Rapheal **SEBI Registration No.:** INR000001385 Note: List of centres where application shall be collected by Registrar will be available on stock exchanges website as and when the details are provided by Registrar to the Exchange and when the system is operational for acceptance of forms.	**M. V. Kini** Kini House, 6/39 Jangpura – B, New Delhi 110014 **Tel:** +9111 24371038 / 39 / 40 **Fax:** +9111 24379484 **Email:** vidisha@mvkini.com **Website:** www.mvkini.com **Contact Person:** Ms. Vidisha Krishan
Statutory Auditors of the Company	**Peer Review Auditors**
M/s. V.B.G. & Co., Chartered Accountants 6, Shantilal Compound, Jawahar Nagar Khar (East), Mumbai 400055 **Tel:** +9122 65782233 **Email:** info@cavbg.com **Contact Person:** Mr. Vijay B Goswami **Firm Registration No:** 130768W **Membership No:** 119210	**M/s. R. T. Jain & Co.** 2nd Floor, Lotus Building, 59, Mohammed Ali Road, Mumbai-400003, Maharashtra **Tel:** + 9122 23465218 **Fax:** + 9122 23464955 **E-mail:** info@rtjainandco.com **Contact Person:** Mr. Bankim Jain **Firm Registration No:** 103961W **Membership No:** 139447
Bankers to the Company	
HDFC Bank Limited 1-4, Ground Floor, Bonanza Building, Sahar Plaza J. B. Nagar, Andheri East, Mumbai – 400 059 **Tel:** +9122 30898711 **Email:** jogesh.bohra@hdfcbank.com **Contact Person:** Mr. Jogesh Bohra	**YES BANK Limited** YES BANK Tower, IFC 2, 25th Floor Elphinstone West, Senapati Bapat Marg Mumbai - 400013 **Tel:** +9122 33478938 **Email:** akshay.sachdeva@yesbank.in **Contact Person:** Mr. Akshay Sachdeva

Website: www.hdfcbank.com	**Website:** www.yesbank.in
Kotak Mahindra Bank Limited Moeshwar Building, Hanuman Road Opp. Café Cofee Day, Vile Parle East Mumbai - 400057 **Tel:** +9122 26124763/4 **Fax:** +9122 26124767 **Email:** abishek.zijoo@kotak.com **Contact Person:** Mr. Abishek Zijoo **Website:** www.kotak.com	**IDBI Bank Limited** A-1, Mukund Nagar Society, Andheri Kurla Road Marol Pipe Line, Andheri East, Mumbai - 400059 **Tel:** +9122 28323330 **Email:** ibkl0000552@idbi.co.in **Contact Person:** Mrs. Shital Pandya **Website:**www.idbi.com

Statement of Inter se allocation of responsibilities
Since Pantomath Capital Advisors Private Limited is the sole Lead Manager to this Issue, a statement of inter se allocation responsibilities among Lead Manager's is not required.

Self Certified Syndicate Banks ("SCSBs")
The list of Designated Branches that have been notified by SEBI to act as SCSB for the ASBA process is provided on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility. For more information on the Designated Branches collecting Application Forms, see the above mentioned SEBI link.

Broker Centres/ Designated CDP Locations/ Designated RTA Locations
In accordance with SEBI Circular No. CIR/CFD/14/2012 dated October 4, 2012 and CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, Applicants can submit Application Forms with the Registered Brokers at the Broker Centres, CDPs at the Designated CDP Locations or the RTAs at the Designated RTA Locations, respective lists of which, including details such as address and telephone number, are available at the websites of the Stock Exchange at www.bseindia.com. The list of branches of the SCSBs at the Broker Centres, named by the respective SCSBs to receive deposits of the Application Forms from the Registered Brokers will be available on the website of the SEBI (www.sebi.gov.in) and updated from time to time

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.

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

Monitoring Agency
As per Regulation 16(1) of the SEBI (ICDR) Regulations, 2009 the requirement of Monitoring Agency is not mandatory if the Issue size is below Rs. 50,000.00 Lacs.

Expert
Except as stated below, our Company has not obtained any expert opinions:
1. Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
2. Report on Re-stated Financial Statement

Appraising Entity
No appraising entity has been appointed in respect of any objects of this Issue.

Underwriting

The Company and the Lead Manager to the Issue hereby confirm that the Issue is 100% Underwritten. The Issue is 100% underwritten by the Lead Manager – Pantomath Capital Advisors Private Limited in the capacity of Underwriter to the issue.

Pursuant to the terms of the Underwriting Agreement dated December 30, 2015 entered into by us with Underwriter – Pantomath Capital Advisors Private Limited, the obligations of the Underwriter are subject to certain conditions specified therein. In the opinion of our Board of Directors the resources of the above mentioned Underwriters are sufficient to enable them to discharge their underwriting obligation in full. The Underwriters are registered with SEBI under Section 12(1) of the SEBI Act or registered as brokers with the BSE. The Details of the Underwriting commitments are as under:

Details of the Underwriter	No. of shares underwritten	Amount Underwritten (Rs. in Lacs)	% of the Total Issue Size Underwritten
Pantomath Capital Advisors Private Limited 406-408, Keshva Premises, Behind Family Court Bandra Kurla Complex, Bandra (East) Mumbai – 400051 **Tel. No.:** +91 22 26598687 **Fax No.:** + 91 22 26598690 **Website:** www.pantomathgroup.com **Email:** ipo@pantomathgroup.com **Contact Person:** Ms. Madhu Lunawat **SEBI Regn. No.** INM000012110	13,10,000	131.00	100%

**Includes 70,000 Equity shares of the Market Maker Reservation Portion which are to be subscribed by the Market Maker (BCB Brokerage Private Limited) in its OWN account in order to claim compliance with the requirements of Regulation 106 V(4) of the SEBI (ICDR) Regulations, 2009, as amended.*

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

Details of the Market Making Arrangement for this Issue

Our Company has entered into Market Making Agreement dated December 30, 2015 with the following Market Maker to fulfill the obligations of Market Making for this issue:

Name	BCB Brokerage Private Limited
Correspondence Address:	1207 / A P J Towers, Dalal Street, Fort, Mumbai – 400 001
Tel No.:	+91 22 2272 0000
Fax No.:	+91 22 2272 2451
E-mail:	marketmaker@bcbbrokerage.com
Website:	www.bcbbrokerage.com
Contact Person:	Mr. Uttam Bagri
SEBI Registration No.:	INB011161131
BSE Market Maker Registration No. (SME Segment of BSE):	SMEMM0004218012012

The Market Maker shall fulfill 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, the investors with holdings of value less than Rs. 1,00,000 shall be allowed to offer their holding to the Market Maker(s) (individually or jointly) in that scrip provided that he sells his entire holding in that scrip in one lot along with a declaration to the effect to the selling broker.
3. Execution of the order at the quoted price and quantity must be guaranteed by the Market Maker(s), for the quotes given by him.
4. 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.
5. On the first day of the listing, there will be pre-opening session (call auction) and there after the trading will happen as per the equity market hours. The circuits will apply from the first day of the listing on the discovered price during the pre-open call auction.
6. The Marker Maker may also be present in the opening call auction, but there is no obligation on him to do so.
7. There will be special circumstances under which the Market Maker may be allowed to withdraw temporarily/fully from the market – for instance due to system problems, any other problems. All controllable reasons require prior approval from the Exchange, while force-majeure will be applicable for non controllable reasons. The decision of the Exchange for deciding controllable and non-controllable reasons would be final.
8. The Market Maker(s) shall have the right to terminate said arrangement by giving a three months notice or on mutually acceptable terms to the Lead Manager, who shall then be responsible to appoint a replacement Market Maker(s).
   In case of termination of the above mentioned Market Making agreement prior to the completion of the compulsory Market Making period, it shall be the responsibility of the Lead Manager to arrange for another Market Maker 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 our 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 does not exceed 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 registered office from 11.00 a.m. to 5.00 p.m. on working days.
9. **Risk containment measures and monitoring for Market Makers:** BSE SME Exchange will have all margins, which are applicable on the BSE Main Board viz., Mark-to-Market, Value-At-Risk (VAR) Margin, Extreme Loss Margin, Special Margins and Base Minimum Capital etc. BSE can impose any other margins as deemed necessary from time-to-time.
10. **Price Band and Spreads: SEBI** Circular bearing reference no: CIR/MRD/DP/02/2012 dated January 20, 2012, has laid down that for issue size up to Rs. 250 Crores, the applicable price bands for the first day shall be:
    - 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.
    - 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 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

11. Punitive Action in case of default by Market Makers: BSE SME Exchange will monitor the obligations on a real time basis and punitive action will be initiated for any exceptions and/or non-compliances. Penalties / fines may be imposed by the Exchange on the Market Maker, in case he is not able to provide the desired liquidity in a particular security as per the specified guidelines. These penalties / fines will be set by the Exchange from time to time. The Exchange will impose a penalty on the Market Maker 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.
12. 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 to Rs. 50 Crore	20%	19%
Rs. 50 to Rs. 80 Crore	15%	14%
Above Rs. 80 Crore	12%	11%

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 our 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 does not exceed 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 registered office from 11.00 a.m. to 5.00 p.m. on working days.
All the above mentioned conditions and systems regarding the Market Making Arrangement are subject to change based on changes or additional regulations and guidelines from SEBI and Stock Exchange from time to time.

CAPITAL STRUCTURE

The Equity Share Capital of our Company, as on the date of this Prospectus and after giving effect to the issue is set forth below:

(Rs. in. Lakhs, except share data)

S. No.	Particulars	Aggregate Value at Face Value (Rs.)	Aggregate Value at Issue Price (Rs.)
A	**Authorized Share Capital** 50,00,000 Equity Shares having face value of Rs. 10/- each	500.00	-
B	**Issued, Subscribed & Paid-up Share Capital prior to the Issue** 30,20,000 Equity Shares having face value of Rs. 10/- each	302.00	-
C	**Present Issue in terms of this Prospectus*** 13,10,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share	131.00	131.00
	Which Comprises		
I.	**Reservation for Market Maker portion** 70,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share	7.00	7.00
II.	**Net Issue to the Public** 12,40,000 Equity Shares of face value of Rs. 10/- each for cash at a price of Rs. 10/- per share	124.00	124.00
	of the Net Issue to the Public		
	6,20,000 Equity Shares of face value of Rs. 10/- each at a cash price of Rs. 10/- per share will be available for allocation to Retail Individual Investors up to Rs. 2.00 Lakhs	62.00	62.00
	6,20,000 Equity Shares of Rs. 10/- each at a cash price of Rs. 10/- per share will be available for allocation to Other Investors of Rs. 2.00 Lakhs or above	62.00	62.00
D	**Paid up Equity capital after the Issue** 43,30,000 Equity Shares having Face Value of Rs. 10 each	433.00	-
E	**Securities Premium Account** Before the Issue After the Issue		Nil Nil

**The present Issue of 13,10,000 Equity Shares in terms of this Prospectus has been authorized pursuant to a resolution of our Board of Directors dated December 28, 2015 and by special resolution passed under Section 62(1)(c) of the Companies Act, 2013 at the Extra-Ordinary General Meeting of the members held on December 28, 2015. Our Company does not have any outstanding convertible instruments as on the date of this Prospectus*

Classes of Shares

Our Company has only one class of share capital i.e. Equity Shares of Rs. 10/- each only.

Notes to Capital Structure

1. **Details of Increase / Changes in Authorized Share Capital of our Company:**

Date of Meeting / Share Holders Approval	Details of Changes
On Incorporation	The initial authorized share capital of our Company on incorporation comprised of Rs. 5.00 Lakhs divided into 50,000 Equity Shares of Rs.10/-

Date of Meeting / Share Holders Approval	Details of Changes
	each
September 24, 2014	Increase in the authorized share capital of our Company from Rs. 5.00 Lakhs divided into 50,000 Equity Shares of Rs. 10/- each to Rs. 161.00 Lakhs divided into 16,10,000 Equity Shares of Rs. 10/- each
March 3, 2015	Increase in the authorized share capital of our Company from Rs. 161.00 Lakhs divided into 16,10,000 Equity Shares of Rs. 10/- each to Rs. 400.00 Lakhs divided into 40,00,000 Equity Shares of Rs. 10/- each
October 7, 2015	Increase in the authorized share capital of our Company from Rs. 400.00 Lakhs divided into 40,00,000 Equity Shares of Rs. 10/- each to Rs. 500.00 Lakhs divided into 50,00,000 Equity Shares of Rs. 10/- each

2. **History of Equity Share capital of our company:**

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

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Cumulative No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Cumulative Securities Premium Account (Rs.)	Cumulative Paid-up Capital (Rs.)	Consideration	Nature of Issue
August 24, 2007	10,000	10,000	10	10	-	1,00,000	Cash	Subscription to MOA (1)
November 21, 2014	3,00,000	3,10,000	10	10	-	31,00,000	Cash	Right Issue (2)
November 22, 2014	90,000	4,00,000	10	10	-	40,00,000	Cash	Further Issue (3)
March 30, 2015	26,20,000	30,20,000	10	10	-	3,02,00,000	Cash	Rights issue (4)

All the allotments of Equity Shares of our Company were made as fully paid-up equity shares of face value of Rs. 10/- each.

1. Initial subscribers to Memorandum of Association subscribed 10,000 Equity Shares, details of which are given below:

Name	No. of Shares
Dr. Vithal V Kamat	5,000
Mr. Ramesh N Shanbhag	5,000
TOTAL	**10,000**

2. Rights issue in the ratio of 30:1 (every equity share holder holding 1 equity shares of the company on September 24, 2014, is offered 30 equity shares at par) was given to all the existing shareholders. The detail of allotment is as under.

Name	No. of Shares
VITS Hotels Worldwide Private Limited	1,50,000
Conwy Finance and Leasing Private Limited	1,50,000
TOTAL	**3,00,000**

3. Further Allotment of 90,000 Equity Shares of face value of Rs. 10/- each, fully paid at par, as per the details given below:

Name	No. of Shares
Mr. Vikram V Kamat	10,000
Mr. Kurian Chandy	10,000
Mr. Mahesh Kandoi	10,000
Mr. Chandrakant Shetty	10,000
Mr. Mahesh Kambli	10,000
Mr. Ashok Hegde	10,000
Mr. Amit Mehta	10,000
Mr. Moazzam Mirza	10,000
Ms. Vidhi V Kamat	10,000
TOTAL	**90,000**

4. Rights issue in the ratio of 131:20 (every equity share holder holding 20 equity shares of the company on March 3, 2015, is offered 131 equity shares at par) was given to all the existing shareholders. The detail of allotment is as under.

Name	No. of Shares
VITS Hotels Worldwide Private Limited	6,20,000
Conwy Finance and Leasing Private Limited	10,00,000
Mr. Vikram V Kamat	4,54,500
Mr. Kurian Chandy	1,30,000
Mr. Mahesh Kandoi	70,000
Mr. Chandrakant Shetty	30,000
Mr. Mahesh Kambli	70,000
Mr. Ashok Hegde	30,000
Mr. Amit Mehta	70,000
Mr. Moazzam Mirza	20,000
Ms. Vidhi Kamat	65,500
Mr. Ketan P Gohil	5,000
Ms. Asha Gurav	5,000
Mr. Sanjay Mamgain	5,000
Mr. Aslam Sayed	5,000
Mr. Sanjay Shetkar	2,000
Mr. Raju Bawane	3,000
Mr. Ravindra Shinde	2,000
Mr. Rajkumar Ghosh	2,000
Mr. Bharat Chipkar	4,000
Mr. Debraj Chakrabarti	2,000
Mr. Girish Menon	5,000
Mr. Harsh Mehra	5,000
Ms. Sunita Karodt	5,000
Mr. Ajay Sahjwani	5,000
Mr. Abhay Jha	5,000
TOTAL	**26,20,000**

(b) As on the date of this Prospectus, our Company does not have any preference share capital.

3. **Details of Allotment made in the last two years preceding the date of this Prospectus:**

Date of Allotment / Date of Fully Paid Up	No. of Equity Shares allotted	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Nature of Issue
November 21, 2014	3,00,000	10.00	10.00	Cash	Right Issue
November 22, 2014	90,000	10.00	10.00	Cash	Further issue
March 30, 2015	26,20,000	10.00	10.00	Cash	Right issue

4. We have not issued any equity shares for consideration other than cash.

5. We have not revalued its assets since inception and have not issued any Equity Shares (including bonus shares) by capitalizing any revaluation reserves.

6. We have not issued any shares at price below issue price within last one year from the date of this Prospectus.

7. **Capital Build Up in respect of shareholding of our Promoters:**

Date of Allotment/ Acquisition / Transfer of Fully Paid- up Shares	Consideration	Nature of Issue	No. of Equity Shares*	Face Value (Rs.)	Issue Price/ Acquisition Price/ Transfer Price (Rs.)*	% of Pre-issue paid up capital	% of Post-issue paid up capital	Lock-in Period	Source of funds	Pledge
VITS Hotels Worldwide Private Limited										
September 24, 2013	Cash	Transfer	5,000	10.00	10.00	0.17	0.12	1 year	Borrowings [A1]	Nil
November 21, 2014	Cash	Right Issue	1,50,000	10.00	10.00	4.97	3.46	1 year	Borrowings [A2]	Nil
March 30, 2015	Cash	Right Issue	3,20,000	10.00	10.00	10.60	7.39	1 year	Borrowings [A3] and Advance from Customers [A4]	Nil
			3,00,000			9.93	6.93	3 years		
Total (A)			**7,75,000**			**25.66**	**17.90**			
Conwy Finance and Leasing Private Limited										
September 24, 2013	Cash	Transfer	5,000	10.00	10.00	0.17	0.12	1 year	Borrowing [B1]	Nil
November 21, 2014	Cash	Right Issue	1,50,000	10.00	10.00	4.97	3.46	1 year	Borrowings [B2]	Nil
March 30, 2015	Cash	Right Issue	7,00,000	10.00	10.00	23.18	16.17	1 year	Borrowings [B3]	Nil
			3,00,000			9.93	6.93	3 years		
		Total (B)	**11,55,000**			**38.25**	**26.67**			
Ms. Vidhi V Kamat										
November 22, 2014	Cash	Further allotment	10,000	10.00	10.00	0.33	0.23	1 year	Borrowings [C1]	Nil
March 30, 2015	Cash	Right Issue	22,000	10.00	10.00	0.73	0.51	1 year	Borrowings [C2]	Nil
			43,500			1.44	1.00	3 years		
September 4, 2015	Cash	Transfer	2,56,500	10.00	10.00	8.49	5.92	3 years	Borrowings [C3]	Nil
December 21, 2015	Cash	Transfer	2,10,000	10.00	10.00	6.95	4.85	1 year	Borrowings [C4]	Nil
		Total (C)	**5,42,000**			**17.95**	**12.52**			
Total no. of Equity Shares as on the date of Prospectus (A+B+C)			**24,72,000**			**81.85**	**57.09**			

** Cost of Acquisition excludes stamp duty and the shares were made fully paid on the date of allotment.*

Our Promoters have confirmed to our Company and the Lead Manager that the Equity Shares held by our Promoters have been financed either from their personal funds or from financial assistance from persons/entities disclosed below.

Details of Borrowings and Advance from Customers

1. VITS Hotels Worldwide Private Limited

Sr. No.	Name of Party	Nature of transaction	Address of Party	Amount (Rs. in lacs)
1.	Ms. Vidya V Kamat [A1, A2, A3]	Borrowings	KHIL House, 70C Nehru Road, Vile Parle East, Mumbai 400 099	67.50
2.	Mr. Sunil R Bhilare [A4]	Advance from customers	24/3 Near Malas Factory, Panchgani Mahabaleshwar Road, Bhose Village Taluka – Mahabaleshwar, District, Satara - 412805	3.00
3.	Mr. Vishwas Vijay Nirgude [A4]	Advance from customers	Wani, Nashik	3.00
4.	Mr. Chandrakant Bhosle [A4]	Business Income - Technical Consultancy	HO.No.3-3,701/1,Bhosale Complex, Bidar Road,Udgir-413517	4.00

2. Conwy Finance and Leasing Private Limited

Sr. No.	Name of Lender	Address of Lender	Amount (Rs. in lacs)
1.	The Satara Sahakari Bank [B1, B2, B3]	Mandvi Branch, Nain Krupa,2nd Floor,118/122, Kazi Sayyed Street, Mandvi, Mumbai – 400003	115.50

3. Ms. Vidhi Kamat

Sr. No.	Name of Lender	Address of Lender	Amount (Rs. in lacs)
1.	Mr. Vikram V Kamat [C1, C2, C3, C4]	C/ 1502, RNA AZZURE, Prajakta CHS, Kher Nagar, Bandra (East), Mumbai -400051	54.20

8. **The average cost of acquisition of or subscription of shares by our Promoters is set forth in the table below:**

Sr. No.	Name of the Promoters	No. of Shares held	Average cost of Acquisition (in Rs.)*
1.	VITS Hotels worldwide Private Limited	7,75,000	10.00
2.	Conwy Finance and Leasing Private Limited	11,55,000	10.00
3.	Ms. Vidhi V Kamat	5,42,000	10.00

*****_Average cost of acquisition is calculated on the basis of face value of equity shares at Rs. 10/- each_**.**

9. **Details of the Pre and Post Issue Shareholding of our Promoters and Promoter Group and the Directors of our Corporate Promoters i.e. VITS Hotels Worldwide Private Limited and Conwy Finance And Leasing Private Limited are as below:**

Name	Pre Issue		Post Issue	
	No. of Shares	as a % of Issued Equity	No. of Shares	as a % of Issued Equity
Promoters				
VITS Hotels Worldwide Private Limited	7,75,000	25.66	7,75,000	17.90
Conwy Finance and Leasing Private Limited	11,55,000	38.25	11,55,000	26.67
Ms. Vidhi V Kamat	5,42,000	17.95	5,42,000	12.52
Total (A)	**24,72,000**	**81.85**	**24,72,000**	**57.09**
Promoter Group				
Nil	0.00	0.00	0.00	0.00
Total (B)	**0.00**	**0.00**	**0.00**	**0.00**
Directors of our Corporate Promoters				
Mr. Ashok Hegde	40,000	1.32	40,000	0.92
Mr. Amit Mehta	80,000	2.65	80,000	1.85
Total (C)	**1,20,000**	**3.97**	**1,20,000**	**2.77**
Grand Total (A+B+C)	**25,92,000**	**85.83**	**25,92,000**	**59.86**

10. Except as stated below, no persons belonging to the category "public" holds securities (includes shares, warrants, convertible securities) of more than 1% of the total number of shares:

Sr. No.	Name of the Shareholder	No. of Equity Shares	% of Share Capital
1.	Mr. Kurian Chandy	1,40,000	4.64
2.	Mr. Mahesh Kandoi	80,000	2.65
3.	Mr. Chandrakant Shetty	40,000	1.32
4.	Mr. Mahesh Kambli	80,000	2.65
5.	Mr. Ashok Hegde	40,000	1.32
6.	Mr. Amit Mehta	80,000	2.65

11. **Promoter's Contribution and Lock-in:**

Pursuant to Regulation 32 and 36 of SEBI ICDR Regulations, an aggregate of 20% 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 Promoters' has given written consent to include such number of Equity Shares held by them and subscribed by them as a part of Promoter's Contribution constituting 20.79% of the post issue Equity Shares of our Company and have agreed not to sell or transfer or pledge or otherwise dispose of in any manner, the Promoters Contribution, for a period of three years from the date of allotment in the Issue.

The following shares held by Promoter are locked-in as Promoter's Contribution:

Date of Allotment/ Acquisition of Fully Paid- up Shares	Nature of Issue & Consideration	No. of Equity Shares	Face Value (Rs.)	Issue Price / Consider-ation (Rs. per share)	% of Pre-issue paid up capital	% of Post-issue paid up capital	Lock in period
VITS Hotels Worldwide Private Limited							
March 30, 2015	Right Issue	3,00,000	10	10	9.93	6.93	3 years
Total (A)		**3,00,000**			**9.93**	**6.93**	
Conwy Finance and Leasing Private Limited							
March 30, 2015	Right Issue	3,00,000	10	10	9.93	6.93	3 years
Total (B)		**3,00,000**			**9.93**	**6.93**	
Ms. Vidhi V Kamat							
March 30, 2015	Right Issue	43,500	10	10	1.44	1.00	3 years
September 4, 2015	Transfer	2,56,500	10	10	8.49	5.92	3 years
Total (C)		**3,00,000**			**9.93**	**6.93**	
Total (A+B+C)		**9,00,000**			**29.80**	**20.79**	

All Equity Shares, which are being locked in are not ineligible for computation of Minimum Promoters Contribution as per Regulation 33 of the SEBI ICDR Regulations and are being locked in for 3 years as per Regulation 36(a) of the SEBI ICDR Regulations i.e. for a period of three years from the date of allotment of Equity Shares in this issue.

No Equity Shares proposed to be locked-in as Minimum Promoters Contribution have been issued out of revaluation reserve or for consideration other than cash and revaluation of assets or capitalisation of intangible assets, involved in such transactions.
The entire pre-issue shareholding of the Promoters, other than the Minimum Promoters contribution which is locked in for three years, shall be locked in for a period of one year from the date of allotment in this Issue.

Our Promoters, VITS Hotels Worldwide Private Limited, Conwy Finance and Leasing Private Limited (through authorized representatives) and Ms. Vidhi V Kamat have, by a written undertaking, consented to have 3,00,000 Equity Shares each held by them to be locked in as Minimum Promoters Contribution for a period of three years from the date of allotment in this Issue and will not be disposed / sold / transferred by the promoters during the period starting from the date of filing the Draft Prospectus with SME Platform of BSE till the date of commencement of lock-in period as stated in this Prospectus. The Equity Shares under the Promoters contribution will constitute 20.79% of our post-issue paid up share capital.

Our Promoters have also consented that the Promoters contribution under Regulation 32 of the SEBI ICDR Regulations will not be less than 20% of the post issue paid up capital of our Company.

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

a. The Equity Shares offered for minimum 20% Promoters' contribution have not been acquired in the three years preceding the date of this Prospectus for consideration other than cash and

revaluation of assets or capitalization of intangible assets nor resulted from a bonus issue out of the revaluation reserves or unrealized profits of the Company or against Equity Shares which are otherwise ineligible for computation of Promoters' contribution;

b. The minimum Promoters' contribution does not include Equity Shares acquired during the one year preceding the date of this Prospectus at a price lower than the Issue Price;
c. Our Company has not been formed by the conversion of a partnership firm into a company and thus, no Equity Shares have been issued to our Promoters upon conversion of a partnership firm;
d. The Equity Shares held by the Promoters and offered for minimum Promoters' contribution are not subject to any pledge;
e. All the Equity Shares of our Company held by the Promoter are dematerialized; and
f. The Equity Shares offered for Promoter's contribution do not consist of Equity Shares for which specific written consent has not been obtained from the Promoter for inclusion of its subscription in the Promoter's contribution subject to lock-in

Details of Share Capital Locked In For One Year

In terms of Regulation 36(b) and 37 of the SEBI ICDR Regulations, in addition to the Minimum Promoters contribution which is locked in for three years, as specified above, the balance remaining pre-issue equity share capital constituting 21,20,000 Equity Shares shall be locked in for a period of one year from the date of allotment of Equity Shares in this Issue.

The Equity Shares which are subject to lock-in shall carry inscription 'non-transferable' along with the duration of specified non-transferable period mentioned in the face of the share certificate. The shares which are in dematerialized form, if any, shall be locked-in by the respective depositories. The details of lock-in of the Equity Shares shall also be provided to the Designated Stock Exchange before the listing of the Equity Shares.

Other requirements in respect of lock-in:

a) In terms of Regulation 39 of the SEBI ICDR Regulations, the locked in Equity Shares held by the Promoters, as specified above, can be pledged with any scheduled commercial bank or public financial institution as collateral security for loan granted by such bank or institution provided that the pledge of Equity Shares is one of the terms of the sanction of the loan. Provided that securities locked in as minimum promoter contribution may be pledged only if, in addition to fulfilling the above requirements, the loan has been granted by such bank or institution, for the purpose of financing one or more of the objects of the Issue.

b) In terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by persons other than the Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked in as per Regulation 36 or 37 of the SEBI ICDR Regulations, subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

c) Further in terms of Regulation 40 of the SEBI ICDR Regulations, the Equity Shares held by the Promoters may be transferred to and amongst the Promoter Group or to new promoters or persons in control of the Issuer subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, as applicable.

12. **Our Shareholding pattern**

The table below presents the current shareholding pattern of our Company as per Regulation 31 of the SEBI (LODR) Regulations, 2015.

I. Summary of Shareholding Pattern

Category	Category of Shareholder	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
								No of Voting Rights	Total as a % of (A+B+C)			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
I	II	III	IV	V	VI	VII = IV + V+ VI	VIII	IX		X	XI = VII + X	XII		XIII		XIV
A	Promoter and Promoter Group	3	24,72,000	-	-	24,72,000	81.85	24,72,000	81.85	-	81.85	-	-	-	-	24,72,000
B	Public	21	5,48,000	-	-	5,48,000	18.15	5,48,000	18.15	-	18.15	-	-	-	-	3,40,000
C	Non Promoter- Non Public	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
1	Shares underlying DRs	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Shares held by Employee Trusts	0	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total	**24**	**30,20,000**	**-**	**-**	**30,20,000**	**100.00**	**30,20,000**	**100.00**	**-**	**100.00**	**-**	**-**	**-**	**-**	**28,12,000**

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

II. Shareholding Pattern of Promoter and Promoter Group

Category	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Indian																
(a)	Individuals/Hindu undivided Family																
	Ms. Vidhi V Kamat	-	1	5,42,000	-	-	5,42,000	17.95	5,42,000	17.95	-	17.95	-	-	-	-	5,42,000
	VITS Hotels Worldwide Private Limited	-	1	7,75,000	-	-	7,75,000	25.66	7,75,000	25.66	-	25.66	-	-	-	-	7,75,000
	Conwy Finance and Leasing Private Limited	-	1	11,55,000	-	-	11,55,000	38.25	11,55,000	38.25	-	38.25	-	-	-	-	11,55,000
(b)	Central Government/ State Government(s)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Financial Institutions/ Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Any Other (specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1)	**-**	**3**	**24,72,000**	**-**	**-**	**24,72,000**	**81.85**	**24,72,000**	**81.85**	**-**	**81.85**	**-**	**-**	**-**	**-**	**24,72,000**
(2)	Foreign																
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Government	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	**-**	**3**	**24,72,000**	**-**	**-**	**24,72,000**	**81.85**	**24,72,000**	**81.85**	**-**	**81.85**	**-**	**-**	**-**	**-**	**24,72,000**

III. Shareholding pattern of the Public shareholder

Category	Category of Shareholder	PAN	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a % of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Institutions	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Mutual Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investors	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(f)	Financial Institutions / Banks	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(g)	Insurance Companies	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(i)	Any Other (Body Corporates)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-total (B) (1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Central Government/State Government(s)/ President of India	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub-Total (B) (2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(3)	**Non-Institutions**																
(a)	Individuals																
	i. Individual shareholders holding nominal share capital up to Rs. 2 lakhs	-	14	58,000	-	-	58,000	1.92	58,000	1.92	-	1.92	-	-	-	-	10,000
	ii. Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs	-	7	4,90,000	-	-	4,90,000	16.23	4,90,000	16.23	-	16.23	-	-	-	-	3,30,000
(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(c)	Employee Trusts	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(d)	Overseas Depositories (holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(e)	Any Other (Specify)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub Total (B)(3)	**-**	**21**	**5,48,000**	**-**	**-**	**5,48,000**	**18.15**	**5,48,000**	**18.15**	**-**	**18.15**	**-**	**-**	**-**	**-**	**3,40,000**
	Total Shareholding of Public (B)= (B)(1)+(B)(2)+ (B)(3)	**-**	**21**	**5,48,000**	**-**	**-**	**5,48,000**	**18.15**	**5,48,000**	**18.15**	**-**	**18.15**	**-**	**-**	**-**	**-**	**3,40,000**

IV. Shareholding pattern of the Non Promoter- Non Public shareholder

Category	Category of Shareholder	PAN *	Nos. of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957) As a % of (A+B+C2)	Number of Voting Rights held in each class of securities		No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding, as a % assuming full conversion of convertible securities (as a percentage of diluted share capital) As a % of (A+B+C2)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialized form
									No of Voting Rights	Total as a % of Total Voting Rights			No. (a)	As a % of total Shares held (b)	No. (a)	As a % of total Shares held (b)	
(1)	Custodian / DR Holder	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(a)	Name of DR Holder (if applicable)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(1)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
(2)	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Sub total (C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Total Non-Promoter Non-Public Shareholding (C) = (C)(1)+(C)(2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Note: PAN of shareholders will be provided to the Stock Exchange by our Company prior to listing of its Equity Shares on the Stock Exchange.

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

13. **The Top Ten Shareholders of our Company and their Shareholding is set forth below:-**

As on the date of this Prospectus, our Company has 10 (Ten) shareholders

(a) Particulars of the top ten shareholders as on the date of filing this prospectus and 10 days prior filing of this Prospectus are as follows:

S. No.	Name of the Shareholders	No. of Shares	% of Pre-issue paid up capital
1.	Conwy Finance and Leasing Private Limited	11,55,000	38.25
2.	VITS Hotels Worldwide Private Limited	7,75,000	25.66
3.	Ms. Vidhi Kamat	5,42,000	17.95
4.	Mr. Kurian Chandy	1,40,000	4.64
5.	Mr. Mahesh Kandoi	80,000	2.65
6.	Mr. Mahesh Kambli	80,000	2.65
7.	Mr. Amit Mehta	80,000	2.65
8.	Mr. Chandrakant Shetty	40,000	1.32
9.	Mr. Ashok Hegde	40,000	1.32
10.	Mr. Moazzam Mirza	30,000	0.99
	Total	**29,62,000**	**98.08**

(b) Details of top ten shareholders of our Company as on two years prior to the date of filing of this Prospectus, are as follows:

S. No.	Name of the Shareholders	No. of Shares	% of paid up capital (2 years prior to the date of this Prospectus, represented by 10,000 Equity Shares)
1.	VITS Hotels Worldwide Private Limited	5,000	50.00
2.	Conwy Finance and Leasing Private Limited	5,000	50.00
	Total	**10,000**	**100.00**

There were only 2 shareholders prior to two year of filing of this Prospectus.

14. Except as provided below, there has been no subscription to or sale or purchase of the equity shares of our Company within 3 (three) years preceding the date of filing of this Prospectus by our Promoters or Directors or Promoter Group which in aggregate equals to or is greater than 1% of the Pre-Issue share capital of our Company.

Date of Subscription/ Sale/ Transfer	Name of Shareholder	Promoter / Promoter Group / Director	No. of Equity Shares	% of pre-Issue capital	Subscribed/ Purchased
September 24, 2013	Vits Hotels Worldwide Pvt Ltd	Promoter	5,000	0.17	Transfer (Purchase)
	Conwy Finance and Leasing Private Limited	Promoter	5,000	0.17	Transfer (Purchase)
November 21, 2014	Vits Hotels Worldwide Pvt Ltd	Promoter	1,50,000	4.97	Right Issue

Date of Subscription/ Sale/ Transfer	Name of Shareholder	Promoter / Promoter Group / Director	No. of Equity Shares	% of pre-Issue capital	Subscribed/ Purchased
September 24, 2013	Vits Hotels Worldwide Pvt Ltd	Promoter	5,000	0.17	Transfer (Purchase)
	Conwy Finance and Leasing Private Limited	Promoter	5,000	0.17	Transfer (Purchase)
	Conwy Finance and Leasing Private Limited	Promoter	1,50,000	4.97	Right Issue
November 22, 2015	Ms. Vidhi V Kamat	Promoter	10,000	0.33	Further Issue
March 30, 2015	Vits Hotels Worldwide Pvt Ltd	Promoter	6,20,000	20.53	Right Issue
	Conwy Finance and Leasing Private Limited	Promoter	10,00,000	33.11	Right Issue
	Ms. Vidhi V Kamat	Promoter	65,500	2.17	Right Issue
September 4, 2015	Ms. Vidhi V Kamat	Promoter	2,56,500	8.49	Transfer (Purchase)
December 21, 2015	Ms. Vidhi V Kamat	Promoter	2,10,000	6.95	Transfer (Purchase)

15. Details of the aggregate number of Equity Shares purchased/acquired or sold by our Promoters, Promoter Group and/or the Directors of our Corporate Promoter and/or by our Directors and their immediate relatives within six months immediately preceding the date of filing of this Prospectus are:

Name	Date of Allotment/ Acquisition	Nature of Allotment/ Acquisition	No. of Shares	Face Value	Allotment/ Acquisition Price	Consideration
Ms. Vidhi V Kamat	September 4, 2015	Transfer (Purchase)	2,56,500	10.00	10.00	Cash
Ms. Vidhi V Kamat	December 21, 2015	Transfer (Purchase)	2,10,000	10.00	10.00	Cash

The maximum and minimum price at which the aforesaid purchases/acquisition was made was Rs. 10/- per Equity Share.

16. We have not made any issue of equity shares at a price lower than the Issue price during the preceding one year from the date of this Prospectus.

17. As on the date of filing of this Prospectus, there are no outstanding warrants, options or rights to convert debentures, loans or other instruments which would entitle Promoters or any shareholders or any other person any option to acquire our Equity Shares after this Initial Public Offer.

18. As on the date of this Prospectus, the entire Issued, Subscribed and Paid-up Share Capital of our Company is fully paid up.

19. Our Company has not raised any bridge loan against the proceeds of the Issue.

20. Since the entire issue price per share is being called up on application, all the successful applicants will be allotted fully paid-up shares.

21. As on the date of this Prospectus, none of the shares held by our Promoter / Promoter Group are subject to any pledge.

22. Neither, we nor our Promoters, Directors and the LM to this Issue have entered into any buyback and / or standby arrangements and / or similar arrangements for the purchase of our Equity Shares from any person.

23. Neither the Lead Manager viz. Pantomath Capital Advisors Private Limited, nor their associates hold any Equity Shares of our Company as on the date of the Prospectus.

24. There will be no further issue of capital, whether by way of issue of bonus shares, preferential allotment, right issue or in any other manner during the period commencing from the date of the Prospectus until the Equity Shares have been listed. Further, our Company does not intend to alter its capital structure within six months from the date of opening of the Issue, by way of split/consolidation of the denomination of Equity Shares. However our Company may further issue Equity Shares (including issue of securities convertible into Equity Shares) whether preferential or otherwise after the date of the listing of equity shares to finance an acquisition, merger or joint venture or for regulatory compliance or such other scheme of arrangement or any other purpose as the Board may deem fit, if an opportunity of such nature is determined by its Board of Directors to be in the interest of our Company.

25. Our Company does not presently intend or propose to alter its capital structure for a period of six months from the date of opening of the Issue, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise. This is except if we enter into acquisition or joint ventures or make investments, in which case we may consider raising additional capital to fund such activity or use Equity Shares as a currency for acquisition or participation in such joint ventures or investments.

26. None of our Equity Shares have been issued out of revaluation reserve created out of revaluation of assets.

27. There is no equity shares against which depository receipts have been issued.

28. An over-subscription to the extent of 10% of the Issue can be retained for the purpose of rounding off to the nearest integer during finalizing the allotment, subject to minimum allotment, which is the minimum application size in this Issue. Consequently, the actual allotment may go up by a maximum of 10% of the Issue, as a result of which, the post-issue paid up capital after the Issue would also increase by the excess amount of allotment so made. In such an event, the Equity Shares held by the Promoter and subject to 3 year lock- in shall be suitably increased; so as to ensure that 20% of the post Issue paid-up capital is locked in.

29. Under subscription, if any, in any of the categories, would be allowed to be met with spill-over from any of the other categories or a combination of categories at the discretion of our Company in consultation with the LM and the Designated Stock Exchange i.e. BSE. Such inter-se spill over, if any, would be affected in accordance with applicable laws, rules, regulations and guidelines.

30. 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, 2009 and its amendments from time to time.

31. At any given point of time there shall be only one denomination of the Equity Shares, unless otherwise permitted by law.

32. Our Company shall comply with such disclosure and accounting norms as may be specified by BSE, SEBI and other regulatory authorities from time to time.

33. Our Company does not have any Employee Stock Option Scheme / Employee Stock Purchase Plan for our employees and we do not intend to allot any shares to our employees under Employee Stock Option Scheme / Employee Stock Purchase Plan from the proposed issue. As and when, options are granted to our employees under the Employee Stock Option Scheme, our Company shall comply with the SEBI (Share Based Employee Benefits) Regulations, 2014.

34. We have 24 Shareholders as on the date of filing of this Prospectus.

35. Till date our Company has not made any allotment of Equity Shares pursuant to any scheme approved under section 391- 394 of the Companies Act, 1956.

36. Our Promoters and Promoter Group will not participate in this Issue.

37. This issue is being made through Fixed Price method.

38. Our Company has not made any public issue or rights issue of any kind or class of securities since its incorporation except as stated in table 2(a) above.

39. No person connected with the Issue shall offer any incentive, whether direct or indirect, in the nature of discount, commission, and allowance, or otherwise, whether in cash, kind, services or otherwise, to any Applicant.

40. There are no safety net arrangements for this public issue**.**

41. We shall ensure that transactions in Equity Shares by the Promoters and members of the Promoter Group, if any, between the date of registering this Prospectus with the RoC and the Issue Closing Date are reported to the Stock Exchanges within 24 hours of such transactions being completed.

OBJECTS OF THE ISSUE

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

The objects of the Issue are:

1. Finance establishment of new food joints;
2. General Corporate Purpose;
3. Issue Expenses.

We believe that listing will enhance our Company's corporate image, brand name and create a public market for our Equity Shares in India.

The main objects clause of our Memorandum of Association and objects incidental or ancillary to the main objects, enables us to undertake the activities for which funds are being raised in the Issue. The existing activities of our Company are within the objects clause of our Memorandum of Association.

FUND REQUIREMENTS

Total Fund Requirement: The total estimated funds requirement is given below:

Sr. No.	Particulars	Amount (Rs. in lacs)
1.	Finance establishment of new food joints	104.00
2.	General Corporate Purpose	3.67
3.	Issue Expenses	36.00
Total		**143.67**

Based on the certificate issued by VBG & Co, Chartered Accountants dated December 28, 2015 an amount of Rs. 12.67 lacs has already been deployed till December 28, 2015 for the aforementioned Objects out of the internal accruals of the Company.

Means of Finance: Following are Means of Finance to finance our Fund requirement:

Sr. No.	Particulars	Amount (Rs. in lacs)
1.	IPO proceeds	131.00
2.	Internal Accrual's	12.67
Total		**143.67**

The entire fund requirements are to be funded from the proceeds of the Issue and internal accruals. Accordingly, there is no requirement to make firm arrangements of finance under Regulation 4(2)(g) of the SEBI (ICDR) Regulations through verifiable means towards at least 75% of the stated means of finance, excluding the amounts to be raised through the proposed Issue or through existing identifiable internal accruals. In case of a shortfall in the Issue Proceeds, our Company may explore a range of options including utilizing our internal accruals and/or raising debt.

The fund requirements, the deployment of funds and the intended use of the Issue Proceeds as described herein are based on our current business plan, management estimates and current quotations from suppliers and have not been appraised by any bank, financial institution or any other external agency. Our Company operates in a competitive and dynamic environment. In view of the same, our Company may have to revise our business plan from time to time and the expenditure, fund requirements and deployment schedule may also change as a result of variations in cost estimates on

account of a variety of factors such as economic and business conditions, increased competition and other external factors which may not be within the control of our management. This may entail rescheduling and / or revising the planned expenditure and funding requirements and increasing or decreasing the expenditure for a particular purpose from the planned expenditure at the discretion of our management. Our Company's historical capital expenditure may not be reflective of our future capital expenditure plans.

In case of any increase in the actual utilisation of funds earmarked for the Objects, such additional funds for a particular activity will be met by our Company through various means, including internal accruals and/ or short term /long term financial arrangements. In the event that the estimated utilization of the Issue Proceeds in a scheduled fiscal year is not completely met, the same shall be utilised in the next fiscal year. If the actual utilisation towards any of the Objects is lower than the proposed deployment such balance will be used for future growth opportunities including funding other existing objects, if required and towards general corporate purposes. Any amount, deployed by our Company out of internal accruals towards the aforementioned objects during the period between the date of filing of the Prospectus and the date of receipt of Issue Proceeds shall be recouped by our Company from the Issue Proceeds of the Issue. In case of delays in raising funds from the Issue, our company may deploy certain amounts towards any of the above mentioned Objects through a combination of Internal Accruals or Loans (Bridge Financing) and in such case the Funds raised shall be utilized towards repayment of such Loans or recouping of Internal Accruals. However, we confirm that no bridge financing has been availed as on date, which is subject to being repaid from the Issue Proceeds.

Our Company confirms that none of the quotations have been obtained from any related party.

Details of Utilization of Issue Proceeds

1. Finance establishment of new food joints:

As on December 30, 2015, our Company runs 39 chains of restaurants either through own operated outlets or through franchisee operated outlets at different locations in the state of Maharashtra, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh. Out of the above, our Company have 2 food joints in malls, 1 company operated and 1 franchisee operated, located in Metro Junction mall, Kalyan, Maharashtra and Ved Trans Cube Plaza, Vadodara, Gujarat. As a part of our business strategy of increasing our presence in different malls, we intend to expand our company operated stores in various malls in the region of Maharashtra. As such, we intend to deploy Rs. 104.00 lacs, out of which Rs. 1.00 lakhs has already been deployed through internal accruals, for establishing company operated 8 new food joints outlets in malls located in different parts of the state of Maharashtra in financial year 2015-16, 2016-17 and 2017-18 from Issue Proceeds. The premises for the proposed food joints are planned to be taken on lease or on leave and license basis.

Estimated cost of establishment and deployment of funds

The Issue Proceeds will be utilized towards capital expenditure for setting up of the new food joints. The estimated cost of establishment of our proposed new food joints at different malls located in the areas herein below would be approximately Rs. 13.00 lacs per food joints. The areas for establishment our proposed new food joints are as follows:

Sr. No.	Location	Expected period of establishment of new food joints	Estimated Capital Expenditure (Rs. In lacs)*
1.	Lodha, Palava, Maharashtra	Financial Year 2015-16	13.00
2.	Panvel, Maharashtra	Financial Year 2015-16	13.00

Sr. No.	Location	Expected period of establishment of new food joints	Estimated Capital Expenditure (Rs. In lacs)*
3.	Kurla, Mumbai, Maharashtra	Financial Year 2016-17	13.00
4.	Goregaon, Mumbai, Maharashtra	Financial Year 2016-17	13.00
5.	Navi Mumbai, Maharashtra	Financial Year 2016-17	13.00
6.	Thane, Maharashtra	Financial Year 2016-17	13.00
7.	Andheri, Mumbai, Maharashtra	Financial Year 2017-18	13.00
8.	Ghatkopar, Mumbai, Maharashtra	Financial Year 2017-18	13.00
Total			**104.00**

**The estimated capital expenditure is as per quotations received from various vendors as stated herein below and as per management estimates.*

The proposed locations and areas of our new food joints are based on our business plan in line with our business strategy of expansion in the malls. As of date, we have neither entered into definitive agreements, nor executed any letters of intent for leasing such food joints except for food joints to be situated at Lodha, Palava, since we typically enter into such arrangements only a few months prior to the actual establishment of the food joints.

Methodology for Computation of Estimated Capital Expenditure

For the 8 new food joints that are proposed to be established, the following are the basis for computation of estimated capital expenditure of the food joints:

Sr. No.	Capital Expenditure Break-up	Date of Quotation	Vendor	Total Cost (Rs. In lacs)*
1.	Civil Work & interiors	December 23, 2015	Pradeep B Vishwakarma, Interior Decorators, Andheri East, Mumbai	1.03
2.	Furniture Fittings	December 23, 2015	Pradeep B Vishwakarma, Interior Decorators Andheri East, Mumbai	0.25
3.	Crockery & Cutlery items	December 30, 2015	Janta Steels, Sewree, Mumbai	1.27
4.	Kitchen Equipments	December 30, 2015	Janta Steels, Sewree, Mumbai	3.70
5.	Property Deposit & License	Management estimates	-	5.00
6.	Desktop Computer System and KOT Printer	December 29, 2015	Tushar Ghadigaonkar, Computer & Peripheral supplier, Borivali, Mumbai	0.51
7.	Marketing & Branding including signages	Management estimates	-	0.50
8.	Miscellaneous expenses (Staff Uniform and Stationeries)	Management estimates	-	0.11
9.	Contingencies@5% of the above expenditure	Not Applicable	-	0.62
Total				**12.99**
Rounded off				**13.00**

Property Deposit & License fees, Marketing & Branding expenses, miscellaneous expenses are as per Management estimates based on the deposit /expenditures made for similar kind of food joint in the past.

Our Company has not placed any order for the aforesaid capital expenditure. As such the above prices are subject to price fluctuation.

2. General Corporate Purposes

Our management, in accordance with the policies of our Board, will have flexibility in utilizing the proceeds earmarked for general corporate purposes. We intend to deploy the balance Issue proceeds net off issue expenses aggregating Rs. 3.67 lacs which being less than 25% of the Net Issue Proceeds towards the general corporate purposes to drive our business growth. In accordance with the policies set up by our Board, we have flexibility in applying the remaining Proceeds after meeting issue expenses, for general corporate purpose including but not restricted to, marketing expenses, meeting operating expenses, strengthening of our business development and marketing capabilities, meeting exigencies which the Company in the ordinary course of business may not foresee or any other purposes as approved by our Board of Directors, subject to compliance with the necessary provisions of the Companies Act.

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 to be Rs. 36.00 lacs.

Expenses	Expenses (Rs. in lacs)	Expenses (% of total Issue Expenses)	Expenses (% of Issue Size)
Payment to Merchant Banker including underwriting and selling commissions and other IPO intermediaries	27.00	75.00	20.61
Regulatory fees and expenses	2.50	6.95	1.91
Other Expenses (Printing and Stationery, advertisements, auditor's fees etc.)	6.50	18.05	4.96
Total estimated Issue Expenses	**36.00**	**100.00**	**27.48**

Schedule of Implementation & Deployment of Funds:

The details proposed year wise schedule of implementation and deployment of funds are as follows:

(Rs. in lacs)

S. No.	Activity	Estimated schedule of implementation		Estimated schedule of deployment of Net Proceeds			Total amount
		Commencement	Completion	Financial Year 2015 - 2016	Financial Year 2016 - 2017	Financial Year 2017 - 2018	
1	Finance establishment of new food joints	October 2015	March 2018	26.00	52.00	26.00	104.00
2	General Corporate Purpose	October 2015	March 2016	3.67	-	-	3.67
3	Issue Expenses	October 2015	March 2016	36.00	-	-	36.00

FUNDS DEPLOYED AND SOURCES OF FUNDS DEPLOYED

Our Statutory Auditors, M/s. VBG & Co, Chartered Accountants vide their certificate dated December 28, 2015, have confirmed that as on December 28, 2015, the following funds have been deployed for the proposed object of the Issue:

(Rs. in lacs)

Particulars	Total Funds required
Finance establishment of new food joints	1.00
Issue Expenses	11.67
Total	**12.67**

Further, they have also confirmed the amount deployed so far towards part of the establishment of new food joints and Issue expenses has been financed through internal sources.

(Rs. in lacs)

Particulars	Estimated Amount
Internal Accruals	12.67
Total	**12.67**

BRIDGE FINANCING

We have not entered into any bridge finance arrangements that will be repaid from the Issue Proceeds. However, we may draw down such amounts, as may be required, to finance the issue objects until the completion of the Issue. Any amount that is drawn down during this period to finance issue objects will be repaid from the Issue Proceeds of the Issue.

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 of the Issue Proceeds for the Objects of the Issue described above, our Company shall deposit the funds only in Scheduled Commercial Banks included in the Second Schedule of Reserve Bank of India Act, 1934.

In accordance with Section 27 of the Companies Act, 2013, our Company confirms that, pending utilisation of the proceeds of the Issue as described above, it shall not use the funds from the Issue Proceeds for any investment in equity and/or real estate products and/or equity linked and/or real estate linked products.

MONITORING UTILIZATION OF FUNDS

As the size of the Issue does not exceed Rs. 50,000 lacs, in terms of Regulation 16 of the SEBI ICDR Regulations, our Company is not required to appoint a monitoring agency for the purposes of this Issue. Our Board and Audit Committee shall monitor the utilization of the Net Proceeds. Our Company will disclose the utilization of the Net Proceeds under a separate head in our balance sheet along with the relevant details, for all such amounts that have not been utilized. Our Company will indicate investments, if any, of unutilised Issue Proceeds in the balance sheet of our Company for the relevant financial years subsequent to receipt of listing and trading approvals from the Stock Exchange.

Pursuant to Regulation 32 of the Listing Regulations, our Company shall on a half yearly basis disclose to the Audit Committee the uses and application of the Issue Proceeds. Until such time as any part of the Issue Proceeds remains unutilized, our Company will disclose the utilization of the Issue Proceeds under separate heads in our Company's balance sheet(s) clearly specifying the amount of and purpose for which Issue Proceeds have been utilized so far, and details of amounts out of the Issue Proceeds that have not been utilized so far, also indicating interim investments, if any, of such unutilized Issue Proceeds. In the event that our Company is unable to utilize the entire amount that we have currently estimated for use out of the Issue Proceeds in a Fiscal Year, we will utilize such unutilized amount in the next financial year. Further, in accordance with Regulation 32(1) (a) of the Listing Regulations our Company shall furnish to the Stock Exchanges on a half yearly basis, a statement indicating material deviations, if any, in the utilization of the Issue Proceeds for the objects stated in this Prospectus.

VARIATION IN OBJECTS

In accordance with Section 13(8) and Section 27 of the Companies Act, 2013 and applicable rules, our Company shall not vary the objects of the Issue without our Company being authorised to do so by the Shareholders by way of a special resolution through postal ballot. In addition, the notice issued to the Shareholders in relation to the passing of such special resolution (the "Postal Ballot Notice") shall specify the prescribed details as required under the Companies Act and applicable rules. The Postal Ballot Notice shall simultaneously be published in the newspapers, one in English and one in the vernacular language of the jurisdiction where the Registered Office is situated. Our Promoters or controlling Shareholders will be required to provide an exit opportunity to such Shareholders who do not agree to the proposal to vary the objects, at such price, and in such manner, as may be prescribed by SEBI, in this regard.

OTHER CONFIRMATIONS

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

BASIS FOR ISSUE PRICE

The Issue Price of Rs. 10/- 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. 10 per Equity Share and is 1 times the face value.

QUALITATIVE FACTORS

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

- Hygienic and Prominent Location of our outlets
- *Sadhak-Chalak-Malak* Approach
- Effective Project Management
- Standardised Procurement of Raw Materials
- Software Based Billing System
- Quality Products and Services
- In-house Training Academy

For further details, refer to heading "*Our Competitive Strengths*" under chapter titled "*Our Business"* beginning on page 115 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 2013, 2014, 2015 and for the 6 months period ended September 30, 2015 prepared in accordance with Indian GAAP. Some of the quantitative factors, which form the basis for computing the price, are as follows:

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

Year ended	EPS (Rs.)	Weight
March 31, 2013	(0.48)	1
March 31, 2014	44.22	2
March 31, 2015	4.20	3
Weighted average	**16.76**	
For the period April 01, 2015 to September 30, 2015*	**0.84**	

*****Not annualised*

Note:

- The earnings per share has been computed by dividing net profit as restated, attributable to equity shareholders by restated weighted average number of equity shares outstanding during the period/year. Restated weighted average number of equity shares has been computed as per AS 20. The face value of each Equity Share is Rs. 10/-.

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

Particulars	P/E Ratio
P/E ratio based on Basic & Diluted EPS for FY 2014-15	2.38
P/E ratio based on Weighted Average Basic & Diluted EPS	0.60
***Industry P/E**	

Particulars	P/E Ratio
Lowest	69.10
Highest	79.42
Average	74.26

*We believe none of the listed companies in India are focused exclusively on the segment in which we operate. However for broad comparison Jubilant Foodworks Limited and Speciality Restaurants Limited has been taken as Industry composite.

3. Return on Net worth (RoNW)

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

Year ended	RoNW (%)	Weight
March 31, 2013	(11.12)%	1
March 31, 2014	94.45%	2
March 31, 2015	2.23%	3
Weighted Average	**30.74%**	**-**
For the period April 01, 2015 to September 30, 2015*	**7.58%**	

**Not annualised*

Note: The RoNW has been computed by dividing net profit after tax as restated, by Net Worth as at the end of the year.

4. Minimum Return on Total Net Worth post Issue needed to maintain Pre Issue EPS for the year ended March 31, 2015 – 41.35 %

5. Net Asset Value (NAV)

Particulars	Amount (in Rs.)
Net Asset Value per Equity Share as of March 31, 2015	10.23
Net Asset Value per Equity Share as on September 30, 2015	11.07
Net Asset Value per Equity Share after the Issue	10.16
Issue Price per equity share	10.00

Net Asset Value per Equity Share has been calculated as net worth divided by number of equity shares at the end of the year.

6. Comparison with other listed companies

Our Company is in the business of family restaurant chain. We believe none of the listed companies in India are focused exclusively on the segment in which we operate and nor are of comparable size. There are, however large food joints / restaurant listed in India which are presented herein below for comparison.

Companies	CMP	Basic EPS (Per Shares)	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (In Crores)
Vidli Restaurants Limited	10	4.20	2.38	2.23	10.23	10.00	2.59
Peer Group*							
Jubilant Foodworks Limited	1,494.65	18.82	79.42	18.37	102.35	10.00	2,081.88
Speciality Restaurants	127.80	2.01	69.1	3.07	65.51	10.00	307.09

Companies	CMP	Basic EPS (Per Shares)	PE Ratio	RONW %	NAV (Per Share)	Face Value	Total Income (In Crores)
Limited			0				

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

Notes:

- Considering the nature of business of the Company the peers are not strictly comparable. However same have been included for broad comparison.
- The figures for Vidli Restaurants Limited are based on the restated results for the year ended March 31, 2015.
- The figures for the peer group are based on standalone audited results for the respective year ended March 31, 2015.
- Current Market Price (CMP) is the closing prices or the last traded price of respective scripts as on December 30, 2015.
- The Issue Price of Rs. 10 per Equity Share has been determined by the Company in consultation with the LM and is justified based on the above accounting ratios.

For further details see section titled *"Risk Factors"* beginning on page 16 and the financials of the Company including profitability and return ratios, as set out in the section titled *"Financial Statements"* beginning on page 194 of this Prospectus for a more informed view.

STATEMENT OF POSSIBLE TAX BENEFIT

STATEMENT OF POSSIBLE SPECIAL TAX BENEFITS AVAILABLE TO THE COMPANY AND ITS SHAREHOLDERS UNDER THE APPLICABLE TAX LAWS IN INDIA

The Board of Directors
Vidli Restaurants Limited
Office No.26, Building No.1, Ajay Mittal Industrial Premises Limited
Marol, Andheri East, Mumbai–400059

Dear Sirs,

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

We hereby confirm that the enclosed annexure, prepared by the Management of Vidli Restaurants 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 tax laws. Hence, the ability of the Company or its shareholders to derive the tax benefits is dependent upon fulfilling such conditions which, based on business imperatives which the Company may face in the future, the Company may or may not fulfill.

The benefits discussed in the enclosed statement are not exhaustive. This statement is only intended to provide general information to the investors and is neither designed nor intended to be a substitute for professional tax advice. A shareholder is advised to consult his/ her/ its own tax consultant with respect to the tax implications arising out of his/her/its participation in the proposed issue, particularly in view of ever changing tax laws in India.

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

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

The contents of this annexure are based on information, explanations and representations obtained from the Company and on the basis of our understanding of the business activities and operations of the Company and the provisions of the tax laws. The same shall be subject to notes to this annexure.

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

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

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

(CA Bankim Jain)
Partner
Membership No. 139447
Place: Mumbai
Date: December 29, 2015

ANNEXURE TO THE STATEMENT OF POSSIBLE TAX BENEFITS AVAILABLE TO VIDLI RESTAURANTS 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. 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. Such dividend is to be excluded while computing Minimum Alternate Tax (MAT) liability.

The Company distributing dividend to its shareholders will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% 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..

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

As per the provisions of Section 115BBD of the Act, dividend received by Indian company from a specified foreign company (in which it has shareholding of 26% or more) would be taxable at the concessional rate of 15% on gross basis (plus surcharge and education cess).

B. Buy Back of Shares

As per section 115QA of the Act, an Indian unlisted company will have to be pay 20% tax on 'distributed income' on buyback of shares. Distributed income has been defined to mean consideration paid by the Indian unlisted company for purchase of its own shares as reduced by the amount which was received by the Indian unlisted company at the time of issue of such shares. The said provision has come into effect from June 1, 2013.

Such tax is payable by the company notwithstanding that no income tax is payable on its total income. No deduction shall be allowed to the company or shareholder in respect of the income which has been subject to such distribution tax or the tax thereon.

C. 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.

D. MAT Credit

- As per provisions of Section 115JAA of the Act, the Company is eligible to claim credit for Minimum Alternate Tax ('MAT') paid for any assessment year commencing on or after April 1, 2006 against normal income-tax payable in subsequent assessment years.

- As per Section 115JB, Minimum Alternate Tax ("MAT") is payable @18.5% of the Book profits computed in accordance with the provisions of this section, where income-tax computed under the normal provisions of the Act is less than 18.5% of the Book profits as computed under the said section. A surcharge on income tax of 5% would be levied if the total income exceeds Rs.100 lakhs but does not exceed Rs 1000 lakhs. A surcharge at the rate of 10% would be levied if the total income exceeds Rs 1000 lakhs. 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.

E. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long – term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as long - term capital gains ('LTCG'). In respect of any other capital assets, the holding period should exceed thirty - six months to be considered as long - term capital assets.
- Short - term capital gains ('STCG') means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gains arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to securities transaction tax (STT) and subject to conditions specified in that section.
- Income by way of LTCG exempt under Section 10(38) of the Act is to be taken into account while determining book profits in accordance with provisions of Section 115JB of the Act.
- As per provisions of Section 48 of the Act, LTCG arising on transfer of capital assets, other than bonds and debentures (excluding capital indexed bonds issued by the Government) and depreciable assets, is computed by deducting the indexed cost of acquisition and indexed cost of improvement from the full value of consideration.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee.
- As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long - term capital gains.

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

- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long – term capital gains arising during subsequent eight assessment years.

(ii) Exemption of capital gains from income – tax

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

F. 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.

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

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

As per the 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 distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 10% 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.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

B. Capital Gains

(i) Computation of capital gains

- Capital assets are to be categorized into short - term capital assets and long - term capital assets based on the period of holding. All capital assets, being shares held in a Company or any other

security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under section 10(23D) of the Act or a zero coupon bond, held by an assessee for more than twelve months are considered to be long - term capital assets, capital gains arising from the transfer of which are termed as LTCG. In respect of any other capital assets, the holding period should exceed thirty – six months to be considered as long - term capital assets.

- STCG means capital gains arising from the transfer of capital asset being a share held in a Company or any other security listed in a recognized stock exchange in India or unit of the Unit Trust of India or a unit of a mutual fund specified under clause (23D) of Section 10 or a zero coupon bonds, held by an assessee for twelve months or less.
- In respect of any other capital assets, STCG means capital gain arising from the transfer of an asset, held by an assessee for thirty six months or less.
- LTCG arising on transfer of equity shares of a Company or units of an equity oriented fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)) is exempt from tax as per provisions of Section 10(38) of the Act, provided the transaction is chargeable to STT and subject to conditions specified in that section.
- As per first proviso to Section 48 of the Act, the capital gains arising on transfer of share of an Indian Company need to be computed by converting the cost of acquisition, expenditure incurred in connection with such transfer and full value of the consideration receiving or accruing as a result of the transfer, into the same foreign currency in which the shares were originally purchased. The resultant gains thereafter need to be reconverted into Indian currency. The conversion needs to be at the prescribed rates prevailing on dates stipulated. Further, the benefit of indexation as provided in second proviso to Section 48 is not available to non-resident shareholders.
- As per provisions of Section 112 of the Act, LTCG not exempt under Section 10(38) of the Act are subject to tax at the rate of 20% (plus applicable surcharge and cess) with indexation benefits. However, if such tax payable on transfer of listed securities or units or zero coupon bonds exceed 10% of the LTCG (without indexation benefit), the excess tax shall be ignored for the purpose of computing the tax payable by the assessee. As per provisions of Section 111A of the Act, STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), are subject to tax at the rate of 15% (plus applicable surcharge and cess) provided the transaction is chargeable to STT. No deduction under Chapter VIA is allowed from such income.
- STCG arising on sale of equity shares or units of equity oriented mutual fund (as defined which has been set up under a scheme of a mutual fund specified under Section 10(23D)), where such transaction is not chargeable to STT is taxable at the rate of 30%.
- As per provisions of Section 71 read with Section 74 of the Act, short - term capital loss arising during a year is allowed to be set-off against short - term as well as long – term capital gains. Balance loss, if any, shall be carried forward and set-off against any capital gains arising during subsequent eight assessment years.
- As per provisions of Section 71 read with Section 74 of the Act, long - term capital loss arising during a year is allowed to be set-off only against long - term capital gains. Balance loss, if any, shall be carried forward and set-off against long - term capital gains arising during subsequent 8 assessment years.

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

- As per Section 54EC of the Act, capital gains arising from the transfer of a long – term capital asset are exempt from capital gains tax if such capital gains are invested within a period of six months after the date of such transfer in specified bonds issued by NHAI and REC and subject to the conditions specified therein.
- Where a part of the capital gains is reinvested, the exemption is available on a proportionate basis. The maximum investment in the specified long - term asset cannot exceed Rs 5,000,000 per assessee during any financial year.

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

C. Tax Treaty Benefits

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

D. Non-Resident Taxation

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

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

- As per provisions of Section 115I of the Act, a NRI can opt not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing return of income for that assessment year under Section 139 of the Act, declaring therein that the provisions of the chapter shall not apply for that assessment year. In such a situation, the other provisions of the Act shall be applicable while determining the taxable income and tax liability arising thereon.

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

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

As per provisions of Section 10(34) of the Act, dividend (both interim and final), if any, received by a shareholder from a domestic Company is exempt from tax. The Company distributing the dividend will be liable to pay dividend distribution tax at the rate of 15% (plus a surcharge of 12% 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.

However, effective from 1st October, 2014 dividend distribution tax would be paid after grossing up the net distributed profits by the company.

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

- LTCG arising on sale equity shares of a company subjected to STT is exempt from tax as per provisions of Section 10(38) of the Act. It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.
- It is pertinent to note that as per provisions of Section 14A of the Act, expenditure incurred to earn an exempt income is not allowed as deduction while determining taxable income.

C. Capital Gains

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

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

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

D. Securities Transaction Tax

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

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

E. Tax Treaty benefits

- As per provisions of Section 90(2) of the Act, FIIs can opt to be taxed in India as per the provisions of the Act or the double taxation avoidance agreement entered into by the Government of India with the country of residence of the FII, whichever is more beneficial to them.
- 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 R T Jain & Co.
Chartered Accountants
Firm Registration No.103961 W

(CA Bankim Jain)
Partner
Membership No.139447

Place: Mumbai
Date: December 29, 2015

SECTION IV – ABOUT THE COMPANY

OUR INDUSTRY

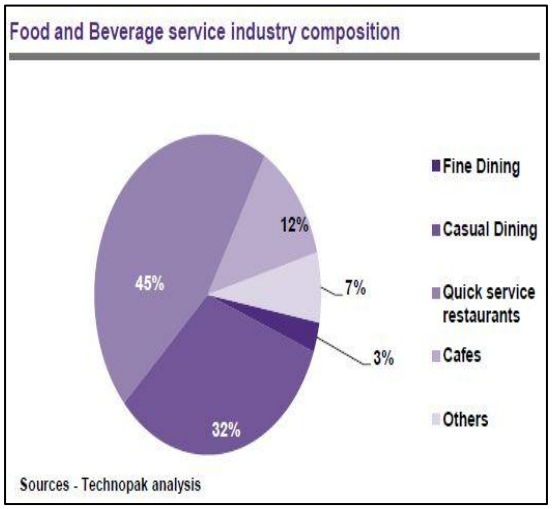
The information in this section includes extracts from publicly available information, data and statistics and has been derived from various government publications and industry sources. Neither we nor any other person connected with the Issue have verified this information. The data may have been re-classified by us for the purposes of presentation. Industry sources and publications generally state that the information contained therein has been obtained from sources generally believed to be reliable, but that their accuracy, completeness and underlying assumptions are not guaranteed and their reliability cannot be assured and, accordingly, investment decisions should not be based on such information. You should read the entire Prospectus, including the information contained in the sections titled "Risk Factors" and "Financial Statements" and related notes beginning on page 16 and 194 respectively of this Prospectus before deciding to invest in our Equity Shares.

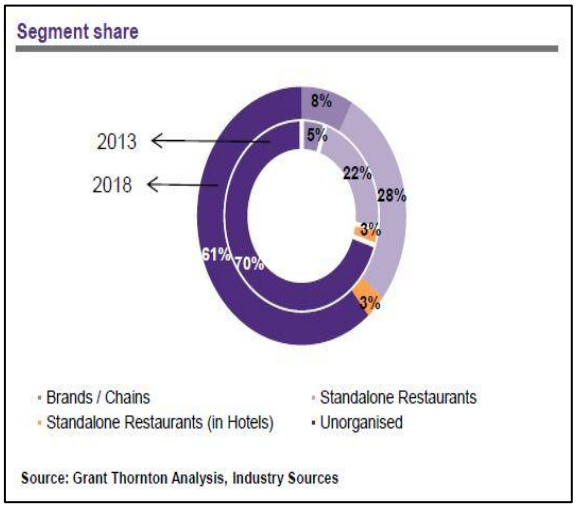
INDUSTRY OVERVIEW

The Indian Food and Beverage (F&B) service Industry is one of the most vibrant industries that has seen unprecedented growth in the recent past and continues to expand rapidly. This can be attributed to the changing demographics, increase in disposable incomes, urbanisation and growth of organised retail. The F&B service market is worth INR 2,04,438 crore and is expected to reach INR 3,80,000 crore by 2017.

The sector is dominated primarily by the traditional segment. The brands and restaurant chains of both Indian origin and multinationals have not optimally penetrated the market so far. The F&B sector has evolved over the past decade, giving rise to exciting new concepts in food and beverage offerings and new and innovative service elements.

Segments such as fine dining, casual dining, quick service restaurants, cafes, etc. have found favour with the consumers. The F&B industry has been at the forefront of attracting investments into India and has played an integral role in portraying India as a land of opportunity. Several success stories of both domestic and multinational companies tapping into the Indian food services sector are examples of the current trends.



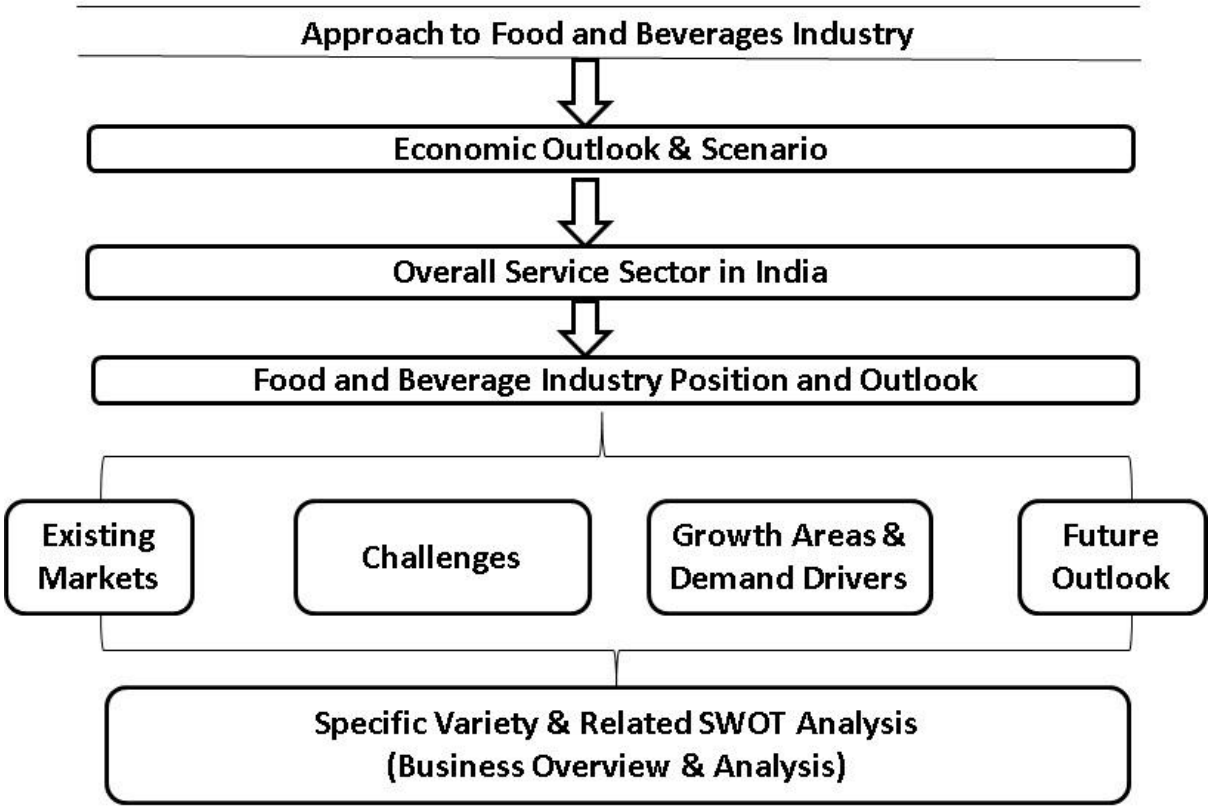


Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

APPROACH TO INDUSTRY ANALYSIS

Analysis of Food and Beverages Industry needs to be approached at both macro and micro levels, whether for domestic or global markets. Food and Beverages Industry forms part of Service Sector at a macro level. Hence, broad picture of Service Sector should be at preface while analysing the Food and Beverages Industry.
Service sector comprises various industries, which in turn, have numerous sub-classes or products. One such major industry in the overall service sector is 'Food & Beverages', which in turn encompasses various components one of them being 'Hotels and Restaurants'.

Thus, Hotels and Restaurants segment should be analysed in the light of 'Food & Beverages' industry. An appropriate view on Hotel and Restaurant segment, then, calls for the overall economy outlook, performance and expectations of Service Sector, position of Food & Beverages Industry and micro analysis.



This Approach Note is developed by Pantomath Capital Advisors (P) Ltd ('Pantomath') and any unauthorized reference or use of this Note, whether in the context of Food and Beverage industry and / or any other industry, may entail legal consequences.

GLOBAL ECONOMIC ENVIRONMENT

The global economic environment appears poised for a change for the better with the recent sharp fall in the international prices of crude petroleum, which is expected to boost global aggregate demand, and the sharp recovery in the US economy in the face of gradual withdrawal from monetary accommodation. Following the global crisis of 2008, the global economy came under a cloud of uncertainty and the prolonged weakness in the euro area, particularly since 2011, led to the (IMF) often revising global growth downwards in its World Economic Outlook (WEO). In its Update, published on 20 January 2015, the IMF projected the global economy to grow from 3.3 per cent in 2014 to 3.5 per cent in 2015 and further to 3.7 per cent in 2016. This downward revision from its

October 2014 projections owed to the weaker economic prospects in China, Russia, the Euro area, Japan, and some major oil exporters because of the sharp drop in oil prices. The United States is the only major economy for which growth projections have been raised by 0.5 percentage point to 3.6 per cent for 2015. 4.3 In the case of emerging market and developing economies (EMDEs), which continue to struggle with tepid domestic demand and headwinds from structural impediments, the IMF Update projects growth to moderate to 4.3 per cent in 2015 and 4.7 per cent in the year 2016.

Going forward, the lower oil price is likely to be more positive for the EMDEs that account for more than half of the global output (purchasing power parity terms) given their higher contribution to global growth with inflation remaining anchored. This might lead to a better outcome than projected. A sudden correction in financial markets and downside risks to growth with a possible further slowdown in the euro area along with the likely duration of the oil price supply shock effect, are some of the concerns that linger on.

Source: Economic Survey 2014-15 - Volume II; www.indiabudget.nic.in

INDIAN ECONOMY

India is set to become the world's fastest-growing major economy by 2016 ahead of China, the International Monetary Fund (IMF) said in its recent latest forecast. India is expected to grow at 6.3 per cent in 2015, and 6.5 per cent in 2016 by when it is likely to cross China's projected growth rate, the IMF said in the latest update of its World Economic Outlook.

India's macro-economic prospects have strengthened and the country is best positioned among emerging market economies, gaining global investor's attention, says a report by ICICI Bank. The improvement in India's economic fundamentals has accelerated in FY2015 with the combined impact of a strong Government mandate, RBI's inflation focus supported by benign global commodity prices.

Source: India Brand Equity Foundation; www.ibef.org

OUTLOOK FOR GROWTH

In the coming year, real GDP growth at market prices is estimated to be about 0.6-1.1 percentage points higher vis-a-vis 2014-15. This increase is warranted by four factors. First, the government has undertaken a number of reforms and is planning several more. Cumulative growth impact of these reforms will be positive. A further impetus to growth will be provided by declining oil prices and increasing monetary easing facilitated by on-going moderation in inflation. Simulating the effects of tax cuts, declining oil prices will add spending power to households, thereby boosting consumption and growth. Oil is also a significant input in production, and declining prices will shore up profit margins and hence balance sheets of the corporate sector. Declining input costs are reflected in the wholesale price index which moved to deflation territory in January 2015.

Further decline in inflation and the resulting monetary easing will provide policy support for growth both by encouraging household spending in interest-sensitive sectors and reducing the debt burden of firms, strengthening their balance sheets. The final favourable impulse will be the monsoon which is forecast to be normal compared to last year. Using the new estimate for 2014-15 as the base, this implies growth at market prices of 8.1- 8.5 per cent in 2015-16. The power of growth to lift all boats will depend critically on its employment creation potential.

Source: Economic Survey 2014-2015 - Volume I; www.indiabudget.nic.in

OUTLOOK FOR REFORMS

In the months ahead, several reforms will help boost investment and growth. The budget should continue the process of fiscal consolidation, embedding actions in a medium-term framework. India's overall revenue-to-GDP ratio (for the general government) for 2014 is estimated at 19.5 per cent by the IMF. This needs to move toward levels in comparator countries estimated at 25 per cent for emerging Asian economies and 29 per cent for the emerging market countries in the G-20.
Since assuming office in May 2014, the new government has undertaken a number of new reform measures whose cumulative impact could be substantial.

These include:

- Deregulating diesel prices, paving the way for new investments in this sector;
- Raising gas prices from US$ 4.2 per million British thermal unit to US$ 5.6, and linking pricing, transparently and automatically, to international prices so as to provide incentives for greater gas supply and thereby relieving the power sector bottlenecks;
- Taxing energy products. Since October, taking advantage of declining oil prices, the excise tax on diesel and coal was increased four times. In addition to resulting in collections of about 70,000 crore (on an annualized basis), this action will have positive environmental consequences;
- Replacing the cooking gas subsidy by direct transfers on a national scale;
- Instituting the Expenditure Management Commission, which has submitted its interim report for rationalizing expenditures;
- Passing an ordinance to reform the coal sector via auctions;
- Securing the political agreement on the goods and services tax (GST) that will allow legislative passage of the constitutional amendment bill;
- Instituting a major program for financial inclusion—the Pradhan Mantri Jan Dhan Yojana under which over 12.5 crore new accounts have been opened till mid-February 2014;
- Continuing the push to extending coverage under the Aadhaar program, targeting enrollment for 1 billion Indians; as of early February, 757 million Indians had been bio-identified and 139-Aadhaar linked bank accounts created;
- Increasing FDI caps in defense;
- Eliminating the quantitative restrictions on gold;
- Passing an ordinance to make land acquisition less onerous, thereby easing the cost of doing business, while ensuring that farmers get fair compensation;
- Facilitating Presidential Assent for labour reforms in Rajasthan, setting an example for further reform initiatives by the states; and consolidating and making transparent a number of labour laws; and
- Passing an ordinance increasing the FDI cap in insurance to 49 percent. Commencing a program of disinvestments under which 10 percent of the government's stake in Coal India was offered to the public, yielding about 22,500 crore, of which 5,800 crore was from foreign investors;
- Passing the Mines and Minerals (Development and Regulation) (MMDR) Amendment Ordinance, 2015 is a significant step in revival of the hitherto stagnant mining sector in the country. The process of auction for allotment would usher in greater transparency and boost revenues for the States.

Source: Economic Survey 2014-15 – Volume I; www.indiabudget.nic.in

FISCAL FRAMEWORK

Notwithstanding the challenging nature of the 2014-15 budget, elaborated in the Mid-Year Economic Analysis 2014-15, the Government will adhere to the fiscal target of 4.1 per cent of GDP. Despite weakness in revenue collection and delayed disinvestment, new excises on diesel and petrol (revenue yield of about 20,000 crores), reduced subsidies, and expenditure compression will ensure the

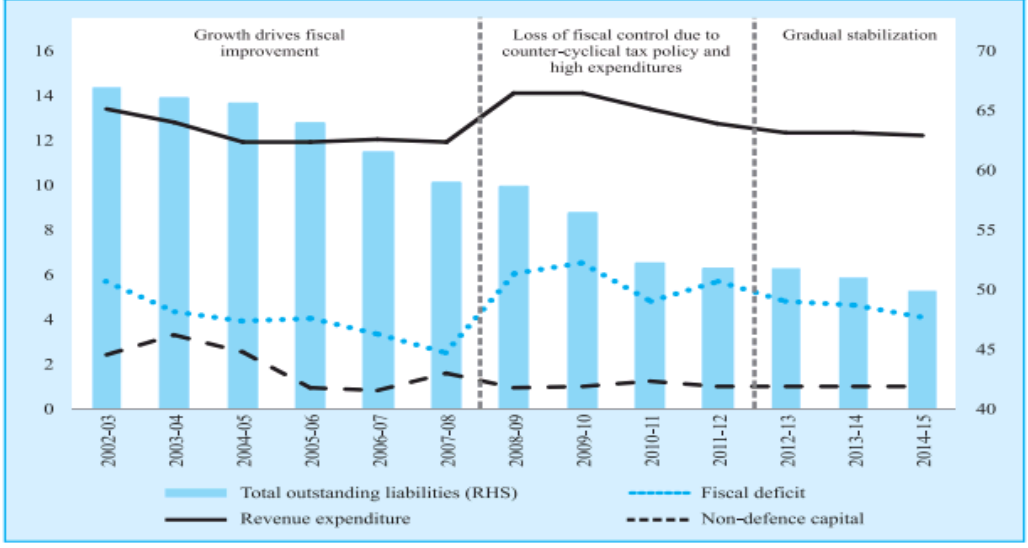
commitment to discipline. India can reconcile the requirements of fiscal consolidation and the imperative of boosting public investment to revive growth and crowd-in private investment provided the right lessons are learnt. Since this is the first full budget of the new government, and especially in light of the far-reaching recommendations of the Fourteenth Finance Commission, the time is ripe for reviewing the medium-term framework and setting targets for the upcoming year against that background and taking account of the lessons of recent history. Three phases marked recent fiscal history.

a. At first rapid growth improved all fiscal aggregates, flows and stocks. But failure to control expenditure, especially revenue expenditure, towards the end of that phase, combined with excessive counter-cyclical policies in the second phase (2009-12) led to a loss of fiscal control that contributed to the near-crisis of 2013. A casualty has been low and stagnating capital expenditure. In the third phase (2013-today), a modicum of fiscal stability has been restored. This history suggests the following strategy going forward. First, in the medium term, India must meet its medium-term target of 3 percent of GDP. This will provide the fiscal space to insure against future shocks and also to move closer to the fiscal performance of its emerging market peers. It must also reverse the trajectory of recent years and move toward the 'golden rule' of eliminating revenue deficits and ensuring that, over the cycle, borrowing is only for capital formation.

b. Second, the way to achieve these targets will be expenditure control and expenditure switching from consumption to investment. And the secular decline in capital expenditure in the last decade has undermined India's long run growth potential. From 2016-17, as growth gathers steam and as the GST is implemented, the consequential tax buoyancy when combined with expenditure control will ensure that medium term targets can be comfortably met. This buoyancy is assured by history because over the course of the growth surge in the last decade, the overall tax-GDP ratio increased by about 2.7 percentage points, from 9.2 percent in 2003-04 to 11.9 per cent in 2007-08 even without radical tax reform.

c. Third, the medium-term commitment to discipline cannot result in an Augustinian deferment of actions. In the upcoming year, too, fiscal consolidation must continue. However, the need for accelerated fiscal consolidation has lessened because macroeconomic pressures have significantly abated with the dramatic decline in inflation and turnaround in the current account deficit.

Figure 1.13: Recent Fiscal History, 2002-03 to 2014-15 (Percent of GDP)



***Source*: Budget Documents and CSO.**

***Note*: Numbers for 2013-14 and 2014-15 are revised estimates and budget estimates, respectively.**

Source: Economic Survey 2014-15 – Volume I; www.indiabudget.nic.in

MARKET SIZE

The government, engineering an economic rebound with a slew of reforms, has unveiled a new statistical method to calculate the national income with a broader framework that turned up a pleasant surprise: GDP in the past year 2013-14 grew 6.9 per cent instead of the earlier 4.7 per cent.

The revision in base year of India's national accounts will increase the size of the economy to Rs 111.7 trillion (US$ 1.8 trillion) in FY14, according to India Ratings. The size of the Indian economy was at about Rs 93.89 trillion (US$ 1.51 trillion) in 2012-13.

Also, Capital Economics (CE), an independent macro-economic research company, released its India Watch research report recently, cataloguing its interpretation and expectations on the upcoming Budget 2015. It sees Indian economy expanding by 5.5 per cent in 2015, owing to the fall in crude oil prices and interest rates.
Stating that its great time to invest in India, Minister of State for Finance Mr Jayant Sinha said the Indian economy has potential to become a US$ 4-5 trillion economy in the next 10-12 years.

INVESTMENTS

With the improvement in the economic scenario, there have been quite a few investments in various sectors along with M&A in India. Some of them are as follows:

- India has emerged as one of the strongest performers in the deal-street across the world as mergers and acquisitions (M&A). M&A activity increased in 2014 with deals worth US$ 38.1 billion being concluded, compared to US$ 28.2 billion in 2013 and US$ 35.4 billion in 2012.
- The combined index of eight core industries stood at 166.2 in November 2014 – 6.7 per cent higher compared to the index of November 2013. Its cumulative growth during April to November, 2014–15 was 4.6 per cent.
- India and Germany have decided to set up two working groups—one on circular economy and other on water management—after a meeting with German Environment Minister Ms Barbara Hendricks. After a recent meeting, the two sides announced that the focus of the working groups would be on restoration of water bodies, waste management and more efficient use of water resources.
- The Union Cabinet, chaired by the Prime Minister Shri Narendra Modi, has given its approval to enter into a memorandum of understanding (MoU) for strengthening cooperation in the field of tourism, between the Ministry of Tourism, Government of India and the Ministry of Tourism, Government of the Sultanate of Oman.
- India's consumer confidence continues to remain highest globally and showed improvement in the fourth quarter of calendar year 2014 (Q4), riding on positive economic environment and lower inflation. Nielsen's findings reveal that the consumer confidence of urban India increased by three points in Q4 from the preceding quarter. With a score of 129 in Q4, urban
  India's consumer confidence is up by 14 points from the corresponding period of the previous year (Q4 of 2013) when it stood at 115.
- India's foreign exchange reserves touched a record US$ 322 billion, surpassing the previous high of almost US$ 321 billion in September 2011. Latest data released shows an accretion of US$ 2.7 billion during the week ended January 16, 2015, essentially due to a rise in foreign currency assets. Market players said RBI has been buying dollars to ensure that the rupee stays strong. At current levels, reserves are sufficient to cover imports for eight-and-a-half months.
- The government has announced that foreign investors can put in as much as Rs 90,300 crore (US$ 14.55 billion) in India’s rail infrastructure through the FDI route, according to a list of projects released by the Ministry of Railways. The Rs 63,000 crore (US$ 10.15 billion Mumbai-Ahmedabad high-speed corridor project is the single largest. The other big ones include the Rs 14,000 crore (US$ 2.25 billion) CSTM-Panvel suburban corridor, to be implemented in public

private partnership (PPP), and the Rs 1,200 crore (US$ 193.46 million) Kachrapara rail coach factory, besides multiple freight line, electrification and signalling projects.

GOVERNMENT INITIATIVES

India has become a promising investment destination for foreign companies looking to do business here. Mr Narendra Modi, Prime Minister of India, has launched the 'Make in India' initiative with the aim to give the Indian economy global recognition. This initiative is expected to increase the purchasing power of the common man, which would further boost demand, and hence spur development, in addition to benefiting investors. The steps taken by the government in recent times have shown positive results as India's gross domestic product (GDP) at factor cost at constant (2004-05) prices for Q1 of 2014-15 is estimated at Rs 14.38 trillion (US$ 231.83 billion), as against Rs 13.61 trillion (US$ 219.42 billion) in Q1 of 2013-14, registering a growth rate of 5.7 per cent.

Based on the recommendations of the Foreign Investment Promotion Board (FIPB), the Government of India has approved 14 proposals of FDI amounting to Rs 1,528.38 crore (US$ 246.42 million) approximately. Out of the 14 approved proposals, six of them belonged to the pharmaceutical sector which was the highest number of approvals for any sector.

ROAD AHEAD

The International Monetary Fund (IMF) and the World Bank in a joint report have forecasted that India will register a growth of 6.4 per cent in 2015, due to renewed confidence in the market brought about by a series of economic reforms pursued by the government.

Only India is anticipated to witness better growth momentum among the BRIC bloc whereas other member countries are expected to see stable growth momentum, according to Organisation for Economic Cooperation and Development (OECD).

India could become the world's seventh biggest nation in terms of private wealth, with a 150 per cent increase in total, from US$ 2 trillion in 2013 to US$ 5 trillion in 2018, as per a recent study by the Boston Consulting Group (BCG). Furthermore, the new 'Make in India' initiative is expected to be a vital component in India's quest for achieving wholesome economic development.

References: Press Information Bureau (PIB), Media Reports, Department of Industrial Policy and Promotion (DIPP), Securities and Exchange Board of India (SEBI)

Source: India Brand Equity Foundation *www.ibef.org*

OVERVIEW OF INDIAN ECONOMY

One of the redeeming features, while comparing economic performance across different countries for the year 2014-15, has been the emergence of India among the few large economies with propitious economic outlook, amidst the mood of pessimism and uncertainties that engulf a number of advanced and emerging economies. Brighter prospects in India owe mainly to the fact that the economy stands largely relieved of the vulnerabilities associated with an economic slowdown, persistent inflation, elevated fiscal deficit, slackening domestic demand, external account imbalances, and oscillating value of the rupee in 2011-12 and 2012-13. From the macroeconomic perspective, the worst is clearly behind us. The latest indicators, emerging from the recently revised estimates of national income brought out by the Central Statistics Office, point to the fact that the revival of growth had started in 2013-14 and attained further vigour in 2014-15.

Factors like the steep decline in oil prices, plentiful flow of funds from the rest of the world, and potential impact of the reform initiatives of the new government at the centre along with its commitment to calibrated fiscal management and consolidation bode well for the growth prospects and the overall macroeconomic situation. Encouraged by the greater macro-economic stability and the reformist intent and actions of the government, coupled with improved business sentiments in the country, institutions like the IMF and the World Bank have presented an optimistic growth outlook for India for the year 2015 and beyond.

The possible headwinds to such promising prospects, however, emanate from factors like inadequate support from the global economy saddled with subdued demand conditions, particularly in Europe and Japan, recent slowdown in China, and, on the domestic front, from possible spill-overs of below normal agricultural growth and challenges relating to the massive requirements of skill creation and infrastructural up gradation. The encouraging results from the Advance Estimates for 2014-15 suggest that though the global sluggishness has partly fed into the lacklustre growth in foreign trade; yet this downward pressure has been compensated by strong domestic demand, keeping the growth momentum going.
Source: Economic Survey 2014-2015 – Volume I ; www.indiabudget.nic.in

OUTLOOK FOR 2015-16

The macroeconomic situation in India has improved significantly during the current year. The release of the new series of national accounts revealed that the economy has been performing much better than what was being depicted earlier. The steady acceleration in services and manufacturing growth in the face of subdued global demand conditions point to the strengthening of domestic demand. Most of the buoyancy in domestic demand can be traced to consumption.

Investment activity, which is slowly picking up. The savings-investment dynamics will be crucial for the growth to strengthen further in the coming years, in addition to reversal of the subdued export performance being currently witnessed. The key will be the response of savings to improved price and financial market stability, and of investment, particularly in the crucial infrastructure sector, to reform efforts of the Government that are underway. On the supply side, there are concerns about tentative growth patterns in construction and mining activities that need to be addressed to. This is particularly important in view of the strong intersectoral linkages that these sectors have. The farm sector suffered from a relatively poor monsoon, but there are no indications of its spill over to be next year.

The improving rate of value addition in the economy, represented by the ratio of value added to output, and the falling incremental capital output ratio indicate better resource use in production. On the global front, the United States radiates confidence and strength, while some other structurally important economies like China, Russia, Euro area and Japan face uncertain prospects, thereby affecting global growth and investment outlook. The sharp decline in oil prices has provided an incentive for overall global growth and stability. At the same time, it has diminished fortunes of oil exporting countries that can influence economic activity adversely. In the light of the Government's commitment to reforms, along with the improvements in price and external sector scenarios including the possibility of international oil prices remaining generally benign, the outlook for domestic macroeconomic parameters is generally optimistic, notwithstanding the uncertainties that could also arise from an increase in interest rates in the United States and situation prevailing in Greece within Euro-zone. Given the above, and assuming normal monsoons better prospects in the world economy that could provide impetus to higher exports for Indian products and services, a growth of around 8.5 per cent is in the realm of possibility in 2015-16.
Source: Economic Survey 2014-15 - Volume I; www.indiabudget.nic.in

GLOBAL RESTAURANT INDUSTRY

The global restaurant industry has been forecast to reach a value of $2.1 trillion by 2015, driven by increasing preference for eating out and waxing demand for take away foods among modern time crunched consumers. Robust growth in the number of franchise restaurants, especially exotic fast food restaurants, cafés and snack bars will translate into increased revenues in the industry in the upcoming years.

When the economy emerged from the 2008 / 2009 recession, the restaurant industry staged a strong rebound in 2010. As 2011 rolled around, rising commodity costs and political turmoil in the Middle East cast a pail of uncertainty on the industry's ability to continue on this path to a healthy recovery. Thankfully, the sustained optimism of the everyday consumer carried the industry into another record year, with all dining segments achieving positive increases in comparable store sales. This optimism, combined with favourable economic indicators, suggests 2013 may represent the third consecutive year of real sales growth.

In this age of busy lifestyles, where people are left with little time to spend on preparing food at home, eating out at restaurants has become a common practice. Preference for restaurant food is even higher among younger consumers with high disposable incomes but very little time to spare. This scenario provides an opportunity for restaurateurs to offer food service options in morning breakfast, brunch, meals and dinner. Franchising of restaurants, food joints, and even food products and ingredients has helped boost overall growth in the global restaurant industry in recent years.

A growing number of people are comparing restaurant menu items and their nutritional benefits on the internet. Also increasing number of people are making restaurant choices based on online reviews. Restaurateurs' are leveraging the Internet and social networking platforms to compete more effectively in the food service marketplace. Internet and social networking sites help restaurants to communicate the range and quality of food items served and thereby reaches out to a larger section of customers.

There are about 8 million restaurants in the world and some 300,000 restaurant companies. The restaurant industry divides itself into full-service and fast-food restaurants. Full-service restaurants include family restaurants (such as Denny's), dinner houses (Darden Restaurants' Red Lobster), and grill/buffet type eateries (Metromedia's Ponderosa). The fast-food sector includes sandwich shops, which means hamburgers and Mexican food, as well as pizza and chicken joints. Companies in this sector include giants such as Kahala (Great Steak & Potato, Frullati Cafe), Texas Pacific Group (Burger King), YUM! Brands (Taco Bell, KFC, Pizza Hut), and of course, McDonald's.

Fast food is the term given to food that can be prepared and served very quickly, first popularized in the 1950s in the United States. While any meal with low preparation time can be considered to be fast food, typically the term refers to food sold in a restaurant or store with preheated or precooked ingredients, and served to the customer in a packaged form for take-out/take-away.

Outlets may be stands or kiosks, which may provide no shelter or seating, or fast food restaurants (also known as quick service restaurants). Franchise operations which are part of restaurant chains have standardised foodstuffs shipped to each restaurant from central locations.

The world fast-food industry is expected to generate almost $240 billion in 2014, representing a 19% increase over five years. The market is predicted to reach a volume of almost 249 billion transactions in 2014. Quick-service restaurants represent the leading market segment, with 71% of overall market value. The Americas represent almost half of the global market share.

The US fast food industry is expected to record yearly growth of 4% through 2014. The US remains one of the world's dominant nations in the global fast-food market even during the economic recession. The market is driven by a growing young population and an expanding middle class with rising disposable income. Fast-food sector growth is outpacing restaurant industry growth in the US, with leading companies invested heavily in promoting their products to further fuel expansion. Burgers represent the largest market segment, followed by other products such as pizza, pasta, sandwiches and snacks.

The UK fast food industry will record weak growth during 2013-14 as some consumers trade down from more expensive restaurant meals and uncertain times lead others to their favourite comfort foods. Mobile and online technologies are changing the industry and many operators now offer online ordering and delivery services. Industry revenue is estimated to decline at a compound annual rate of 1.7% over the five years through 2013-14, to reach £5.5 billion. Revenue growth in the current year is anticipated to be 1.7%.

Top 10 UK Casual Restaurants			
Chain	**Mid 2013 Market Share**	**Turnover/£m**	**Marker Share%**
Pizza Hut	16.70%	£468	10.90%
Pizza Express	10.40%	£369	8.60%
Nando's	7.50%	£424	9.90%
Frankie & Benny's	5.80%	£273	6.40%
Harevster	5.40%	£296	6.90%
Prezzo	5.10%	£163	3.80%
Zizzi	3.30%	£119	2.60%
Cafe Rouge	3.30%	£110	2.80%
ASK	2.80%	£93	2.20%
Bella Italia	2.30%	£72	1.70%
Source: Allegra Strategies' Project Restaurant 2013			

Over the last decade there has been increased focus on the quality of food served in fast food restaurants. Typically highly processed and industrial in preparation, much of the food is high in fat and has been shown to increase body mass index (BMI) and cause weight gain. Popular books such as Fast Food Nation and documentaries like Super Size Me have increased public awareness of the negative health consequences of fast food. Fast food companies have responded by adopting healthier choices and have had some measure of success, but the shadow of bad press still hangs over the industry.

Fast food had been thought to be largely recession proof, and indeed the industry did not suffer nearly as much as other discretionary spending sectors. In fact, there was some increase in consumer visits as people choose cheaper fast food options over fast casual or traditional restaurant choices. But overall, the recession hurt spending, and consumers overall purchased less with each trip. Fast food franchises fared reasonably well but still felt some pain.

The restaurant world is growing beyond the usual suspects like Brazil Russian India and China - the "BRICs" get a lot of attention from the media, but there are untold stories of other emerging markets that foodservice executives should be considering. There are approximately 15 million restaurants in the world and approximately 1/3 of them are in China. Of course, the majority of those 5 million Chinese restaurants are street stalls, independently owned/operated and/or small chains by American standards.

The number one "chain restaurant" market in the world is still the USA, but the largest population centres in the world are India and China. It is forecast that as consumers in China (and India and other emerging markets) continue to grow wealthier and enjoy more buying power, that big-budget Western brands will go in and win not just a share of the growth in these markets but also claw-away share of the existing market; edging out less sophisticated and well-funded incumbent enterprises.

Although late, the restaurant sector is nevertheless catching up with healthy eating trend. A majority of restaurant goers prefer healthy food items in restaurants. Organic food, beverages and food with less trans fats are increasingly finding their place in restaurant menus. Quick Service Restaurants (QSRs) are most noteworthy given the strides taken by this category of restaurants in changing menus to include healthy foods. Freshly prepared salads and fresh cut meats have become part of standard menus at QSR outlets.

Geopolitical uncertainty has created considerable market volatility and rising commodity costs remain a top concern among restaurant operators. Having already exhausted cost mitigation measures and left with limited ability to increase prices without thwarting customer traffic, many restaurant operators have initiated multi-faceted strategic campaigns to drive top line growth. These campaigns are geared towards enhancing brand image, improving the overall customer experience, diversifying day-part menu offerings and expanding into new day-parts.

For instance, fast-food chains such as McDonald's and Burger King are executing plans designed to improve traffic during the breakfast hours. With rent and other costs largely fixed, restaurant operators are hopeful that incremental sales from non-traditional day-parts can offset potential slumps in traffic. In addition, Subway and Dunkin Donuts are expanding into new day-parts hoping to tap into the multi-day-part consumer market. Subway recently launched its breakfast offering and Dunkin Donuts has initiated efforts to expand its lunch offerings.

Source: Market Insight: Global Restaurant Industry *www.companiesandmarket.com*

INDIAN SERVICE SECTOR

The services sector, with around 52 per cent contribution to the Gross Domestic Product (GDP) in 2014-15, has made rapid strides in the past decade and a half to emerge as the largest and one of the fastest-growing sectors of the economy. The services sector is not only the dominant sector in India's GDP, but has also attracted significant foreign investment flows, contributed significantly to exports as well as provided large-scale employment. India's services sector covers a wide variety of activities such as trade, hotel and restaurants, transport, storage and communication, financing, insurance, real estate, business services, community, social and personal services, and services associated with construction.

MARKET SIZE

The services sector contributed US$ 783 billion to the 2014-15 GDP (at constant prices) growing at CAGR of 9 per cent, faster than the overall GDP CAGR of 6.2 per cent in the past four years.

Out of overall services sector, the sub-sector comprising financial services, real estate and professional services contributed US$ 305.8 billion or 20.5 per cent to the GDP. The sub-sector of community, social and personal services contributed US$ 188.2 billion or 12.6 per cent to the GDP. The third-largest sub-segment comprising trade, repair services, hotels and restaurants contributed nearly equal or US$ 187.9 billion or 12.5 per cent to the GDP, while growing the fastest at 11.7 per cent CAGR over the period 2011-12 to 2014-15.

INVESTMENTS

The Indian services sector has attracted the highest amount of FDI equity inflows in the period April 2000-May 2015, amounting to about US$ 43.35 billion which is about 16.8 per cent of the total foreign inflows, according to the Department of Industrial Policy and Promotion (DIPP).
Some of the developments and major investments by companies in the services sector in the recent past are as follows:

- The Indian facilities management market is expected to grow at 17 per cent CAGR between 2015 and 2020 and surpass the $19 billion mark supported by booming real estate, retail, and hospitality sectors.
- Fairfax India will look to acquire controlling stake in collateral management and weather advisory firm National Collateral Management Services (NCML) where the deal size could be $150-180 million.
- Amazon, the world's largest online retailer, plans to invest Rs 31,700 crore (US$ 5 billion) in India in addition to the US$ 2 billion investment it committed two years ago, in expanding its network of warehouses, data centers and increasing its online marketplace, besides launching an instant video and subscription-based ecommerce services for high-end buyers, called Amazon Prime, later this year.
- The private security services industry in India is expected to register a growth of over 20 per cent over the next few years, doubling its market size to Rs 80,000 crore (US$ 12.94 billion) by 2020.
- The Government of India has awarded a contract worth Rs 1,370 crore (US$ 221.63 million) to Ricoh India Ltd and Telecommunications Consultants India Ltd (TCIL) to modernise 129,000 post offices through automation.
- Taxi service aggregator Ola plans to double operations to 200 cities in current fiscal year. The company, which is looking at small towns for growth, also plans to invest in driver eco-system, such as training centers and technology upgrade, besides adding 1,500 to 2,000 women drivers as part of its pink cab service by women for women.
- JP Morgan Asset Management (UK) Ltd, JP Morgan Investment Management Inc and JP Morgan Chase Bank NA, have together acquired 4.11 per cent stake in Mahindra & Mahindra Financial Services Ltd for Rs 113.75 crore (US$ 18.13 million).
- The Nikkei Services PMI for India stood at 51.8 in August 2015 – a reading above 50 signals expansion.

GOVERNMENT INITIATIVES

The Government of India recognises the importance of promoting growth in services sectors and provides several incentives in wide variety of sectors such as health care, tourism, education, engineering, communications, transportation, information technology, banking, finance, management, among others.

The Government of India has adopted a few initiatives in the recent past. Some of these are as follows:

- The Central Government is considering a two-rate structure for the goods and service tax(GST), under which key services will be taxed at a lower rate compared to the standard rate, which will help to minimize the impact on consumers due to increase in service tax.
- By December 2016, the Government of India plans to take mobile network to nearly 10 per cent of Indian villages that are still unconnected.
- The Government of India has proposed provide tax benefits for transactions made electronically through credit/debit cards, mobile wallets, net banking and other means, as part of broader strategy to reduce use of cash and thereby constrain the parallel economy operating outside legitimate financial system.

- The Reserve Bank of India (RBI) has allowed third-party white label automated teller machines (ATM) to accept international cards, including international prepaid cards, and has also allowed white label ATMs to tie up with any commercial bank for cash supply.

ROAD AHEAD

Services sector growth is governed by both domestic and global factors. The sector is expected to perform well in FY16. Some improvement in global growth and recovery in industrial growth will drive the services sector to grow 7.4 per cent in FY16 (FY15: 7.3 per cent) as per Mr Dilip Chenoy, MD and CEO of National Skill Development Corporation. The performance of trade, hotels and restaurants, and transport, storage and communication sectors are expected to improve in FY16. Loss of growth momentum in commodity-producing sectors had adversely impacted transport and storage sectors over the past two years. The financing, insurance, real estate, and business services sectors are also expected to continue their good run in FY16. The growth performance of the community, social and personal services sector is directly linked with government expenditure and we believe that the government will remain committed to fiscal consolidation in FY16.

Exchange Rate Used: INR 1 = US$ 0.0152 as on September 18, 2015

References: Media Reports, Press Releases, DIPP publication, Press Information Bureau, India budget 2015-16

Source: India Brand Equity Foundation www.ibef.org

INDIAN FOOD INDUSTRY

The Indian food industry is poised for huge growth, increasing its contribution to world food trade every year. In India, the food sector has emerged as a high-growth and high-profit sector due to its immense potential for value addition, particularly within the food processing industry.

Accounting for about 32 per cent of the country's total food market, the food processing industry is one of the largest industries in India and is ranked fifth in terms of production, consumption, export and expected growth. The total food production in India is likely to double in the next 10 years with the country's domestic food market estimated to reach US$ 258 billion by 2015.

The Government of India has been instrumental in the growth and development of the food processing industry. The government through the Ministry of Food Processing Industries (MoFPI) is making all efforts to encourage investments in the business. It has approved proposals for joint ventures (JV), foreign collaborations, industrial licences and 100 per cent export oriented units.

MARKET SIZE

The Indian food and grocery market is the world's sixth largest, with retail contributing 70 per cent of the sales. It is projected to grow at the rate of 104 per cent, touching US$ 482 billion by 2020.

The Indian food processing industry accounts for 32 per cent of the country's total food market, 14 per cent of manufacturing GDP, 13 per cent of India's exports and six per cent of total industrial investment. Indian food service industry is expected to reach US$ 78 billion by 2018.The Indian gourmet food market is currently valued at US$ 1.3 billion and is growing at a CAGR of 20 per cent. It is expected to cross US$ 2.8 billion by 2015.

The online food ordering business in India is in its nascent stage, but witnessing exponential growth. The organised food business in India is worth US$ 48 billion, of which food delivery is valued at US$

15 billion. With online food delivery players like FoodPanda, Zomato, TinyOwl and Swiggy building scale through partnerships, the organised food business has a huge potential and a promising future.

INVESTMENTS

According to the data provided by the Department of Industrial Policies and Promotion (DIPP), the food processing sector in India has received around US$ 6,429.15 million worth of foreign investments during the period April 2000—June 2015. The Confederation of Indian Industry (CII) estimates that the food processing sectors have the potential to attract as much as US$ 33 billion of investment over the next 10 years and also generate employment of nine million person-days.
Some of the major investments in this sector in the recent past are:

- Foodpanda acquires food ordering portals TastyKhana and Just Eat India to strengthen its presence in India.
- Gujarat Cooperative Milk Marketing Federation (GCMMF), popularly known as 'Amul', plans to invest Rs 5,000 crore (US$ 753.16 million) to establish ten new processing plants as well as expand the current capacity to touch 32 million litres per day (MLPD) capacity by 2020.
- Restaurant search service Zomato raised US$ 110 million from existing investors including Info Edge, Vy Capital and Temasek. Zomato is now present in 22 countries and over 500 cities around the globe.
- Earlier this year, Zomato acquired Urbanspoon, for an undisclosed amount, in an all-cash deal marking its entry into the US.
- Papa John’s India acquired the Pizza Corner from Global Franchise Architects for an undisclosed sum. It is now the third-largest pizza chain in India, after Domino's and Pizza Hut.
- ITC Limited plans to invest Rs 800 crore (US$ 120.51 million) to set up a world-class food processing facility in Medak, a district located in Telangana. The company has also formulated plans to enter the dairy market.

GOVERNMENT INITIATIVES

In order to promote food processing industries, increase level of processing and exploit the potential of domestic and international market for processed food products, Vision Document-2015 was prepared by the Ministry of Food Processing Industries. The document envisages trebling the size of investment in the processed food sector by increasing the level of processing of perishables from 6 per cent to 20 per cent, value addition from 20 per cent to 35 per cent and share in global food trade from 1.5 per cent to 3 per cent by 2015. According to the Ministry, an investment of Rs 100,000 crore (US$ 16 billion) would be required in 2015 to achieve these targets.
Some of the major initiatives taken by the Government of India to improve the food processing sector in India are as follows:

- Ms Harsimrat Kaur Badal, Union Minister for Food Processing Industries, Government of India inaugurated the first of its kind Rs 136 crore (US$ 20.49 million) mega international food park at Dabwala Kalan, Punjab.
- The Ministry of Food Processing Industries announced a scheme for human resource development (HRD) in the food processing sector. The HRD scheme is being implemented through State Governments under the National Mission on Food Processing. The scheme has the following four components:
  - Creation of infrastructure facilities for degree/diploma courses in food processing sector
  - Entrepreneurship Development Programme (EDP)
  - Food Processing Training Centres (FPTC)
  - Training at recognised institutions at State/National level
- The Food Safety and Standards Authority of India (FSSAI) under the Ministry of Health and Family Welfare has issued the Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011 and the Food Safety and Standards (Contaminants, Toxins and

Residues) Regulations, 2011 which prescribe the quality and safety standards, respectively for food products.

- The Ministry of Food Processing Industries has taken some new initiatives to develop the food processing sector which will also help to enhance the incomes of farmers and export of agro and processed foods among others.
- The Government of India has approved the setting up of five numbers of Mega Food Parks in the states of Bihar, Maharashtra, Himachal Pradesh and Chhattisgarh. The Government plans to set up 42 such mega food parks across the country in next three to four years.
- In the Budget 2015-16, a corpus of Rs. 2,000 crore (US$ 301.27 million) was created under National Bank for Agriculture and Rural Development (NABARD) to provide cheaper credit to food processing industry. Excise duty on plant and machinery for packaging and processing has been brought down to six per cent from 10 per cent.
- The Government of India has planned to set up 42 mega food parks across the country in next three to four years.

ROAD AHEAD

Going forward, the adoption of food safety and quality assurance mechanisms such as Total Quality Management (TQM) including ISO 9000, ISO 22000, Hazard Analysis and Critical Control Points (HACCP), Good Manufacturing Practices (GMP) and Good Hygienic Practices (GHP) by the food processing industry offers several benefits. It would enable adherence to stringent quality and hygiene norms and thereby protect consumer health, prepare the industry to face global competition, enhance product acceptance by overseas buyers and keep the industry technologically abreast of international best practices.

Exchange rate used: INR 1 = US$ 0.01506 as on September 11, 2015

References: Ministry of Food Processing Industries (MoFPI), Agricultural and Processed Food Products Export Development Authority (APEDA), Media reports and Press Releases, Department of Industrial Policy and Promotion (DIPP), Press Information Bureau (PIB), Confederation of Indian Industries (CII)

Source: India Brand Equity Foundation www.ibef.org

INDIAN FOOD & BEVERAGE INDUSTRY

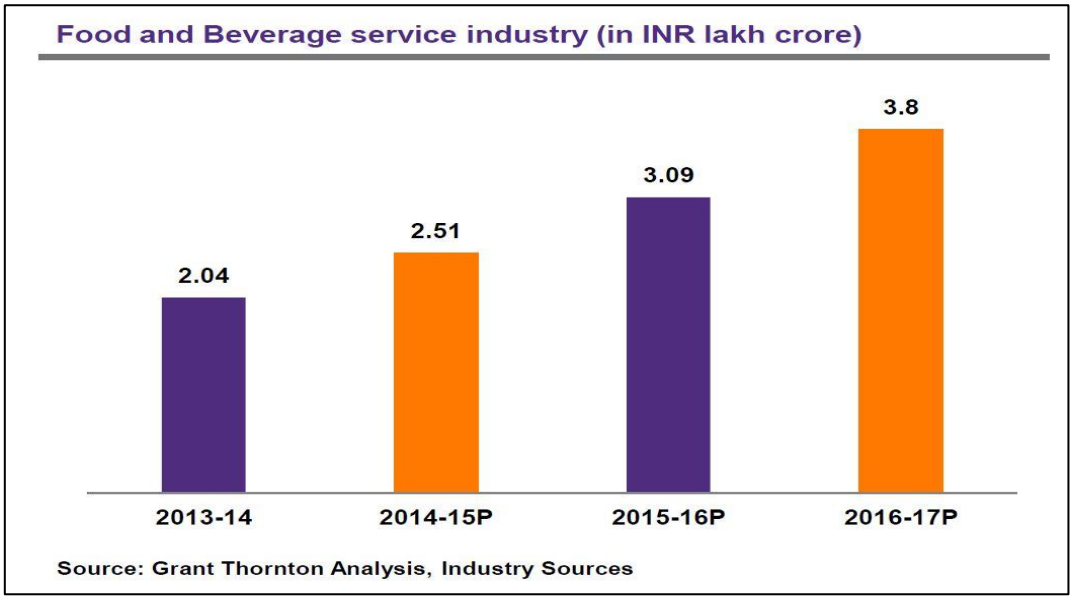
The Food and Beverage service industry is one of the most vibrant service industries within India with over 25% yearly growth. Although predominantly concentrated in the unorganized space, with the advent of foreign and Indian restaurant chains, the organised market is likely to expand quite rapidly. Food expenditure constitutes the majority of our consumption basket and with an increasing young population, eating out will only grow. Eating out has evolved from an occasion driven activity to an occasion in itself for the youth for whom eating out is the most favoured activity besides hanging out with friends.

Amongst the various segments within the restaurant sector, Quick Service Restaurants and Casual Dining Restaurants constitute the largest categories – combined they constitute more than 77% of the overall market. The Restaurant Sector has been one of the first sectors to attract foreign interest due to huge opportunity. Indian entrepreneurs will capitalise on the opportunity and it is likely for more organised chains to emerge in the next decade.

MARKET OVERVIEW

Changing demographics, increase in income, urbanisation and growth in organised retail is driving India's F&B sector:

- The combined F&B service market is worth INR 204,438 crore, growing at compound annual growth rate (CAGR) of 23-24% and is expected to touch INR 380,000 crore by 2017.
- Quick Service Restaurants (QSR) and casual dining are the two most popular formats that form 45% and 32% of the overall market respectively.
- The F&B service market is dominated by unorganised segment and although it will decline significantly over the next 4-5 years, it is likely to remain more than 60% of the market.
- Brands/ chains of both Indian and MNC brands are still less penetrated and there exists a large opportunity in this space to create bigger restaurant chains.
- The maximum growth being witnessed is still in the standalone restaurant space where local taste along with uniqueness of concept are the key deciding factors.



Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI *www.ficci.com*

DEMAND DRIVERS OF THE FOOD & BEVERAGE INDUSTRY

Following are the demand driers of Food & Beverage Industry:

1. **Demographics - Youth is a growth driver for the food industry**
   India, with its population of 1.2 billion, is one of the largest consumer markets in the world. It is also demographically one of the youngest with around 50% of its population below the age of 25 and around 65% below the age of 35. The majority of Indian consumption of fast food is driven by people between the ages of 18 and 40. The appetite of the young Indian population has been a key driver in QSR industry growth.

2. **Increase in disposable income - Growing economy has resulted in higher expenditure on food and related products**
   Increase in disposable incomes of middle class families resulted in them spending more on food consumption. Per capita income increased by CAGR 9% to US$ 1,350 in 2013 compared to US$ 450 in 2000. Consumers are now spending as high as 51% of their income on food products.

3. **Change in customer preferences - Increasing number of people prefer eating out and convenience food**
   Food habits have changed due to changes in family structures. With the changing habits there is an increased preference for convenience and higher instances of eating out. Certain section has been exploring culinary experiences due to the global mobility of the Indian consumer. This resulted in the emergence of the QSR industry and also the ready-to-cook/ ready-to-eat segments of the food & beverage industry.

4. **Rise in number of working women - Increasing incidence of working women is resulting in frequent eating out occasions**
   Women form nearly 25% of the workforce now. With more women spending a substantial number of hours at work, there is little to no time to prepare elaborate meals at home, as generations before them did. More working women are spending their disposable incomes on eating out or serving ready-to-eat or prepared foods picked up on the way home from work.

5. **Health and hygiene consciousness - Awareness for hygiene and health have increased sale of organised section of market**
   Rising awareness and incomes among upwardly mobile urban consumers are making them care more about health and fitness. The mushrooming of juice bars and kiosks selling salads and wraps are cases in point. Consumers are opting for healthy options at the supermarket as well. Many now cook with healthier oils as opposed to ghee and butter, the traditional cooking medium in India.

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI
www.ficci.com

SUPPLY DRIVERS OF THE FOOD & BEVERAGE INDUSTRY

Following are the supply drivers of Food & Beverage Industry:

1. **Economic liberalisation -** A free economy enables growth in food sector
   With economic liberalization in the early 1990s, barriers to doing business were either removed or minimised. Economic reforms helped India attract investments in the sector from foreign companies wanting to enter the Indian market and also from private equity firms.

2. **Infrastructure development -** Growth of third party logistics providers
   As an offshoot of the growth in this sector, third party logistics providers, which transport the produce and food products from source to destination, have also emerged.

3. **Contract cultivation -** Global brands now outsourcing their raw materials
   Companies are signing contracts with farmers to grow a specific crop and guaranteeing to buy the produce at an agreed price—have emerged as a preferred way to source agricultural produce. Take the case of potatoes. McCain Foods, which supplies McDonald's, has 400 farmers cultivating 2,000 acres of potato fields in Gujarat under contract. Pepsi Foods has over 2,000 farmers on contract, covering 7,000 acres across Haryana, Punjab, and Uttar Pradesh.

4. **Multiple cuisines -** Increasing number of consumers accepting multiple cuisines
   The foray of Indian restaurants into a variety of global cuisines is having a positive impact on the F&B sector. Customers are more willing to experiment with different cuisines because it is now easily accessible in the cities they live in, and this trend could also increase Indian consumers' frequency of eating out.

5. **New retail formats -** Food courts in malls have given a boost to the sector
   Emergence of new and diverse retail formats in the F&B sector has resulted in companies finding a new format for operations in the form of food courts in large format malls. These food courts offer consumers, largely a conversion of mall's footfalls, easy access to food at the time of shopping and entertainment activities and also offer a choice of multiple cuisines.

Source: Unlocking the potential in the food and beverage services sector, 2015, FICCI; www.ficci.com

CHALLENGES AND PROBLEMS FACING THE INDIAN FOOD & BEVERAGES INDUSTRY

Below are the challenges and problems faced by the Indian Food and Beverages Industry

1. **Lack of quality infrastructure**
   The food processing industry is among one of the largest industries in India and ranks 5th in terms of production, consumption and exports – its market size is estimated to be around INR 7.5 lakh crore. The food processing industry has a large presence of about 42% in the un-organised sector, whereas the organised sector is only 25% and the remaining is small scale industries. Consumption of processed food is still nascent to India and with growing urbanisation and disposable incomes, this trend is now increasing.
   The government is also providing incentives for reducing food wastage and increase the value addition to the end produce. The uniformity and quality of processed food available is still not at par with global standards which are required by a buoyant restaurant industry – as the sector develops and focused collaboration starts for farm to fork production, the processed food available in India would also increase.

2. **Lack of adequate skilled manpower**
   Gross annual demand of employees in the hospitality sector had crossed 500,000 in 2009 – 10 and is likely to grow to almost 920,000 in 2021-22.It has been estimated that current supply available for trained manpower for the entire hospitality industry is only 9-12%. This leaves a very large gap to be fulfilled. With a fast growing industry, the problem only multiplies and this is one of the main reasons hampering the further growth & development of the sector.
   There are a total of 337 training institutes (March 2010) in the hospitality sector. This includes 38 government owned hotel management and food craft institutes and almost 200 others which are either affiliated to a university or approved by the AICTE.
   The biggest gap is in the front office/ restaurant service/ waiter category:
   - Housekeeping, followed by F&B and front office, together account for 68% of the workforce in the hotels industry
   - In restaurants and other eating outlets, F&B service closely followed by the kitchen account for close to 70% of all employees

   Formal training is required to produce both managerial and non-managerial personnel.

3. **High real estate cost are a big hindrance to growth**
   While the Indian F&B service space has seen rapid growth in the past few years, the rising real estate costs is proving detrimental to the holistic growth of the industry. There is a shortage of quality real estate in India and due to the high demand, restaurants often find themselves paying global rentals at Indian prices. Real estate rentals have increased 3 to 4 times in the past 4 years, contributing a significant percentage to the total costs incurred during operations.
   Real estate costs account for on an average 15-20% of the revenues and is the second largest item after raw materials – this is significantly larger than the global average of <15%. This is further accentuated with the addition of service tax on the rental value.

In such situations, the stand alone restaurants lose out as the larger chains / brand aggregators are able to lower the rentals through effective negotiations and cornering a large chunk of the prime space available. Innovative models have been explored in retail which need to percolate in the restaurant business i.e. revenue share, deferred rents, equity share, etc.

4. Licensing

There are several different types of licenses required before one can commence his/her restaurant operations. With the large number of licenses required and the time taken for obtaining these, the restaurant industry always has a large lead time for opening new outlets.

In addition to the time taken, the cost of compliance is also high which can be easily avoidable. Internationally, the ease of setting up a new restaurant is significantly high and in countries like Turkey, the number of licenses can be as low as 2.

The license requirements are mostly consistent throughout India except for states like Maharashtra that may have some regulations specific to that state only. Following are some of the key licenses required to open a new restaurant in the country:

Indicative

General Licensing Requirements		
Nature Of License	Issuing and Regulatory Body	Compulsory/ Optional
Health/Trade License	Municipal Corporation / State Health Department	Compulsory
Eating House License	Licensing Branch – Police Commissioner	Compulsory
Liquor License (L17 as per new excise law)	Excise Commissioner	Compulsory for service of liquor
Approval/ Re-approval of restaurants	Dept. of Tourism of the state concerned	Compulsory for obtaining a liquor license
Playing Music in restaurants-License	Phonographic Performance Limited/ Indian Performing Rights Society	Compulsory if recorded/ live music of copyright holders is being played
Environmental Clearance	As per state laws	Compulsory
NOC (Fire Department)	State Fire Departments	Compulsory
Lift License	Concerned authority of states/ Office of the Labor Commissioner	Compulsory if lift is to be operational
Insurance 1) Public Liability 2) Product Liability 3) Fire Policy 4) Building & Asset	Insurance policies are must can be obtained from any insurance company	Compulsory
Nominations Under PFA(Food Adulteration) Act 1) 1954 section 17 (2) 2) Rule 12 B of 1955	Director Prevention of Food Adulteration of the State	Compulsory and to be applied for in prescribed form
Shop and Establishment Act	Applicable as per act and state law	Compulsory
Signage License	Municipal Committee/ Corporation of city	Compulsory

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

5. Tax incidence

The Indian restaurant industry is burdened with multiple taxes like VAT, excise, and service tax, besides different state taxes, which add up to 17.5-25% of the bill value. The 2 key taxes levied are VAT and Service Tax:

- VAT rates can vary between 5% and 20% usually and is different in case of food items & alcoholic drinks – the states decide on the rates
- Service tax is the tax levied by the government on the services rendered by specifically air-conditioned restaurants and is charged at 12.36% of 40% of the total bill value. This can be equated to 40% x 12.36% = 4.94% on the total bill, including food, drinks and the service charge.

In comparison to regular retail, the incidences of such taxes are around 10-15%. Since this is usually charged to the customers, with a customary tip / service charge of 10%, the incidence of taxes and charges over and above the bill value is almost 33%. In addition, charging VAT and service tax on the same bill value (even though 60% reduction is available on service tax), amounts to double taxation as by definition, they should not be charged on the same item. This inflates the overall cost to the consumer thereby dissuading them from returning frequently.

Source: Unlocking the potential in the food and beverage services sector, 2015 FICCI www.ficci.com

OUR BUSINESS

Overview

Incorporated in 2007, our Company Vidli Restaurants Limited is engaged in the hospitality business and runs chain of restaurants either through own operated outlets or through franchisee operated outlets. Our Company started its commercial operations from November 2013. The registered office of our Company is situated at Office no. 26, Building 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri (East), Mumbai – 400 059. Over these last 2 years, our Company has carved a niche for itself and is successfully operating 2 restaurants and running 37 franchisee outlets.

Our Company runs a chain of restaurants serving hygienic standardized food items in a quick serve format at various outlets on national highways, state highways and cities. Currently, as on December 30, 2015, our Company has 39 restaurants in western, northern & central India having presences on major highways. Our Company believes in providing quality food in hygienic surroundings at convenient locations for serving our customers better. Hygiene, quality and customer satisfaction are core concepts exercised by our team at all outlets which distinguishes us from local restaurants. Our hygienic and convenient locations, dedicated team efforts, quality of service and products are our strengths which help us work towards our long term vision of being largest, trusted and premium vegetarian family restaurants.

Our success depends on the value, perception and marketing of brands "VITHAL KAMATS" and "KAMATS". Our ability to market and increase our franchisee network is significantly dependent on these brands. We believe that maintaining and enhancing the abovementioned brands is important for our competitive advantage. However, the abovementioned brands are not owned by us; nor do we have exclusive agreement with their owners for their usage.

"Vithal Kamats" and "Kamats" Group is a known name in Hotel & Restaurant Industry segment. Over the years, Kamat Group has been instrumental in launch of successful hospitality verticals and Restaurants Brand **"Vithal Kamats Original Family Restaurants" and "Kamats Original Family Restaurants".** Over the years, Kamat Group has emerged as a symbol of quality, originality and truth, which has in turn nurtured trust among people for our services.

We do not own the brands "VITHAL KAMATS" and "KAMATS" but have a right to use the same by virtue of Trade Mark User Agreement executed with the owner of the Brands.

Our Company has also entered into Master Franchisee Agreement dated August 6, 2015 with MNM Group for a period of 5 years wherein the said group would have exclusive rights to give franchisee in Gujarat region.

The food menu at the restaurant mainly comprises of South Indian Snacks, Pav Bhaji, Sandwiches, North Indian Snacks, Indian Foods items etc.

Our Business Operations

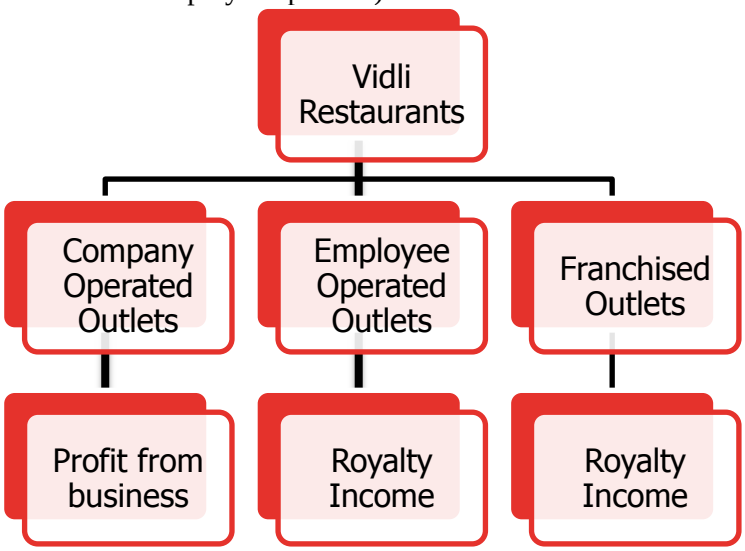
Our Company started its commercial operations in November 2013. Since then, the company started expanding its restaurant chain and concentrated on standardising its products and services through centralised purchasing and training system. As on December 30, 2015, there are 39 operational restaurants of our Company.

Our Company largely targets affordable segment of the market through our outlets. Presently, our operations are categorised into ***family dining, khaojao and kamat's corner model***:

Family Dinning: This type of outlet is built on 1500 sq. ft. or more area space with seating space of 80 to 100 persons. Currently, our Company has 34 family dinning outlets, of which, 29 are located in Maharashtra, three are located in Gujarat, one is located in Rajasthan and one is located in Madhya Pradesh.	
	KhaoJao: This form of outlet is favourable for high traffic moving streets of a city. It needs less than 500 sq. ft of area to set-up with standard and limited items on its menu. We have 3 *khaojao* outlets, of which, one is located in Uttar Pradesh, and two are located in Maharashtra.
Kamat's Corner: This form of food joints / outlet is specially designed for space constraint viz. malls etc. serving fast food and ready to eat items. Currently, our Company has a kamat's corner in Metro Junction mall, Kalyan, Maharashtra and Ved Trans Cube Plaza, Vadodara, Gujarat.	

Operating Model:

Our Company mainly operates through franchisee model. As on December 30, 2015, our Company has 39 outlets, of which 2 outlets are Company operated and rest 37 outlets are franchised outlets (including 4 outlets which are employee operated).



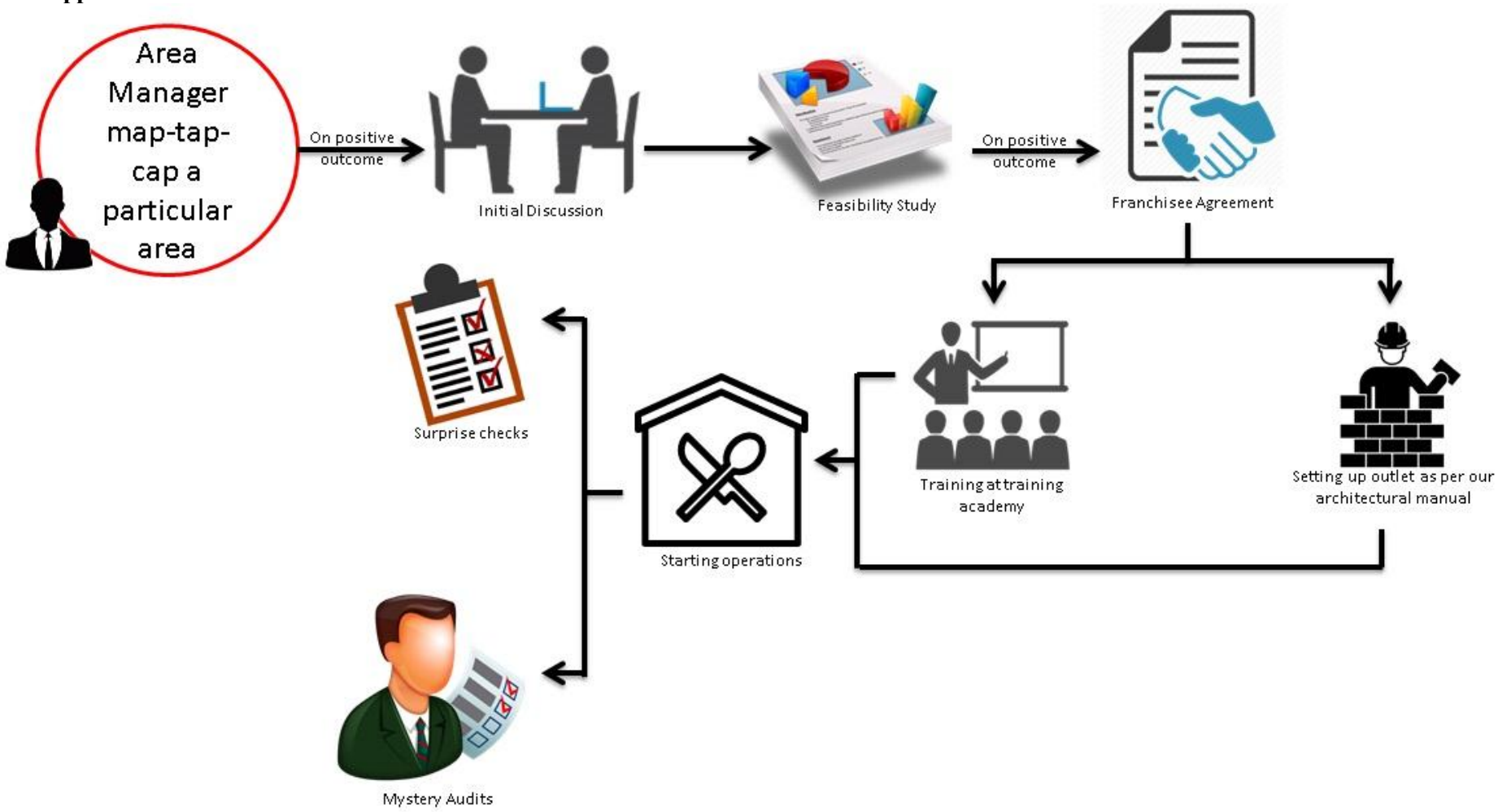
Our Presence:

We have currently as on December 30, 2015, 32 outlets in Maharashtra, 1 in Madhya Pradesh, 1 in Uttar Pradesh, 1 in Rajasthan and 4 in Gujarat. Below are the locations of our outlets across India marking our existing set-up and prominent landmarks:

The following table shows details of our restaurants, including franchisee restaurants by locations as on December 30, 2015.

State	Own	Franchisee
Maharashtra	1	31
Gujarat	0	4
Madhya Pradesh	0	1
Rajasthan	1	0
Uttar Pradesh	0	1

Our Approach:



1. **Map-tap-cap:** We follow the concept of map-tap-cap. Our area manager studies a select area and identifies several locations i.e. maps the location. Then the area manager studies the identified locations and submits an initial report to management, detailing various factors namely vehicle count on the highways, nearby local restaurants etc., i.e. he taps the select locations. Based on his study and initial report, management selects prominent locations for capping the available opportunity.

2. **Initial Discussion:** After a prominent location is identified, our team has an initial discussion with the land / premises owner and conducts a feasibility study of the location. On positive outcome from feasibility study, the land/ premises owner shares a letter of intent showing his interest to be a part of our family. We sign a term sheet and receive joining fees from the land / premises owner.

3. **Operational Set-up:** Our next step is to enter into franchise agreement with land/premises owner. Once the agreement is entered into, outlet is developed by the land / premises owner as per our architectural manual. Simultaneously, the employees/staff are trained at our in-house training academy at Panvel for providing better service and quality to our customers. Further, once the outlet is functional we deploy our chef to the outlet for approx. a week time so that the staff / employees at the outlet are provided on-job training.

4. **Constant Review:** Our area manager conducts surprise checks of our outlets and discusses with management for any improvement. Further, we hire a third party agency to conduct mystery audits of our outlets to maintain our standards.

COMPETITIVE STRENGTHS

Hygienic environment, quality of services and products, effective project management, etc. have contributed to our success and given us a competitive edge over local competitors.

1. Hygienic and Prominent Location of our outlets:

Our area manager identifies prominent location and conducts feasibility study of the location. We have a robust location selection process considering factors like location visibility, presence of competition, vehicle count etc. Based on such research, we move forward and develop the set-up. Further the outlets are developed as per our architectural manual. This helps us provide hygienic and safe environment to our customers.

2. Sadhak-Chalak-Malak Approach:

We follow '*Sadhak-Chalak-Malak*' approach in our business set-up. Under this concept, an employee first joins Kamat family as a staff i.e. *Sadhak*. Then capable employee is promoted to the level of manager i.e. he becomes a *Chalak*. Further, on gaining requisite experience, he is allowed to be the owner of the outlet i.e. he becomes the *Malak* of the restaurant. This enables us develop a long term bond and commitment with our employees.

3. Effective Project Management:

A single area manager is in-charge of 10 outlets. On constant basis, the area manager conducts surprise visits of our outlets and reports the same to management. Additionally, we conduct mystery audits by external agency to review the performance. Any discrepancy in performance or operations is reported to our management for remedial measures.

4. Standardised Procurement of Raw Materials:

We procure raw-materials like premix, gravy/paste etc. from select third party suppliers on centralised basis and then dispatch it to our various outlets as per their requirement. This helps us ensure serving of standard products at all our outlets.

5. Software Based Billing System:

All our outlets are provided with 'Point-of-Sale' (POS) billing system. Daily sales report is generated through the software which is forwarded by outlet owner to area manager. This helps us keep a track on the revenue generated from an outlet on daily basis.

6. Quality Products and Services:

Standardised raw materials, on-job training, conducting mystery audits and such other measures ensure that our quality of products and services are never compromised.

7. In-house Training Academy:

We have an in-house training academy at Panvel wherein we train our employee to prepare our cuisines, operate POS billing system, Material Management System (MMS), quality and cost control etc. Further, the restaurant owners / chefs are given an opportunity to attend paid 'Restaurant Manager Training Certification Program' and 'Chef Training Certification Program' for constant updation.

OUR STRATEGIES

Our long term vision is to be the largest premium trusted vegetarian family restaurant chain serving best to our guests and delight them through dedicated and experienced team.

1. Penetrate our Presence through establishing new food joints in malls

Currently, we have presence in Maharashtra, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh and serve our customers majorly on national highways, state highways and cities. Our Company has 2 outlets located in malls at Kalyan and Vadodara. We plan to expand our presence in the state of Maharashtra through opening 8 new company operated food joints in various malls. We have already identified 1 location in Maharashtra and are in the process of identifying other location which will help expand our reach and presence in the state. For details, please refer to chapter titled "Objects of the Issue" on page 79 of this Prospectus.

2. Penetrate our Presence in exiting cities

Currently we have presence in Maharashtra, Rajasthan, Gujarat, Uttar Pradesh and Madhya Pradesh. We plan to expand our presence in these cities by entering into new franchisees. We have already identified around 20 franchisees located in Maharashtra and Gujarat which will help expand our reach and presence in the state.

3. Expand our reach by entering into new cities

We plan to broaden our reach by expanding in new cities and towns where we currently have no operations. Our team constantly searches for new location by considering factors like location visibility, presence of competition, vehicle count etc. This will help us expand our footprint and increase our scale of operations.

4. Improving functional efficiency

Our Company intends to improve operating efficiencies to achieve cost reductions to have a competitive edge over the peers. We believe that this can be done through continuous process improvement, customer service and technology development.

5. Leveraging our market skills and relationship

Leveraging our market skills and relationships is a continuous process in our organization and the skills that we impart in our people give importance to customers. We aim to do this by leveraging our marketing skills and relationships and further enhancing customer satisfaction.

MARKETING AND ADVERTISING STRATEGY

One of the key elements of our business operations is our marketing strategy. Our marketing strategy is focused on understanding key aspects of consumer behavior and identifying opportunities. The core of our marketing strategy is to deliver product and service solutions to address these opportunities and to associate the Kamats brand with key consumer requirements. We follow '*Sadhak-Chalak-Malak*' approach in our business set-up. Under this concept, an employee first joins Kamat family as a staff i.e. *Sadhak*. Then capable employee is promoted to the level of manager i.e. he becomes a *Chalak*. Further, on gaining requisite experience, he is allowed to be the owner of the outlet i.e. he becomes the *Malak* of the restaurant.

COMPETITION

Restaurant industry in India is competitive and fragmented in nature. It is divided between organised and unorganised segments such as small, non-branded restaurants. Data relating to the unorganised segment is scarce and not reliable. The number, size and strength of competitors vary from location to location. There are a number of small operators in the catering and restaurant business. We believe that competition is based on, inter alia, quality and breath of services and management talent, pricing, variety of cuisines offered, location, service innovation, hygiene, reputation within the industry and financial strength and stability.

List of Competitors:

We compete with smaller restaurant chains as well as individual restaurants within the cities and towns in which we operate.

Area of Competition:
Competition is based on a number of factors viz. price, type of cuisine, quality of food, quality of service, brand and outlet location, etc. Competition within the family dining segment, however, focuses mainly on the quality of food and service and ambience.

UTILITIES & INFRASTRUCTURE FACILITIES

Infrastructure Facilities

Our registered office taken on lease at Andheri, Mumbai, Maharashtra, is well equipped with computer systems, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

Our restaurants and franchisees are also equipped with facilities like water, electricity, internet connectivity, other communication equipment, security and other facilities, which are required for our business operations to function smoothly.

PRICING POLICY

Our pricing policy is generally based on the costs of operation and raw materials, marketing analysis, client's requirement and our competitive position. We review our pricing on contract singing or on renewal basis. For our restaurant business we review our menu pricing from time to time, including when prompted by price fluctuations of our raw materials.

MAJOR CUSTOMERS

Customers at our outlets are general public.

LAND & PROPERTIES

Our registered office at Office no. 26, Building 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri (East), Mumbai – 400 059 is not owned by us and is taken on lease for 3 years from December 1, 2015 to November 30, 2018.

Our Company have 3 rented outlets for operating restaurant, details of which are as under:

Sr. No.	Type of Property	Licensed Premises and User	License Period
1.	Leased premises	Premises: Khasra No. 861/0.73 Area 0.73 Hect., Kanwarpura Village, Kotputli, Jaipur User: Vidli Restaurants Limited	10 years (120 months) from October 21, 2014 till October 20, 2024
2.	Leased premises*	Premises: Survey No. 292/139 to 143, Khadki Village, Pardi Taluka, Valsad District, Gujarat User: Vidli Restaurants Limited	5 years from June 1, 2014 till May 30, 2019
3.	Leased premises	Premises: Metro Junction Mall, Netivli Village, Shil Road, Kalyan. User: Vidli Restaurants Limited	From July 18, 2015 till July 17, 2020

* The said outlet was earlier run by our Company but has been handed over to MNM Group as is currently run as franchisee outlet.

Our franchise restaurants are located on properties which are approved by us and either owned or leased by the franchisees.

INTELLECTUAL PROPERTY

Our intellectual property is an important factor for marketing and enhancing our sales. The Company has licence to use certain intellectual properties. The details of which are as follows:

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
1.	"KAMATS" under class 43 of Trademark Act, 1999	Device – Restaurant	Kamat Holiday Resort (Silvassa) Limited	2986229	June 16, 2015	Send to Vienna Codification	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and copyright in the form of artwork.
2.	"KAMATS" under the provisions of Copyright Act, 1957	Unpublished Artistic Work	Kamat Holiday Resort (Silvassa) Limited	A114316/2015	November 13, 2015	Registered	
3.	"VITHAL KAMATS" as special form of writing under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1545811	April 2, 2007	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
4.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	2010226	August 17, 2010	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
5.	"VITHAL KAMATS" class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1640351	January 11, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
6.	"VITHAL KAMATS" under	Device - Restaurant	Dr. Vithal V Kamat	2009447	August 16, 2010	Registered	Our Company has entered into

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
	class 43 of Trademark Act, 1999						*Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
7.	"KAMATS" (special form of writing)	Device - Restaurant	Dr. Vithal V Kamat	1545819	April 2, 2007	Registered	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and copyright in the form of artwork.
8.	VITHAL KAMATS (LABEL) under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1739256	September 30, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
							October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
9.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1743062	October 14, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
10.	"VIDLI" under class 43 of Trademark Act, 1999	Device - Restaurant	Mr. Vikram V Kamat	2857895	December 8, 2014	Send to Vienna Codification	--

For further details of our intellectual property, please refer chapter titled "Government / Statutory and Other Approvals" beginning on page 238 of this Prospectus.

HUMAN RESOURCES

Our employees are key contributors to the success of our business. As of November 30, 2015, we employed 22 full-time employees. The following table provides information about our employees:

Particulars	No. of employees
AVP Operation	01
General Manager	02
Business Development Manager	01
Area Managers	04
Unit Manager	02
Others Staff	12

None of our staff are represented by a labour union or covered by a collective wage bargaining agreement.

INSURANCE

We have taken insurance to cover different risks which we believe is sufficient to cover all material risks to our operations and revenue. We maintain a comprehensive set of insurance policies, which are mentioned below. These policies include standard fire building and /or contents, burglary, etc. For further details in relation to risks associated with insurance policies of the Company, please refer to "Risk Factors" section on page 16 of this Prospectus.

Sr. No.	Nature of Policy	Address of Property	Policy No.	Expiry date
1.	Money Policy includes infidelity of employee and (Strikes, Riots and Civil Commotion) SRCC Cover	Shop No. KS 342NS Floor, Metro Junction Mall, Netivali, Kalyan Shil Road, Kalyan (East), Thane	12030048150300000015	September 6, 2016
2.	Money Insurance Policy	NH-08,Village C/O Hotel Highway Choice, Kanwpura,Tah Kotputli, Dist Jaipur	12030048140300000027	February 12, 2016
3.	Fidelity Guarantee (Unnamed (Floating)) Insurance	Shop No. KS 342NS Floor, Metro Junction Mall, Netivali, Kalyan Shil Road, Kalyan (East), Thane	12030046150900000011	September 6, 2016
4.	Fidelity Guarantee	NH-08,Village C/O Hotel Highway Choice, Kanwpura, Tah Kotputli, Dist Jaipur	12030046140900000019	February 12, 2016
5.	Standard Fire & Special Perils Policy	Shop No. KS 34, 2nd Floor, Metro Junction Mall, Netivali, Kalyan Shil Road, Kalyan (East), Thane – 421301, Maharashtra	12030011150100000044	September 6, 2016
6.	Standard Fire & Special Perils Policy	NH-08,Village C/O Hotel Highway Choice, Kanwpura, Tah Kotputli, Dist Jaipur	12030011140100000082	February 12, 2016

Sr. No.	Nature of Policy	Address of Property	Policy No.	Expiry date
7.	Electronic Equipment Insurance	Shop No. KS 34, 2nd Floor, Metro Junction Mall, Netivali, Kalyan Shil Road, Kalyan (East), Thane – 421301, Maharashtra	12030044155800000012	September 6, 2016
8.	Electronic Equipment Insurance	NH-08, Village C/o Hotel Highway Choice, Kanawpura, Kotputli, Rajasthan	12030044145800000018	February 12, 2016
9.	Public Liability Non Industrial Insurance Policy	Covering all the Company and Franchised Restaurants	12030036150700000005	August 23, 2016
10.	Plate Glass (Stand Alone) Insurance	NH-08,Village C/O Hotel Highway Choice, Kanwpura, Tah Kotputli, Dist Jaipur	12030046141900000007	February 12, 2016
11.	Burglary Insurance	NH-08, Village C/o Hotel Highway Choice, Kanawpura, Kotputli, Jaipur	12030046140100000036	February 12, 2016

KEY INDUSTRY REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to the Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice. The statements below are based on the 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.

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. The FSSA also sets out requirements for licensing and registering food businesses, general principles for food safety, and responsibilities of the food business operator and liability of manufacturers and sellers, and adjudication by 'Food Safety Appellate Tribunal'.

In exercise of powers under the FSSA, the Food Authority has framed the Food Safety and Standards Rules, 2011 (the "FSSR") which were notified in the Gazette of India dated August 5, 2011 and 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 FSSA lays down penalties for various offences (including recall procedures).

The Food Authority has also framed the following food safety and standards regulations:

- Food Safety and Standards (Licensing and Registration of Food Businesses) Regulations, 2011;
- Food Safety and Standards (Packaging and Labelling) Regulations, 2011;
- Food Safety and Standards (Food Product Standards and Food Additives) Regulations, 2011;
- Food Safety and Standards (Prohibition and Restriction on Sales) Regulations, 2011;
- Food Safety and Standards (Contaminants, Toxins and Residues) Regulations, 2011; and
- Food Safety and Standards (Laboratory and Sampling Analysis) Regulations, 2011.

The Bureau of Indian standards Act, 1986 ("BIS Act")

The BIS Act provides for the establishment of bureau for the standardization, marking and quality certification of goods. Functions of the bureau include, inter-alia, (a) recognizing as an Indian standard, any standard established by any other institution in India or elsewhere, in relation by any other institution in India or elsewhere, in relation to any article or process; (b) specifying a standard mark to be called the Bureau of Indian Standards Certification Mark which shall be of such design

and contain such particulars as may be prescribed to represent a particular Indian standard; and (c) make an inspection and take such samples of any material or substance as may be necessary to see whether any article or process in relation to which the standard mark has been used conforms to the Indian Standard or whether the standard mark has been improperly used in relation to any article or process with or without a licence.

Other regulations:

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. Further, the Legal Metrology act lays down penalties for various offences. The key features of the Legal Metrology Act are:

• Appointment of Government approved test centres for verification of weights and measures;
• Allowing the companies to nominate a person who will be held responsible for breach of provisions of the Act; and
• Simplified definition of packaged commodity and more stringent punishment for violation of provisions.

The Motor Transport Workers Act, 1961 ("MTW Act")

The MTW Act provides for the welfare of motor transport workers and to regulate the conditions of their work and prescribes that motor transport undertakings must be registered under the Act. Any contravention of a provision regarding employment of motor transport workers is punishable with imprisonment for a term which may extend to 3 months, or with fine which may extend to five hundred rupees or with both.

Fatal Accidents Act, 1855

The Fatal Accidents Act, 1855 enables the bringing of a suit for compensation by the family of a person for loss occasioned to it by his death by actionable wrong.

Motor Vehicles Act, 1988 ("MV Act")

The MV Act aims at consolidating the laws related to motor vehicles and, among other things, provides for compulsory driving license, compulsory insurance, registration of vehicles and compensation in case of no fault liability. Acts such as driving the vehicle without a valid license, allowing such person to use the vehicle, and driving vehicle of unsafe condition, are criminal offences under the MV Act. The Road Safety and Transport Bill, 2015 which is the proposed new Act to replace the existing road safety legislative framework, prescribes heavy penalties for a violation of its provisions.

Municipality Laws

Pursuant to the Constitution (Seventy-Fourth Amendment) Act, 1992, the respective State Legislatures in India have the power to endow the Municipalities with the power to implement schemes and perform functions in relation to matters listed in the Twelfth Schedule to the Constitution of India which includes regulation of public health. The respective States of India have enacted laws empowering the Municipalities to regulate public health including the issuance of a health trade license for operating eating outlets and implementation of regulations relating to such license along with prescribing penalties for non compliance.

Shops and Establishments Legislations

The respective State Governments have the power to make laws on the subject matter. In exercise of these powers, various State Governments have enacted the shops and establishments act which is applicable to the shops and commercial establishments within the respective states as may be specified by the Government. Each state has its own legislation on shops and establishments which lay down inter alia, guidelines for regulating the hours of work, rest intervals, over time, payment of wages, leave, holidays, terms of service, and other conditions of work of persons employed in shops, commercial establishments maintenance of shops and establishments and other rights and obligations of the employers and employees etc. and to discourage the malpractices by employers towards their employees.

Police Laws

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

Intellectual Property Laws

The Trademarks Act, 1999

The Trademarks Act, 1999 provides for the application and registration of trademarks in India.
The Trademarks Act, 1999, 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. The purpose of the Trademarks Act, 1999 is to grant exclusive rights to marks such as a brand, label, heading, name, word, letter, number, shape of goods, packaging or combination of colours or any combination thereof and to obtain relief in case of infringement. The Trademarks Act, 1999 prohibits registration of deceptively similar trademarks and provides for penalties for infringement, falsifying and falsely applying trademarks.

Environmental Regulations The major statutes in India which seek to regulate and protect the environment against pollution related activities in India include the Water (Prevention and Control of Pollution) Act, 1974 ("Water Act"), the Air (Prevention and Control of Pollution) Act, 1981 ("Air Act"), the Environment Protection Act, 1986 ("EPA") and the Hazardous Waste (Management, Handling and Transboundary Movement) Rules, 2008 ("Hazardous Waste Rules"). The basic

purpose of these statutes is to control, abate and prevent pollution. In order to achieve these objectives, Pollution Control Board ("PCB"), which are vested with diverse powers to deal with water and air pollution, have been set up in each state.

The Water Act prohibits the use of any stream or well for the disposal of polluting matter, in violation of the standards set down by the state PCB. The Water Act also provides that the consent of the state PCB must be obtained prior to opening of any new outlets or discharges, which are likely to discharge sewage or effluent.

The Air Act requires that any individual, industry or institution responsible for emitting smoke or gases by way of use as fuel or chemical reactions must apply in a prescribed form and obtain consent from the State PCB prior to commencing any activity.

The Hazardous Waste Rules, as amended, impose an obligation on each occupier and operator of any facility generating hazardous waste to dispose off such hazardous wastes properly and also imposes obligations in respect of the storage, treatment and storage of hazardous wastes. The occupier is liable for damages caused to environment or third party resulting from improper handling or disposal of hazardous waste.

The Public Liability Insurance Act, 1991 ("Public Liability Act")

The Public Liability Act imposes liability on the owner or controller of hazardous substances for any damage arising out of an accident involving such hazardous substances. The occupier is liable for damages caused to the environment resulting from the improper handling and disposal of hazardous waste.

Fire Prevention Laws

The state legislatures have enacted fire control and safety rules and regulations of which Maharashtra Fire Prevention and Life Safety Measures Act, 2006, is applicable to our Company established in Maharashtra. The legislation include provisions in relation to fire safety and life saving measures by occupiers of buildings, licensing provisions and penalties for non-compliance. Corresponding applicable legislations for fire safety as notified in Gujarat, namely the Gujarat fire Prevention and Life Safety Measures Act, 2013 and corresponding Rules are applicable to our units established in Gujarat vide the franchisee model.

Consumer Protection Act, 1986 ("COPRA")

The COPRA aims at providing better protection to the interests of consumers and for that purpose makes provisions for the establishment of authorities for the settlement of consumer disputes. The COPRA provides a mechanism for the consumer to file a complaint against a trader or service provider in cases of unfair trade practices, restrictive trade practices, defects in goods, deficiency in services, price charged being unlawful and goods being hazardous to life and safety when used or being offered for sale to the public. The COPRA provides for a three tier consumer grievance redressal mechanism at the national, state and district levels. Non compliance of the orders of these authorities attracts criminal penalties.

Labour Related Regulations

Certain other laws and regulations that may be applicable to our Company include the following:

- Contract Labour (Regulation and Abolition) Act, 1970;
- Inter State Migrant Workers Act, 1979;
- Factories Act, 1948;
- Employees' State Insurance Act, 1948;
- Employees' Provident Funds and Miscellaneous Provisions Act, 1952;
- Minimum Wages Act 1948;
- Employees Compensation Act, 1923;
- Maternity Benefit Act, 1961;
- Child Labour (Protection and Prohibition) Act, 1986;
- Industrial Disputes Act, 1947

OUR HISTORY AND CERTAIN OTHER CORPORATE MATTERS

Our History and Background

Our Company was originally incorporated on August 24, 2007, as "**Kanisha Hotels Private Limited"** under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Maharashtra, Mumbai. The name of our Company was changed to **"Vithal Kamats Restaurants Private Limited"** and a fresh certificate of incorporation consequent upon change of name was issued by the RoC on October 1, 2013. Subsequently, the name of our Company was changed to **"Vidli Restaurants Private Limited"** and a fresh Certificate of Incorporation pursuant to change of name was issued by the Deputy ROC on February 26, 2015. Our Company was converted into a Public Limited Company pursuant to Shareholders Resolution passed at the AGM of the Company held on October 7, 2015 and the name of our Company was changed to **"Vidli Restaurants Limited"**. A Certificate of Incorporation consequent upon conversion to public limited company was issued by the Deputy RoC on November 23, 2015. The Corporate Identification Number of our Company is U55101MH2007PLC173446. For details of the changes in our Name and Registered Office, please see section titled "***History and Certain Corporate Matters"*** on page 134 of this Prospectus.

Dr. Vithal Kamat and Mr. Ramesh Shanbhag were the original subscribers to the Company's Memorandum and Articles of Association in the year 2007. Our current promoters were first associated with our Company as below:

Promoters	Association
Ms. Vidhi V Kamat	First acquired shares on November 22, 2014 and was elected as director on December 26, 2014
VITS Hotels Worldwide Private Limited	First acquired shares on September 24, 2013
Conwy Finance and Leasing Private Limited	First acquired shares on September 24, 2013

Changes in Registered Office of the Company since incorporation

At the time of Incorporation, our Registered Office was situated at 70-C, Nehru Road, Vile Parle East, Mumbai -400099. Subsequently our registered office was shifted to:

From	To	Date of Change	Reason for Change
70-C, Nehru Road, Vile Parle East, Mumbai -400099	C-1502, RNA Azzure, Prajakta CHS, Kher Nagar, Bandra East, Mumbai – 400051	December 26, 2014	Administrative Convenience
C-1502, RNA Azzure, Prajakta CHS, Kher Nagar, Bandra East, Mumbai – 400051	Office No.26, Building No. 1, Ajay Mittal Industrial. Premises Limited, Marol, Andheri East, Mumbai – 400059	December 7, 2015	Administrative Convenience

Currently, our Registered Office of the Company is situated at Office No.26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai – 400059.

Main Object of our Company

The main objects of our Company as set forth in the Memorandum of Association of our Company are as follows:

"To carry on the business in all the segments of hospitality and hotel industry and to build, develop, manage, run, conduct, the business of Holiday Resorts, Time Share Resorts, Vacation Resorts, Apartment Hotels or such Resorts by whatever name called providing accommodation and other holiday and recreational facilities to the members whether individuals, firms, companies, bodies corporate, or such other entities or to any other person(s) in India and/or abroad"

Changes in Memorandum of Association

Except as stated below there has been no change in the Memorandum of Association of our Company since its Incorporation:

Sr. No.	Particulars	Date of Meeting	Type of Meeting
1.	Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as "Vithal Kamats Restaurants Private Limited" on change of name of the Company.	September 26, 2013	EGM
2.	Initial authorised share capital of Rs. 5.00 lacs consisting of 50,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 161.00 lacs consisting of 16,10,000 Equity Shares of face value of Rs. 10/- each.	September 24, 2014	EGM
3.	Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as "Vidli Restaurants Private Limited" on change of name of the Company.	January 19, 2015	EGM
4.	Authorised share capital of Rs. 161.00 lacs consisting of 16,10,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 400.00 lacs consisting of 40,00,000 Equity Shares of face value of Rs. 10/- each.	March 3, 2015	EGM
5.	Clause I of the Memorandum of Association of the Company changed to reflect changed name of the Company as "Vidli Restaurants Limited" on change of name of the Company.	October 7, 2015	EGM
6.	Authorised share capital of Rs. 400.00 lacs consisting of 40,00,000 Equity Shares of face value of Rs. 10/- each was increased to Rs. 500.00 lacs consisting of 50,00,000 Equity Shares of face value of Rs. 10/- each.	October 7, 2015	EGM

Capital raising (Debt / Equity)

For details of the equity capital raising of our Company, please refer to the chapter titled "***Capital Structure***" on page 62 of this Prospectus.

We have not done any debt issuances or raised any long term debt since incorporation till date.

Key Events and Milestones

Year	Key Events / Milestone / Achievements
2007	Incorporation of the Company in the name and style of "Kanisha Hotels Private limited"
November 2013	Started our Commercial Operations
July 2014	Opened our first franchisee outlet/ food joint
December 2015	Successfully inaugurated opening of 25th outlet/ food joint

For details on technology, market, managerial competence and built up capacity; please refer to chapter titled "***Our Business***" beginning on page 115 of this Prospectus.

HOLDING COMPANY OF OUR COMPANY

Our Company has one holding company, VITS Hotels Worldwide Private Limited as on this date of filing of this Prospectus.

SUBSIDIARY COMPANY OF OUR COMPANY

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

PROMOTERS OF OUR COMPANY

The Promoters of our Company being Ms. Vidhi Kamat, VITS Hotels Worldwide Private Limited and Conwy Finance and Leasing Private Limited. For details, see "*Our Promoter and Promoter Group*" beginning on page 171 of this Prospectus.

CAPITAL RAISING ACTIVITIES THROUGH EQUITY OR DEBT

For details regarding our capital raising activities through equity and debt, refer to the section titled "*Capital Structure*" and *"Financial Indebtness"* beginning on page 62 and page 221 respectively of this Prospectus.

INJUNCTIONS OR RESTRAINING ORDERS

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

DETAILS OF OUR PAST PERFORMANCE

Our Company was incorporated in August, 2007. For details in relation to our financial performance since inception, including details of non-recurring items of income, refer to section titled "*Financial Statements*" beginning on page 194 of this Prospectus.

MERGERS AND ACQUISITIONS IN THE HISTORY OF OUR COMPANY

Our Company has not acquired any entity, business or undertakings nor has it undertaken any merger, amalgamation or revaluation of assets.

SHAREHOLDERS AGREEMENTS

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

OTHER AGREEMENTS

Our Company has not entered into any agreements/arrangement except under normal course of business of the Company, as on the date of filing of this Prospectus.

A. Franchise Agreements:

At present, we have identified and contracted with around 37 parties ("Franchisee") who are given right to use our standardized procedure for operation and promotion of restaurants under the brand/ trade name mentioned in the para titled 'intellectual property' in chapter "Our Business" beginning on page 115 of the Prospectus. In return, we receive franchisee fees by these parties. Below are the details of parties with whom the Company has entered into agreements:

Nature of Agreement	Agreement Dated	Franchisee	Franchisor & Confirming Party	Territory	Period
Addendum Franchise Agreement	May 21, 2015	Hotel Flora Executive Sitaram P Raut Sangeeta S Rathi	Our Company	Sangamner	January 23, 2013 to March 31, 2023
Franchise Agreement	January 27, 2013	Kailas M Chavan	Our Company Dr. Vithal V Kamat ('Confirming Party')	Satpur	January 27, 2013 to March 31, 2024
Franchise Agreement	January 16, 2014	Pruthviraj N Phate	Our Company Dr. Vithal V Kamat ('Confirming Party')	Mohol	10 Years
Franchise Agreement	February 6, 2014	Pralhad M Munde	Our Company Dr. Vithal V Kamat ('Confirming Party')	Badlapur	February 6, 2014 to March 31, 2025
Franchise Agreement	February 17, 2014	Virendra N Jadhav	Our Company Dr. Vithal V Kamat ('Confirming Party')	Rahuri	February 17, 2014 to March 31, 2025
Franchise Agreement	February 7, 2014	Shailesh D Ghule	Our Company Dr. Vithal V Kamat ('Confirming	Kondhapuri	February 7, 2014 to March 31, 2025

Nature of Agreement	Agreement Dated	Franchisee	Franchisor & Confirming Party	Territory	Period
			Party')		
Franchise Agreement	March 31, 2014	Alok S Chandewar	Our Company Dr. Vithal V Kamat ('Confirming Party')	Mahad	March 31, 2014 to March 31, 2025
Franchise Agreement	April 1, 2014	Amit S Amrutkar	Our Company Dr. Vithal V Kamat ('Confirming Party')	Wagunde	April 1, 2014 to March 31, 2022
Franchise Agreement	April 1, 2014	Rameshwar Nalwale	Our Company Dr. Vithal V Kamat ('Confirming Party')	Butibori	April 1, 2014 to March 31, 2017
Franchise Agreement	May 28, 2014	Aliyas B Dsouza	Our Company	Kikwi	May 28, 2014 to March 31, 2025
Franchise Agreement	April 21, 2015	Sunil R Bhilare	Our Company	Bhose (Panchgani)	April 21, 2015 to March 31, 2026
Franchise Agreement	May 28, 2014	Shree Swami Krupa Enterprises	Our Company	Khed Shivapur	May 28, 2014 to March 31, 2025
Franchise Agreement	September 11, 2014	Parvez A Shaikh	Our Company	Satara	September 11, 2014 to March 31, 2025
Franchise Agreement	September 17, 2014	Virendra N Jadhav	Our Company	Astegaon	September 17, 2014 to March 31, 2025
Franchise Agreement	June 29, 2015	Vikrant V Bhosale	Our Company	Udgir	June 29, 2015 to March 31, 2026
Franchise Agreement	June 17, 2015	Vardha Foods Harshad D Patil Pravin A Patil	Our Company	Kini	June 17, 2015 to March 31, 2026
Franchise Agreement	November 17, 2014	Bantus Greetings and Gifts	Our Company	Lucknow	November 17, 2014 to March 31, 2025
Franchise Agreement	July 1, 2014	Abhijit D Patil	Our Company Dr. Vithal V Kamat ('Confirming Party')	Pandharpur	July 1, 2014 to March 31, 2025
Franchise Agreement	October 30, 2014	S.A.J Foods	Our Company	Miraj	October 30, 2014 to March 31, 2025
Franchise	May 30,	Girish K Pimple	Our Company	Pardi	June 1, 2015 to

Nature of Agreement	Agreement Dated	Franchisee	Franchisor & Confirming Party	Territory	Period
Agreement	2015				May 31, 2019
Franchise Agreement	September 10, 2014	Dinesh Waghmare	Our Company	Rahuri	September 10, 2014 to March 31, 2025
Franchise Agreement	September 11, 2014	Sayaji S Patil	Our Company	Sangli	September 11, 2014 to March 31, 2025
Franchise Agreement	August 21, 2014	Shailesh D Ghule	Our Company	Saswad	August 21, 2014 to March 31, 2025
Franchise Agreement	January 8, 2015	Virendra N Jadhav	Our Company	Shanishing napur	January 8, 2015 to March 31, 2026
Franchise Agreement	December 23, 2014	Nikhil S Borawake	Our Company	Shirdi	December 23, 2014 to March 31, 2025
Franchise Agreement	December 30, 2014	Sai Chetna	Our Company	Shirdi	December 30, 2014 to March 31, 2025
Franchise Agreement	September 7, 2015	Manisha S Pachange	Our Company	Shirur	September 7, 2015 to March 31, 2026
Franchise Agreement	September 11, 2015	Sharad R Chaudhari	Our Company	Supa	September 11, 2015 to March 31, 2026
Franchise Agreement	October 30, 2014	Vikram Nalage	Our Company	Yavat	October 30, 2014 to March 31, 2025
Franchise Agreement	September 30, 2015	M/s MNM Group Mr. Bijotkar Mrunal Mr. Mayank Harishbhai Parek Mr. Neel Bipinchandra Desai	Our Company	Alkapuri Vadodara	September 30, 2015 to March 31, 2026
Franchise Agreement	November 16, 2015	M/s Shivam Indian Cuisine Pvt. Ltd.	Our Company	Sangli	November 16, 2015 to March 31, 2026
Franchise Agreement	October 25,2015	Mr. Suyash Shukla	Our Company	Kanya Kubja Nagar-Indore	October 25, 2015 to March 31, 2026
Franchise Agreement	October 20,2015	Cinnamon Multy Cuisines LLP	Our Company	Kamrej-Surat	October 20, 2015 to March 31, 2026

Nature of Agreement	Agreement Dated	Franchisee	Franchisor & Confirming Party	Territory	Period
Franchise Agreement	October 13,2015	Mr. Pramod Kumar	Our Company	Mahabaleshwar	October 13, 2015 to March 31, 2026
Franchise Agreement	October 13,2015	Shri Kitchen Dream	Our Company	Ved Trans Cube Plaza -Vadodara	October 13, 2015 to March 31, 2026
Franchise Agreement	November 4,2015	Mr. Sandip Tukaram Shelke	Our Company	Yevat-2	November 4, 2015 to March 31, 2026
Franchise Agreement	December 7,2015	Mr. Dattatray Suresh Gadakh	Our Company	Ghodegaon	December 7, 2015 to March 31, 2026

The Key terms and conditions of franchisee agreement:

1. **Non exclusivity of contract:**
   a. The franchise granted is only for the brand described in the franchise agreement within the given said territory. We are free to conduct any business through any of its companies / divisions / brands and provide any services as required by another company in the said territory.
   b. It is hereby agreed by the Franchisee that the franchise hereby granted to them is given on the assurance and promise of the Franchisee that the franchise shall be only for the Restaurant more particularly described in the franchisee agreement. The Franchisee further represents and warrants that the Franchisee shall in no circumstances shift the location of the Restaurant or any part thereof or under franchise to any other location in the Restaurant premises. The Franchisee further assures, agrees and confirms that for the breach of this condition by the Franchisee, they shall be liable to pay compensation as mentioned in the franchisee agreement to us without referring the matter for Arbitration. If the Franchisee intention to shift the location of the said Restaurant then Franchisee shall provide thirty (30) days notice in writing and our Company shall at its sole discretion allow the relocation in the same premises/territory as per our approval layout and the relocation expenses shall be done at the Franchisee's costs and expenses.
   c. If the Franchisee wishes to apply for the new territory it would be treated as a fresh application.

2. **Corporate Marketing and Sales Services:** Our Company shall provide to the following marketing and sales services;
   a. Inclusion of the Restaurant in local, regional and national tactical (i.e. short term) promotional and meeting markets if we deems such inclusion as suitable and beneficial for marketing the Restaurant;
   b. Inclusion of the Restaurant in our national strategic promotional and advertising programs which we may offer from time to time

3. **Access to Service Standards:** Our Company shall make available to the Franchisee our proprietary quality, service and product standards as may be established by us from time to time ("Service Standards")

4. **Access to Purchasing Services:** At the request of the Franchisee from time to time, our Company shall cause Kamat Restaurants Purchasing Services ("KRPS"), or by any name whatsoever i.e. our division, or any other of our affiliate providing such purchasing services, to render the following services to the Franchisee, which shall be similar to the services provided by KRPS to other Restaurants in the chain, pursuant to a purchasing agreement, the terms of which shall be separately and mutually agreed upon between the Franchisee and KRPS:
   a. Way in through us to the proprietary purchasing catalogues of KRPS and the purchasing standards for items used at chain Restaurants ("Restaurant Goods")
   b. Access through KRPS to forms of purchase orders and other documents to enable the Franchisee or us acting on behalf of the purchasing standards for items used at chain restaurants ("Restaurant Goods"); goods and to monitor and obtain reports concerning the Status thereof;
   c. Access through us to the nationwide telecommunications network which is links the purchasing offices of our currently located in Mumbai, Pune.
   d. Access to our computer software pursuant to terms and conditions;
   e. Access the expertise of our employees and consultants to seek assistance in purchasing Restaurant Goods including but not limited to completion of purchase order transactions with suppliers located outside the territory, a liaison and assistance with suppliers of Restaurant goods outside the territory, and handling inquiries by or any problems with suppliers of Restaurant goods outside the territory; and
   f. Such other consult in services and assistance as shall be mutually agreed upon between the Franchisee and us.

5. **Reimbursement and Compensation:**
   a. Compensation for service standards, licenses of marks and software: As consideration for access to the service standards and the licenses to use the marks and software pursuant to, respectively, as mentioned in the franchisee agreement, our Company shall be entitled to receive an annual license fee (the "License Fee") as a percentage of total revenue of the Restaurant as mentioned in the franchisee agreement, from the date of commencement of the Restaurant and same is not negotiated thereafter.
      Further the above clause shall be excluding VAT. Service tax if any applicable shall be paid extra by the Franchisee. The Franchisee shall pay the License Fee to us on monthly basis on or before a day, mentioned in the franchisee agreement, of each month for the preceding month, in every English calendar month during the Term of the Agreement.
      i. Reimbursement for marketing and sales services on actual, if any, with prior approval of the Franchisee:
         Pursuant to the cost estimate called for in franchisee agreement, our Company shall be entitle to charge the Franchisee and to be reimbursed for all cost incurred by it or any of its affiliates, in the rendition of such services pursuant point 2 mentioned herein (a) including without limitation, the personnel and administrative costs of employees rendering such services when such services are performed on behalf of the Franchisee therefore shall be consistent with charges to other Restaurants in the chain.
   b. **Franchise fee:** As compensation for the cost of its investigation, evaluation of the Restaurant for membership in the chain, providing the Brand Marketing at the State / National Level and Research and Development of New Products / New Cooking Technology / Methodology on a continuous basis during the subsistence of the agreement, the Franchisee shall pay to us Franchise fee by way of non-refundable interest free fee in advance on or before the execution of the Agreement, which will cover tenure mentioned in the franchisee agreement.

Service tax and any other applicable taxes on franchise fees, if any, shall be paid extra by the Franchisee. The Franchisee shall at no point of time be entitled to claim the said Franchise Fees during the term of the Agreement or upon earlier termination/ revocation / cancellation/ determination of this Agreement for any reasons whatsoever.

The Franchisee agrees, declares, assures and confirm that the Franchisee shall start the operations of the Restaurant within a period mentioned in the agreement and if the Franchisee fails to commence the operations of the Restaurant within the said time period, then the Agreement shall ispo facto automatically stand revoked, determined and deemed to have come to an end and the Franchisee shall forthwith at the end of said period loose all its franchise rights granted for the Restaurant under the Agreement and shall no longer remain the franchisee for the Restaurant. In such event, our Company may itself or through another franchisee continue the Business at any other outlet/Restaurant in the vicinity of the Restaurant. If the Franchisee informs us by a written request thirty days (30) days prior to the completion of such period, our Company shall at its sole discretion extend the said time period to the Franchisee. If the Franchisee fails to inform us by such written request, then the Agreement shall be ipso facto and automatically stand revoked and determined and shall be deemed to have come to an end. It is further agreed that service tax, if any, applicable on the Compensation for service standards and licenses of marks and software, license fee and franchise fee, shall be paid extra by the Franchisee.

c. **Payment terms and amounts past due:** All amounts due to us under this agreement which are not paid by the due date shall be subject to a finance charge. Except as otherwise provided in the agreement, the Franchisee unconditionally agrees and confirms undisputedly the claim and liability of the Franchisee towards such finance charge as claimed by our Company under the terms of the Franchise Agreement. The Franchisee in addition to the payment liability under the finance charge, further declares, represents and warrants the payment of liquidated damages to our Company as mentioned in the Agreement. Except as otherwise provided in this agreement, our Company shall be entitled to charge to the Franchisee and simultaneously to receive all amounts, in Indian rupees.

d. **Taxation:** The Franchisee shall cause all payments to our Company, its employees, agents and exchange, which may be paid out of the restaurant's supply thereof, and which may be remitted out of the territory in a timely manner without deduction, withholding, reduction. All amounts due to our Company, its employees, agents and sub-contractors, shall be recorded as an obligation of the Franchisee in Indian Rupees in effect as of the date such amounts become due and payable. If any tax, impost, duty, levy, contribution or other governmental charge shall become due on any payments to be made. Pursuant to this agreement (other than taxes based the same shall be net of the tax. If any taxes are payable on the amounts and deducted at source a certificate of the same will be given within seven (7) days or receipt (whichever is earlier) to us.

6. Independent Management:

a. **Third Party Management Franchisee:** Our Company shall review and in its reasonable discretion, approve in advance any management agreement for the Restaurant which the Franchisee desires to enter, which shall contain the following provisions:

   i. Except in extraordinary circumstances, our Company shall review and, in its reasonable discretion, approve in advance any management agreement.

   ii. The manager under such agreement shall operate the Restaurant so as to comply with the terms and conditions of the agreements; the agreement may be enforced by our Company directly with such manager; and

   iii. A default by the Franchisee hereunder caused by the manager shall constitute a default by

the manager under the management agreement and permit the Franchisee to terminate such agreement.

The Franchisee acknowledges and agrees that trade secrets and other confidential information and materials are, in the normal course of business, imparted to our franchisees and manager. Therefore our Company shall be under no obligation to approve a manager who might compromise the system or who is a competitor of our Company and or its affiliates Franchisee.

b. **Option to Manage or Lease:** If, at any time during the term, the Franchisee deems it to be in its best interests to discontinue managing the Restaurant or to replace the existing management or to lease the Restaurant to an Restaurant chain or to contract for chain management, the Franchisee agrees that it will first negotiate with our Company for same. If our Company and the Franchisee reach a mutually acceptable agreement, then such lease or management agreement shall replace the agreement and the agreement shall be terminated. In the event that our Company and the Franchisee fail to reach an agreement in connection therewith and the Franchisee receives a bona fide offer for lease or management of the Restaurant form another Restaurant chain (the "other chain") which the Franchisee is prepared to accept, the Franchisee will immediately notify our Company in writing thereof and give our Company certain period as mentioned in the agreement right of first refusal to contract in with the Franchisee on the same terms and conditions contained in such offer. In the event that our Company notifies the Franchisee that it is unwilling to contract with the Franchisee on such terms and conditions, the Franchisee shall have the right to contract with the other chain on these same terms and conditions, provided, however, that our Company shall have the right to terminate the Agreement on expiry of period mentioned in the agreement, prior written notice to the Franchisee.

B. Other Agreements entered into by our Company in ordinary course of Business:

1. We have entered into MOU with Indian Oil Corporation ("IOC") dated August 14, 2015 to set up our "Retail Outlets" under the brand "Kamats Original Family Restaurants" or "Vithal Kamats Original Family Restaurants" at selected Retail Outlets of IOC in Maharashtra State. Under the said MOU, IOC will provide us a list of its Retail Outlets and also provide necessary place / area / structure for installing Retail Outlets and we will identify and select the suitable Retail Outlets
2. We have entered into an agreement with Franchise India Brands Limited dated April 30, 2015 for availing multiplicity of marketing options of our brand through their marketing services. The agreement governs the advertising / marketing and recruitment services arrangement.

C. Intellectual Property Agreements:

Our Company entered into intellectual property agreements described below whereby the owner of the intellectual property has conferred on our Company a non-exclusive right to use the intellectual property, which are registered or sought to be registered, subject to further terms and conditions.

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
1.	"KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Kamat Holiday Resort (Silvassa) Limited	2986229	June 16, 2015	Send to Vienna Codification	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and copyright in the form of artwork.
2.	"KAMATS" under the provisions of Copyright Act, 1957	Unpublished Artistic Work	Kamat Holiday Resort (Silvassa) Limited	A114316/2015	November 13, 2015	Registered	
3.	"VITHAL KAMATS" as special form of writing under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1545811	April 2, 2007	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
4.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	2010226	August 17, 2010	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
5.	"VITHAL KAMATS" class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1640351	January 11, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
6.	"VITHAL KAMATS" under class 43 of Trademark Act,	Device - Restaurant	Dr. Vithal V Kamat	2009447	August 16, 2010	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
	1999						12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
7.	"KAMATS" (special form of writing)	Device - Restaurant	Dr. Vithal V Kamat	1545819	April 2, 2007	Registered	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and copyright in the form of artwork.
8.	VITHAL KAMATS (LABEL) under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1739256	September 30, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
							right/license to use copyright/ mark/ trademark/ logo
9.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1743062	October 14, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
10.	"VIDLI" under class 43 of Trademark Act, 1999	Device - Restaurant	Mr. Vikram V Kamat	2857895	December 8, 2014	Send to Vienna Codification	--

Key terms and conditions of the agreement:

1. Our Company ("Licensee") is desirous of using the intellectual property upon and/or in relation to its existing/new Restaurants taken /or to be taken on Management or under a Franchise agreement or on lease with its clientele for the purposes of commercially exploiting and making use of the services and/or goods under the intellectual property
2. The owner of intellectual property ("Licensor") is agreeable to permit our Company to commercially exploit and make use of the services and/or goods under the said intellectual property in relation to its Restaurants existing/new Restaurants taken /or to be taken on Management or under a Franchise agreement or on lease with its clientele subject to the terms and stipulations hereinafter appearing

D. Master Franchisee Agreement:

Our Company are permitted user of intellectual properties and our Company reserves the right to commercially exploit and make use of the services and/or goods under the said intellectual property in relation to its Restaurants existing/new Restaurants taken /or to be taken on Management or under a Franchise agreement or on lease with its clientele. Our Company ("Franchisor") has entered into a master franchise agreement dated August 6, 2015, for a term of five years, pursuant to which our Company granted to a partnership firm namely M/s. MNM Group ("Master Franchisee") located at Navsari, Bilimora the following exclusive rights:

- Operate Business within the territory;
- during the term;
- using the Intellectual Property and any and all other materials provided by our Company which is the subject of copyright;
- in accordance with the Operating Manual and System; and
- to our Company's satisfaction from time to time

Key terms and conditions of the agreement:

1. In order to protect the Franchisor's intellectual property rights and maintain the common identity and reputation of the franchised network, the Master Franchisee shall use best endeavors to open, through its Franchisees the following:
   a. At least 9 (nine) Outlets within first 3 (three) years of the Term i.e. a minimum of 3 (three) Outlets per year, by appointing one or more franchisees;
   b. in addition to (a) above, the Master Franchisee shall himself open at least 2 (two) Outlets within first 2 (two) years out of which 1 (one) should be Khao Jao Outlet and 1 (one) should be Restaurant. For the avoidance of doubts, the Franchise Fee for Outlets under this sub-clause (b) is included in the Master Franchise Fee.
2. The Master Franchisee shall execute a separate franchise agreement with the Franchisor for each of it Outlet. In the event, Master Franchisee fails in fulfilling its commitment stated in the agreement, the Franchisor may within 90 days from the end of the third year from the date of signing this agreement, serve a notice in writing upon the Master Franchisee terminating its right to open any additional Outlets other, than the ones in respect of which a Franchise agreement has previously been granted and/or amend the Territory as per Franchisor's discretion.
3. All rights mentioned above are not specifically and expressly granted to MNM Group under the Agreement are deemed to have been retained by our Company
4. Subject to any variations to the territory mentioned in the agreement, the Master Franchisee shall not carry on the Business in any other territories.
5. Our Company has prepared "Operating Manual" keeping in view the business and the systems. Our Company reserves a right to vary, modify, update or replace such Operating Manual so as to keep them relevant to the business. The Master Franchisee shall ensure that it complies with the updated Operating Manual at all times. Further, the Master Franchisee shall cause each of its franchisees to comply with the updated Operating Manuals at its own expense under the supervision of and to the satisfaction of the Franchisor.
6. Master Franchisee shall register the Agreement with any relevant authorities, and obtain any necessary governmental or other permits and consents as soon as possible and in any event no later than 2 months of the date of the execution of the Agreement. Master Franchisee shall pay all registration charges, stamp duty and other regulatory charges, if any, along with the taxes for the purpose of the registration of the said document.
7. Master Franchisee shall ensure that all franchisees under Territory shall buy all food and other items required for efficient functioning of the outlet from the Central Kitchen or from the

selected vendors, if notified, by the Franchisor

8. Master Franchisee shall ensure that the Franchisees make payment of onetime non-refundable Franchisee Fees plus taxes prevailing at the time of upon signing the Franchise Agreement with our Company
9. Master Franchisee shall ensure that all the Franchised Outlets under its territory are duly Insured.
10. Master Franchisee shall permit the Franchisor and any person authorised by the Franchisor at all reasonable times to visit any premises for the purpose of conducting surprise checks and mystery audits.
11. Master Franchisee shall not be engaged in any criminal activity and/or immoral activity and/or competing business directly or indirectly which may compete with the Business or any part of them in the Territory or in any other area where it may compete with a member of the franchised network.
12. Master Franchisee shall not engage or seek to engage in the manufacture, sale or use of food and beverages used in the Outlet and which compete with our Company's Central Kitchen or its Vendors. Master Franchisee shall ensure that the Franchisee owned Outlet serves the purpose of providing food services only and shall not indulge to start or provide alcoholic beverages.

STRATEGIC/ FINANCIAL PARTNERS

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

DEFAULTS OR RESCHEDULING OF BORROWINGS WITH FINANCIAL INSTITUTIONS OR BANKS

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

CONVERSION OF LOANS INTO EQUITY SHARES

There has been no incident of conversion of loans availed from financial institutions and banks into Equity Shares as on the date of this Prospectus.

CHANGE IN ACTIVITIES OF OUR COMPANY IN THE LAST FIVE YEARS

Our Company has not changed the activities in the last 5 years.

STRIKES AND LOCKOUTS

There have been no strikes or lockouts in our Company since incorporation.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation and has not issued any Equity Shares including bonus shares by capitalizing any revaluation reserves.

NUMBER OF SHAREHOLDERS

Our Company has 24 shareholders as on the date of this Prospectus. For further details on the shareholding pattern of our Company, please refer to the chapter titled ***"Capital Structure"*** beginning on page 62 of this Prospectus.

CORPORATE PROFILE OF OUR COMPANY

For details on the description of our Company's activities, the growth of our Company, please see "*Our Business*", "*Management's Discussion and Analysis of Financial Conditions and Results of Operations*" and "*Basis for Issue Price*" on pages 115, 222 and 85 of this Prospectus.

OUR MANAGEMENT

Board of Directors: As per the Articles of Association, our Company is required to have not less than 3 (Three) Directors and not more than 15 (Fifteen) Directors. Currently, our Company has 4 (Four) Directors out of which 3 (Three) are Non Executive Independent Directors. We confirm that the composition of our Board of Directors complies with Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Mr. Ramnath J Pradeep, Non-Executive Chairman, Ms. Vidhi V Kamat, Managing Director, Mr. Vaibhav V Rathi and Mr. Arun S Jain, Non-Executive & Independent Directors are suitably supported by team of technically qualified executives.

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

Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualifications & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
1.	**Name**: Mr. Ramnath J Pradeep **S/o**: Shri Jagdeo Pradeep **Age**: 64 years **Designation**: Chairman & Non-Executive Independent Director **Address**: 102, A-8E, Tulip Bhakti Park, Sector 2 CHSL, Anik Wadala Link Road, Wadala East, Mumbai - 400037 **Experience**: More than 30 years of experience in Banking Sector **Occupation**: Service **Qualification**: Law Graduate from University of Indore **Term**: 5 years from March 31, 2015 to March 30, 2020 (Not liable to retire by rotation) **DIN**: 02608230	Appointed as Additional Director on March 31, 2015 Appointed as an Independent Director vide resolution of the Shareholders dated September 26, 2015 Appointed as Chairman on December 28, 2015	Nil	**Public Limited Companies** 1. Centbank Financial Services Limited **Private Limited Companies** 1. Credit Rating & Risk Advisory Services Private Limited 2. Zen Advisors Private Limited

Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualifications & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
2.	**Name:** Ms. Vidhi V Kamat **W/o:** Mr. Vikram V Kamat **Age:** 31 years **Designation:** Managing Director **Address:** C-1502, RNA Azzure, Prajakta CHSL, Kher Nagar, Bandra East, Mumbai - 400051 **Experience:** 5 years **Occupation:** Business **Qualifications:** Bachelor in Hotel Management & Catering Technology **Term**: 5 years from October 7, 2015 to October 6, 2020 (Liable to retire by rotation) **DIN:** 07038524	Appointed as Additional Director on December 26, 2014 Regularization as Director on September 26, 2015 Appointed as Managing Director vide Resolution of Shareholders dated October 7, 2015.	5,42,000 Equity Shares (17.95%)	**Public Limited Companies** 1. Idlinow Eventure (India) Limited **Private Limited Companies** 1. Conwy Finance and Leasing Private Limited
3.	**Name**: Mr. Vaibhav V Rathi **S/o**: Shri Vinay Rathi **Age**: 34 years **Designation**: Independent Director **Address**: 27, Sadhna Enclave, New Delhi, India 110017 **Experience**: 5 years **Occupation**: Service **Qualification**: Bachelor of Science in Business and Management Studies from University of Bradford **Term**: 5 years from November 21, 2014 to November 20, 2019 (Not liable to retire by rotation) **DIN**: 01107150	Appointed as Additional Director on November 21, 2014 Appointed as an Independent Director vide resolution of the Shareholder dated September 26, 2015	Nil	**Public Limited Companies** Nil **Private Limited Companies** 1. P R R Leasing Company Private Limited 2. VB Infracon Private Limited 3. Satvik Infoquest Private Limited 4. Satvik Logistics Private Limited

Sr. No.	Name, Father's Name, Age, Designation, Address, Experience, Occupation, Qualifications & DIN	Date of Appointment	No. of Equity Shares held & % of Share holding (Pre Issue)	Other Directorships
4.	**Name**: Mr. Arun S Jain **S/o**: Shri Suresh V Jain **Age**: 26 years **Designation**: Additional Independent Director **Address**: A1/202, Ostwal Park CHS Limited, Opp. Jesal Park, Bayandar East, Thane - 401105 **Experience**: 1 year **Occupation**: Service **Qualification**: Bachelor of Management Studies from University of Mumbai **Term**: Till next Annual General Meeting **DIN**: 07011393	Appointed as Additional Director on October 24, 2015	Nil	**Public Limited Companies** NIL **Private Limited Companies** NIL

Brief Profiles of Our Directors

Mr. Ramnath J Pradeep, Chairman & Non-Executive Independent Director, Age: 64 Years
Mr. Ramnath J Pradeep was initially appointed as additional director of our Company. Currently he is appointed as the Independent Director of the Company for a term of 5 years. He is a Law Graduate from University of Indore and holds post graduate degree in Economics from University of Indore. He has over 30 years of experience in Banking Sector. He was in past associated with Dena Bank as General Manager, State Bank of India as Chief Vigilance Officer, Bank of India as General Manager (Legal & Recovery), Central Bank of India as Executive Director and as Corporation Bank as Chief Managing Director.

Ms. Vidhi V Kamat, Managing Director, Age: 31 Years
Ms. Vidhi V Kamat was initially appointed as additional director of our Company. Presently, she is the Managing Director of our Company for a term of 5 year. She has completed Diploma in Hotel Management & Catering Technology from Maharashtra State Institute of Hotel Management & Catering Technology, Pune. She is also holds bachelors in Hotel Management & Catering Technology from Tilak Maharashtra University. She has over 5 years of experience in Hospitality Industry. Currently, she handles overall business operations of our Company.

Mr. Vaibhav V Rathi, Independent Director, Age: 34 Years
Mr. Vaibhav V Rathi was initially appointed as additional director in our Company. He is an Independent Director of our Company appointed for a term of 5 years. He holds Bachelor of Science in Business and Management Studies from University of Bradford. He has overall 5 years of experience. He was on Board of Rathi Industries Limited for more than 3 years.

Mr. Arun S Jain, Additional Independent Director, Age: 26 Years
Mr. Arun S Jain was initially appointed as additional independent director in our Company. He holds bachelor in Management Studies from University of Mumbai. He has 1 year experience as Business Advisor as incubator of SMEs.

Nature of any family relationship between any of our Directors: None of the present directors are related to each other in terms of section 2(77) of The Companies Act, 2013.

We confirm that:

- ✓ We have not entered into any arrangement or understanding with our major shareholders, customers, suppliers or others, pursuant to which our Directors were appointed as Directors.
- ✓ The terms of appointment with our Managing Director do not provide for any benefit upon termination of employment except the retirement benefits as applicable by law.
- ✓ None of our Directors is / was a Director in any listed Company, during the last five years from the date of filing of this Prospectus, whose shares have been / were suspended from being traded on the BSE and / or NSE.
- ✓ Further, none of our Directors is / was a Director of any listed Company which has been / was delisted from any recognized Stock Exchange.
- ✓ None of the above mentioned Directors are on the RBI List of willful defaulters as on date of filing this Prospectus.
- ✓ Further, Our Company, Our Promoters, persons forming part of Our Promoter Group, Directors and persons in control of our Company has / have not been not debarred from accessing the capital market by SEBI or any other Regulatory Authority.

Details of Borrowing Powers of Directors

Our Company has passed a resolution in the Extra Ordinary General Meeting of the members held on April 03, 2014 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 Crores (Rupees Fifty only).

Compensation of our Managing Director

The compensation payable to our Managing Director will be governed as per the terms of their appointment and shall be subject to the provisions of Sections 2 (54), 2(94), 188, 196, 197, 198 and 203 and any other applicable provisions of the Companies Act, 2013 read with Schedule V to the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof or any of the provisions of the Companies Act, 1956, for the time being in force).

The following compensation has been approved for Managing Director:

Ms. Vidhi V Kamat, Managing Director: She was appointed as the Managing Director of our Company w.e.f. October 7, 2015 for 5 years subject that her term shall be liable to retire by rotation in accordance with the provisions of Section 152 of the Companies Act 2013, in the Extra Ordinary General Meeting of the member of our Company held on October 7, 2015 on following terms of remuneration:

Remuneration & Perquisites	Shall be Rs. 1,20,000/- p.a. and incase of inadequate or absence of profit in any financial year, remuneration and perquisites shall nevertheless be paid as minimum remuneration provided it does not exceed the ceiling provided in Schedule V of The Companies Act, 2013.
Amount of compensation paid during the financial year ended 2015	Nil
Benefits in kind granted during the financial year ended 2015	Nil
Contingent or deferred compensation accrued for financial year ended 2015	Nil

Ms. Vidhi V Kamat shall continue to hold the office of Managing Director and the reappointment immediately on retirement by rotation as such shall not be deemed to constitute a break in her tenure as a Managing Director.

No portion of the compensation as mentioned above was paid pursuant to a bonus or profit sharing plan.

None of the directors have received any remuneration during the Financial Year 2014-15.

Sitting Fee

Our Company has not paid any sitting fees to Directors of our Company in the Financial Year 2014-2015. The travel expenses for attending meetings of the Board of Directors or a committee thereof and other Company related expenses are borne by our Company from time to time.

Interest of Directors

All the Directors of our Company may be deemed to be interested to the extent of remuneration and / or reimbursement of expenses and / or sitting fees payable to them as per the applicable laws and as per provisions of our Articles of Association. The Managing Director of our Company are interested to the extent of remuneration paid to them for services rendered as officer or employee of our Company.

Our Directors may also be regarded as interested their shareholding in our Company and dividend payable thereon, if any. Our Directors are also interested to the extent of Equity Shares, if any, held by them in our Company or held by their relatives or held by the companies / firms / HUFs in which they are interested as Directors/ Members /Partners.

All Directors may be deemed to be interested in the contracts, agreements/arrangements entered into or to be entered into by our Company with any Company in which they hold Directorships or any partnership firm in which they are partners.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (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.

Except as stated in this chapters "***Our Management***" and "***Related Party Transactions***" beginning on page no. 151 & 192 respectively of this Prospectus, our Directors do not have any other interest in our business.

Interest in the property of our Company

Our Directors do not have any other interest in any property acquired by our Company in the preceding two years before filing of this Prospectus or proposed to be acquired by us till the date of filing the Prospectus with RoC.

Shareholding of our Directors in our Company as on the date of this Prospectus

Sr. No.	Name of the Director	No. of Shares Held	Holding in %
1.	Ms. Vidhi V Kamat	5,42,000	17.95
	Total	**5,42,000**	**17.95**

None of the Independent Directors of Company holds any Equity Shares of our Company as on the date of this Prospectus.

Changes in Board of Directors in Last 3 Years

Sr. No.	Name	Date of Appointment / Reappointment / Cessation	Reasons for Change
1.	Mr. Sudan Nilavar	September 16, 2013	Resignation
2.	Mr. Nandan Nilavar	September 16, 2013	Resignation
3.	Mr. Chetan Nilavar	September 16, 2013	Resignation
4.	Mr. Bharat Seth	September 16, 2013	Resignation
5.	Dr. Vithal V Kamat	October 8, 2013	Resignation
6.	Mr. Vaibhav V Rathi	November 21, 2014	Appointment as additional independent director
7.	Ms. Vidhi V Kamat	December 26, 2014	Appointment as additional director
8.	Mr. Ramnath J Pradeep	March 31, 2015	Appointment as additional independent director
9.	Mr. Arun S Jain	October 24, 2015	Appointment as additional independent director
10.	Mr. Vaibhav V Rathi	September 26, 2015	Re-designation as Independent Director
11.	Mr. Ramnath J Pradeep	September 26, 2015	Re-designation as Independent Director
12.	Ms. Vidhi V Kamat	September 26, 2015	Re-designation as Director
13.	Mrs. Vidhi V Kamat	October 7, 2015	Re-designation as Managing Director
14.	Mr. Babu Devadiga	November 20, 2015	Cessation
15.	Mr. Gopalkrishna Shenoy	December 25, 2015	Cessation

Compliance with Corporate Governance

In addition to the applicable provisions of the Companies Act, 2013 with respect to corporate governance, provisions of the SEBI Listing Regulations will also be applicable to our Company immediately upon the listing of the Equity Shares on the Stock Exchanges.

Our Chairman is a Non-executive Director. As on the date of this Prospectus, there are 4 Directors on our Board, comprising one executive Director, three non-executive Independent Directors. Our Board consists of Ms. Vidhi V Kamat as a woman Director. Our Company is in compliance with the corporate governance norms prescribed under the Companies Act, 2013, SEBI Listing Regulations particularly, in relation to appointment of Independent Directors to our Board and constitution of Board-level committees.

Our Company undertakes to take all necessary steps to continue to comply with all the requirements of the SEBI Listing Regulations, the Equity Listing Agreements and the Companies Act, 2013.

Board-level committees

In terms of the SEBI Listing Regulations and the Companies Act, 2013, our Company, has constituted the following Board-level committees:

a. Audit Committee
b. Nomination and Remuneration Committee
c. Stakeholder's Relationship Committee

Audit Committee:

Our Company has constituted an audit committee ("Audit Committee"), as per section 177 of the Companies Act 2013 vide Board of Directors resolution dated October 24, 2015. The constituted Audit Committee comprises following members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Ramnath J Pradeep	Chairman	Chairman & Non-Executive Independent Director
Ms. Vidhi V Kamat	Member	Managing Director
Mr. Vaibhav V Rathi	Member	Independent Director
Mr. Arun Jain	Member	Additional Independent Director

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

The Audit Committee shall have following powers/responsibilities:

a. To investigate any activity within its terms of reference.
b. To seek information from any employee.
c. To obtain outside legal or other professional advice, and
d. To secure attendance of outsiders with relevant expertise if it considers necessary

The Audit Committee shall mandatorily review the following information:

a. Management discussion and analysis of financial condition and results of operations;

b. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
c. Management letters / letters of internal control weaknesses issued by the statutory auditors;
d. Internal audit reports relating to internal control weaknesses; and
e. The appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the Audit Committee
f. To submit statement of deviations:
   i. quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of SEBI Listing Regulations.
   ii. Report of the monitoring agency on annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(6) SEBI Listing Regulations, if applicable.

The recommendations of the Audit Committee on any matter relating to financial management, including the audit report, are binding on the Board. If the Board is not in agreement with the recommendations of the Committee, reasons for disagreement shall have to be incorporated in the minutes of the Board Meeting and the same has to be communicated to the shareholders. The Chairman of the Audit committee has to attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

The role of the Audit Committee not limited to but includes:

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
2. Recommending to the Board, the appointment, remuneration and terms of appointment of auditors of the listed entity
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors
4. Reviewing, with the management, the annual financial statements and auditor’s report thereon before submission to the board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
   b. Changes, if any, in accounting policies and practices and reasons for the same;
   c. Major accounting entries involving estimates based on the exercise of judgment by management;
   d. Significant adjustments made in the financial statements arising out of audit findings;
   e. Compliance with listing and other legal requirements relating to financial statements;
   f. Disclosure of any related party transactions;
   g. Modified opinion(s) in the draft audit report
5. Reviewing, with the management, the half yearly 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, right issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/ Prospectus/ Draft 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. Review and monitor the auditor’s independence, performance and effectiveness of audit process;

8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. 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;
14. Discussion with internal auditors any significant findings and follow up there on.
15. 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;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
18. To oversee and review the functioning of the vigil mechanism which shall provide for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the Chairperson of the Audit Committee in appropriate and exceptional cases
19. Call for comments of the auditors about internal control systems, scope of audit including the observations of the auditor and review of the financial statements before submission to the Board;
20. 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;
21. To investigate any other matters referred to by the Board of Directors;
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee;

Explanation (i): The term "related party transactions" shall have the same meaning as contained in the Accounting Standard 18, Related Party Transactions, issued by The Institute of Chartered Accountants of India

Meeting of Audit Committee and relevant Quorum

The audit committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum shall be either two members or one third of the members of the Audit Committee whichever is greater, but there shall be a minimum of two Independent Directors present.

Nomination and Remuneration Committee:

Our Company has formed Nomination and Remuneration Committee Resolution vide Board of Directors resolution dated October 24, 2015. The scope and functions of the Committee complies with requirements of section 178 of the Companies Act, 2013. The Nomination and Remuneration Committee comprises of following Chairman and the members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Arun Jain	Chairman	Additional Independent Director

Name of the Director	Status in Committee	Nature of Directorship
Mr. Ramnath Pradeep	Member	Chairman & Non-Executive Independent Director
Mr. Vaibhav Rathi	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Nomination and Remuneration Committee. The scope and function of the Committee and its terms of reference shall include the following:

A. Tenure: The Nomination and Remuneration Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board.

B. Meetings: The committee shall meet as and when the need arise for review of Managerial Remuneration. The quorum for the meeting shall be one third of the total strength of the committee or two members, whichever is higher. Meeting of the Nomination and Remuneration Committee shall be called by at least seven day's notice in advance.

C. Role of the Nomination and Remuneration Committee, not limited to but includes:

1. Formulate the criteria for determining the qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to, the remuneration for directors, KMPs and other employees.
2. Identifying persons who are qualified to become directors and may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board of Directors their appointment and removal
3. Formulation of criteria for evaluation of performance of independent directors and Board of Directors
4. Devising a policy on diversity of board of directors
5. Deciding on, whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

Stakeholder's Relationship Committee

Our Company has formed the Stakeholder's Relationship Committee to redress complaints of the shareholders. vide Resolution passed in the meeting of the Board of Director dated December 28, 2015. The constituted Stakeholder's Relationship Committee comprises following the Chairman and members:

Name of the Director	Status in Committee	Nature of Directorship
Mr. Arun Jain	Chairman	Additional Independent Director
Ms. Vidhi V Kamat	Member	Managing Director
Mr. Vaibhav Rathi	Member	Independent Director

The Company Secretary of our Company shall act as a Secretary to the Stakeholder's Relationship Committee. The scope and function of the Stakeholder's Relationship Committee and its terms of reference shall include the following:

A. Tenure: The Stakeholder's Relationship Committee shall continue to be in function as a committee of the Board until otherwise resolved by the Board, to carry out the functions of the Stakeholder's Relationship Committee as approved by the Board.

B. Meetings: The Stakeholder's Relationship Committee shall meet at least four times a year with maximum interval of four months between two meetings and shall report to the Board on a quarterly basis regarding the status of redressal of complaints received from the shareholders of the Company. The quorum shall be two members present.

C. Role of the Stakeholder's Relationship Committee

The Committee shall consider and resolve grievances of security holders, including but not limited to:

1. Allotment, transfer of shares including transmission, splitting of shares, changing joint holding into single holding and vice versa, issue of duplicate shares in lieu of those torn, destroyed, lost or defaced or where the cages in the reverse for recording transfers have been fully utilized.
2. Issue of duplicate certificates and new certificates on split/consolidation/renewal, etc.; and
3. Review the process and mechanism of redressal of Shareholders /Investors grievance and suggest measures of improving the system of redressal of Shareholders /Investors grievances.
4. Non-receipt of share certificate(s), non-receipt of declared dividends, non-receipt of interest/dividend warrants, non-receipt of annual report and any other grievance/complaints with Company or any officer of the Company arising out in discharge of his duties.
5. Oversee the performance of the Registrar & Share Transfer Agent and also review and take note of complaints directly received and resolved them.
6. Oversee the implementation and compliance of the Code of Conduct adopted by the Company for prevention of Insider Trading for Listed Companies as specified in the Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 as amended from time to time.
7. Any other power specifically assigned by the Board of Directors of the Company from time to time by way of resolution passed by it in a duly conducted Meeting,
8. Carrying out any other function contained in the equity listing agreements as and when amended from time to time.

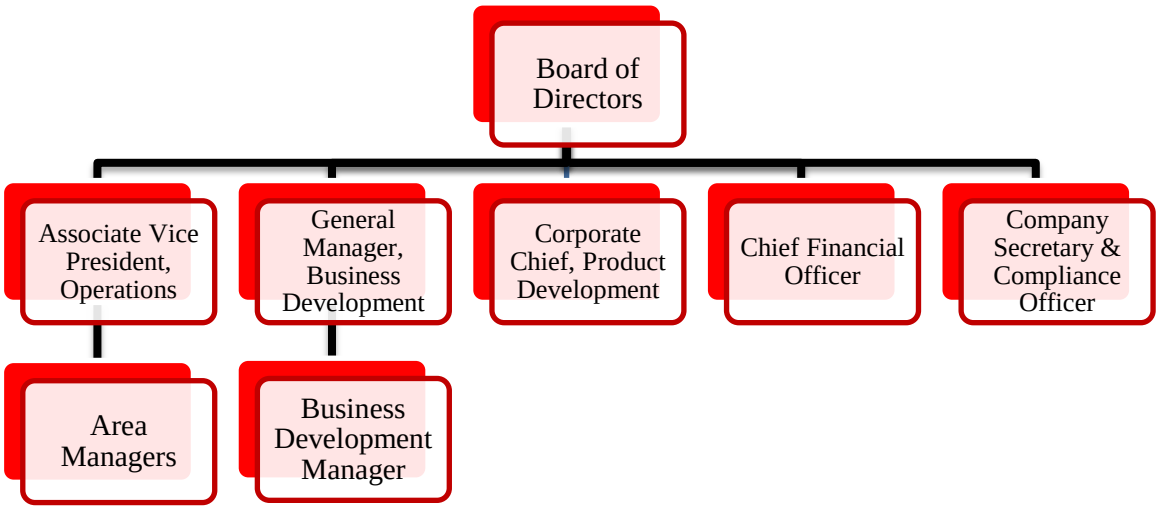
Policy on Disclosures and Internal Procedure for Prevention of Insider Trading

The provisions of Regulation 9(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 will be applicable to our Company immediately upon the listing of its Equity Shares on the SME Platform of BSE Limited. We shall comply with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 on listing of Equity Shares on stock exchanges. Further, Board of Directors at their meeting held on December 28, 2015 have formulated and adopted the code of conduct to regulate, monitor and report trading by its employees and other connected persons.

Ms. Payal Barai, Company Secretary & Compliance Officer will be responsible for setting forth policies, procedures, monitoring and adherence to the rules for the preservation of price sensitive information and the implementation of the Code of Conduct under the overall supervision of the Board.

Our Organization Chart

The following chart depicts our Management Organization Structure:



Our Key Managerial Personnel

The Board of Directors of our Company and our supported by team of qualified employees having valid and sufficient experience in various aspects of our business operations. A brief about the Key Managerial Personnel of our Company is given below:

Name, Designation & Educational Qualification	Age (Years)	Date of appointment / re-appointment	Compensation paid for the F.Y ended 2015 (in Rs.)	Over all experience (in years)	Last employment
Name: Ms. Vidhi V Kamat **Designation:** Managing Director **Qualification:** Bachelor in Hotel Management & Catering Technology	31	October 7, 2015	Nil	Around 5 years	Bharat Hotels Limited
Name: Mr. Ravindra Shinde **Designation:** Chief Financial Officer **Qualification:** Masters degree in Commerce	28	December 28, 2015	Nil	Around 7 years	Kamat Hotels (India) Limited
Name: Ms. Payal Barai **Designation:** Company	27	December 28, 2015	Nil	-	-

Name, Designation & Educational Qualification	Age (Years)	Date of appointment / re-appointment	Compensation paid for the F.Y ended 2015 (in Rs.)	Over all experience (in years)	Last employment
Secretary & Compliance Officer **Qualification:** Company Secretary					

Brief Profile of our Key Managerial Personnel

Ms. Vidhi V Kamat, Managing Director

Ms. Vidhi V Kamat was initially appointed as additional director of our Company. Presently, she is the Managing Director of our Company for a term of 5 year. She has completed Diploma in Hotel Management & Catering Technology from Maharashtra State Institute of Hotel Management & Catering Technology, Pune. She is also holds bachelors in Hotel Management & Catering Technology from Tilak Maharashtra University. She has over 5 years of experience in Hospitality Industry. Currently, she handles overall business operations of our Company.

Mr. Ravindra Shinde, Chief Financial Officer

Mr. Ravindra Shinde holds a Masters degree in Commerce from University of Mumbai. He has over 7 years of work experience and is responsible for Finance, Accounts and Banking Management in our Company. He is Chief Financial Officer of our Company. Prior to joining our Company he was associated with Kamat Hotels (India) Limited.

Ms. Payal Barai, Company Secretary

Ms. Payal Barai, aged 27 years, is the Company Secretary of our Company. She is an associate member of The Institute of Company Secretaries of India. She is responsible for handling the overall Secretarial Compliances and matters relating thereto for our Company.

We confirm that:

- All the persons named as our Key Managerial Personnel above are the permanent employees of our Company.
- There is no understanding with major shareholders, customers, suppliers or any others pursuant to which any of the above mentioned Key Managerial Personnel have been recruited.
- In respect of all above mentioned Key Managerial Personnel there has been no contingent or deferred compensation accrued for the year ended March 2015.
- Except for the terms set forth in the appointment letters/service agreements the Key Managerial Personnel have not entered into any other contractual arrangements or service contracts (including retirement and termination benefits) with the Issuer.
- Our Company does not have any bonus/profit sharing plan for any of the Key Managerial Personnel.
- None of the Key Managerial Personnel in our Company hold any shares of our Company as on the date of filing of this Prospectus except as stated below:

Sr. No.	Name of KMP's	No. of Share
1.	Ms. Vidhi V Kamat	5,42,000
2.	Ravindra Shinde	2,000

- Presently, we do not have ESOP/ESPS scheme for our employees.
- The turnover of KMPs is not high, compared to the Industry to which we belong.
- Except for Ms. Vidhi V Kamat also being the Promoter and Managing Director of our Company, none of our Key Managerial Personnel are related to our Promoters & Directors.

Changes in the Key Managerial Personnel in Last Three Years:

There have been no changes in the Key Managerial Personnel of our Company during the last three years except as stated below:-

Sr. No.	Name	Designation	Date of Appointment / Cessation	Reasons
1.	Ms. Vidhi V Kamat	Managing Director	October 7, 2015	Appointed as Managing Director
2.	Mr. Ravindra Shinde	Chief Financial Officer	December 28, 2015	Appointment as CFO
3.	Ms. Payal Barai	Company Secretary and Compliance Officer	December 28, 2015	Appointment as CS

Interest of Key Managerial Personnel in our Company

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.

Except as stated otherwise in this Prospectus, we have not entered into any contract, agreement or arrangement during the preceding 2 (two) years from the date of this Prospectus in which the Key Managerial Personnel 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.

Except as stated in this chapters "***Our Management***" and "***Related Party Transactions***" beginning on page no. 151 & 192 respectively of this Prospectus, our KMPs do not have any other interest in our business.

Other benefits to our Key Managerial Personnel

Except as stated in this Prospectus there are no other benefits payable to our Key Managerial Personnel.

Employees

The details about our employees appear under the Paragraph titled "Human Resource" in Chapter Titled "***Our Business***" beginning on page 115 of this Prospectus.

OUR PROMOTER

	Ms. Vidhi V. Kamat: Managing Director	
	Qualification	• Diploma in Hotel Management & Catering Technology from Maharashtra State Institute of Hotel Management & Catering Technology, Pune • Bachelor in Hotel Management & Catering Technology from Tilak Maharashtra University
	Age	31 years
	Address	C-1502, RNA Azzure, Prajakta CHSL, Kher Nagar, Bandra East, Mumbai – 400051
	Occupation	Business
	Permanent Account Number	AQBPA3386Q
	Passport Number	M9405531
	Name of Bank & Bank Account Details	Kotak Mahindra Bank, Vile Parle East Branch, Mumbai Account No. 9011614107
	Driving License Number	Not Available*
	Voter Identification Card Number	Not Available*
	Other Ventures	**Private Limited Companies** 1. Conwy Finance and Leasing Private Limited **Public Limited Companies** 1. Idlinow Eventure (India) Limited

**Our Promoter Ms. Vidhi V Kamat have confirmed that she do not hold Driving license or Voters Identity card on the date of filing the Prospectus.*

OUR CORPORATE PROMOTER

1. VITS Hotels Worldwide Private Limited

VITS Hotels Worldwide Private Limited was incorporated on March 12, 2010, as "UK Hospitality Infotech Private Limited" under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Maharashtra, Mumbai. Subsequently on September 3, 2014, the name of the Company was changed to VITS Hotel Worldwide Private Limited vide Certification of Incorporation dated pursuant to change of name issued by the Assistant Registrar of Companies. The Corporate identification number of VITS Hotels Worldwide Private Limited is U55101MH2010PTC200800.

The registered office of VITS Hotels Worldwide Private Limited is situated at C-1502, RNA Azzure, Prajakta CHS, Kher Nagar, Bandra East, Mumbai - 400051.

Main Objects

To carry on the business in all the segments of hospitality and hotel industry and to build, develop, manage, run, conduct the business of running hotels, motels, holiday camps, guest houses, restaurants, highway restaurants, canteens, caterers, cafes, traverns, pubs, bars, beer-houses, refreshment rooms, and lodging of apartments, housekeepers, night clubs, casinos, discotheques swimming pools, health clubs, baths, dressing rooms, beauty parlours, shopping arcade, licensed vitaullers, wine, beer and spirit merchants, exporters, importers and manufacturers of aerated, mineral and artificial waters and other drinks, caterers for public amusement

Board of Directors

Currently, the Board of Directors of VITS Hotels Worldwide Private Limited consists of:

Sr. No.	Name	Designation
1.	Ms. Vidya V Kamat	Director
2.	Mr. Ashok S Hegde	Additional Director
3.	Mr. Amit S Mehta	Additional Director

Shareholding Pattern

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1	Mr. Babu Devadiga	1	0.01
2	Ms. Vidhi V Kamat	9,999	99.99
	TOTAL	**10,000**	**100.00**

Audited Financial Information

(Rs. In Lakhs)

Particulars	For The Year Ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Miscellaneous Expenses)	(43.35)	(39.80)	(19.32)
Networth	(42.40)	(38.88)	(19.41)
Total Income including other income	42.59	0.65	4.78
Profit/ (Loss) after tax	(3.18)	(20.48)	(8.75)
Earnings per share (Face Value of Rs. 10/- each)	(31.80)	(204.80)	(87.47)
Net asset value per share (Rs)	(424.45)	(388.79)	(194.14)

2. Conwy Finance and Leasing Private Limited

Conwy Finance and Leasing Private Limited was incorporated on June 17, 1992 as "Conwy Finance and Leasing Private Limited" under the provisions of the Companies Act, 1956 with the Registrar of Companies, Maharashtra, Mumbai. The Corporate identification number of Conwy Finance and Leasing Private Limited is U67210MH1992PTC067279

The registered office of Conwy Finance and Leasing Private Limited is situated at 70-C, Nehru Road, Vile Parle (East), Mumbai 400099.

Main Objects

1. To carry on the business as financiers and to under – take, carry on and execute all kinds of financials operations (except banking and insurance business under the banking Regulation Act, 1949. and Insurance Act, 1938).

2. To Carry on the business of hire purchase, leasing and to carry on lease operations of all kinds, purchasing, selling, hiring or letting on hire all kinds of plant and machinery and equipment and to carry on all and every kind and description of hire purchase or leasing or similar transactions in all forms of plant and machinery, equipment, ships, aircraft, automobiles, and all customers, commercial and industrial items and to lease or otherwise deal with them in any manner whatsoever including resale thereof, regardless of whether the property purchased and leased be new and or used and from India or from any part of the world.

Board of Directors

Currently, the Board of Directors of Conwy Finance and Leasing Private Limited consist of:

Sr. No.	Name	Designation
1.	Ms. Vidhi V Kamat	Director
2.	Mr. Ashok S Hegde	Additional Director
3.	Mr. Amit S Mehta	Director

Shareholding Pattern

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1	VITS Hotels Worldwide Private Limited	9,999	99.99
2	Mr. Bipinchandra C Kamdar	1	0.01
	TOTAL	**10,000**	**100.00**

Audited Financial Information

(Amount Rs. In Lakhs)

	For The Year Ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Miscellaneous Expenses)	(174.58)	(156.45)	(142.49)
Networth	(173.58)	(155.45)	(141.49)
Total Income including other income	5.26	0.95	0.51
Profit/ (Loss) after tax	(18.13)	(13.97)	(26.41)
Earnings per share (Face Value of Rs. 10/- each)	(181.34)	(139.67)	(264.13)

	For The Year Ended		
	March 31, 2015	March 31, 2014	March 31, 2013
Net asset value per share (Rs)	(1735.86)	(1,554.50)	(1414.90)

Declaration

Our Company hereby confirms that the details of our Promoter viz., Permanent Account Number, Bank Account Number, and Passport Number of our Individual Promoter and Company Registration Number and the addresses of the Registrar of Companies where our Corporate Promoter i.e. VITS Hotels Worldwide Private Limited and Conwy Finance and Leasing Private Limited has been submitted to BSE at the time of filing the Draft Prospectus with them.

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies / entities or person in control of our Company, the natural persons in control of our corporate Promoter has been (i) prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of our Promoters, person in control of our Company, persons in control of our Corporate Promoter are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits

Our Individual Promoters have promoted our Corporate Promoters. Further, our Promoters have promoted our Promoter Group / Group Companies which are engaged in similar line of business that of our Company. The following entities are engaged in the similar line of business that of our Company:

1. Kamat Hotels (India) Limited
2. Venketesh Hotels Private Limited
3. VITS Hotel Worldwide Private Limited
4. Green Dot Restaurants Private Limited
5. Kamburger Foods Private Limited
6. Orchid Hotels Pune Private Limited
7. Kamats Holiday Resorts (Silvassa) Limited

For details of our Promoter Group and Group Company refer to Section titled "***Our Promoter Group and Group Companies / Entities***" on page 171 of this Prospectus.

Interest of Promoters

Interest in promotion of our Company

Our Promoter viz. Ms. Vidhi V Kamat, is interested to the extent of her shareholding in our Company and dividend payable thereon, if any. For further details, refer to the chapter titled "Related Party Transaction" under the chapter "Financial Statement as Restated" and chapter titled "Our Promoter and Promoter Group" beginning on page 194 and 171 of this Prospectus.

Our individual Promoter Ms. Vidhi V Kamat may also be deemed to be indirectly interested to the extent of shareholding of our Corporate Promoters in our Company.

Interest in the property of our Company

Our promoters do not have any other interest in any property acquired by our Company in a period of two years before filing of this Prospectus or proposed to be acquired by us till the date of filing the Prospectus with RoC.

Interest as Members of the Company

As on the date of this Prospectus, our Promoter and Corporate Promoters holds 5,42,000 and 19,30,000 equity shares respectively in our Company of the pre-issue paid by capital of our Company. Therefore, our Promoters and corporate promoters are interested to the extent of their shareholding and the dividend declared, if any, by our company.

Interest as Director of Our Company

Except as stated in the chapters titles *"Our Management", "Financial Statements"* and *"Capital Structure"* beginning on pages 151, 194 and 62 of this Prospectus. Our individual Promoter is the Executive Director of our Company and may be deemed to be interested to the extent of remuneration, as per the terms of their appointment and reimbursement of expenses payable to them or sitting fees paid to them.

Interest as Key Managerial Personnel of our Company

Our Promoter Director Ms. Vidhi Kamat is Managing Director of our Company and hence a key managerial personnel of the Company and may be deemed to be interested to the extent of remuneration, reimbursement of expenses payable to her for services rendered to us in accordance with the provisions of Companies Act, in terms of agreement entered into with our company, if any and AoA of our Company. For further details, refer to the chapter titled "Our Management" and "Related Party Transaction" under the chapter "Financial Statement as Restated" beginning on page 151 and 194 respectively of this Prospectus.

Related Party Transactions

For the transactions with our Promoter Group entities, please refer to section titled "Related Party Transactions" on page 192 of this Prospectus.

Except as stated in "Related Party Transactions" beginning on page 192 of this Prospectus, and as stated therein, our Promoters or any of the Promoter Group Entities do not have any other interest in our business.

Payment or Benefit to Promoters of Our Company

For details of payments or benefits paid to our Promoters, please refer to the paragraph "Compensation of our Managing Director" in the chapter titled "*Our Management*" on page 151. Also refer Annexure – XXIV on "*Related Party Transactions*" on page 215 forming part of "*Financial Information of the Company*" of this Prospectus.

Other ventures of our Promoters

Save and except as disclosed in the section titled "***Our Promoters***" and "***Our Promoter Group and Group Companies / Entities***" beginning on page 171 of this Prospectus, there are no ventures promoted by our Promoters in which they have any business interests / other interests.

Litigation details pertaining to our Promoters

For details on litigations and disputes pending against the Promoters and defaults made by the Promoters please refer to the section titled "***Outstanding Litigations and Material Developments***" beginning on page 231 of this Prospectus.

OUR PROMOTER GROUP AND GROUP COMPANIES / ENTITIES

In addition to the Promoters named above, the following natural persons are part of our Promoter Group:

1. Natural Persons who are part of the Promoter Group

As per Regulation 2(zb)(ii) of the SEBI (ICDR) Regulations, 2009, the Natural persons who are part of the Promoter Group (due to their relationship with the Promoters), other than the Promoters, are as follows:

Relationship	Mrs. Vidhi V Kamat
Father*	Mr. Bharat D Awaghade
Mother*	Mrs. Shanta B Awaghade
Spouse	Mr. Vikram V Kamat
Brother*	Mr. Jayesh Awaghade and Mr. Datta Awaghade
Sister	Not Applicable
Son	Vyom V Kamat
Daughter	Not Applicable
Spouse's Father*	Dr. Vithal V Kamat
Spouse's Mother*	Mrs. Vidya V Kamat
Spouse's Brother*	Mr. Vishal V Kamat
Spouse's Sister*	Mrs. Vidita J Joshi

*The aforementioned persons are 'immediate relatives' of the Promoter but, as such, do not form part of the 'Promoter Group' of the Company. Moreover, the aforesaid relatives do not own any shareholding in our Company. Further, our Promoter vide declaration cum affidavit dated December 30, 2015 has submitted that information related to business/financial interest held by the aforesaid relatives is not accessible for the purpose of disclosure in this Prospectus. Also, the said persons are not involved in any business decision of our Company, though our Company has entered into an agreement with Dr. Vithal V Kamat, for using the copyrights/marks/logos "*Vithal Kamats*" for existing and new restaurants, outlets, franchisee units etc. on payment of royalty, for a term of 15 years.

Therefore, the disclosures made in this Prospectus are limited to the extent of information that has been made available by our Promoter in relation to Promoter Group.

2. Corporate Entities or Firms forming part of the Promoter Group

As per Regulation 2(zb) of the SEBI (ICDR) Regulations, 2009, the following entities would form part of our Promoter Group:

Nature of Relationship	Entity
For Individual Promoters	
Any Body corporate in which ten percent or more of the equity share capital is held by the promoters or an immediate relative of the promoters or a firm or HUF in which the promoter or any one or more of his immediate relative is a member	• Kamat Holiday Resorts (Silvassa) Limited • VITS Hotels Worldwide Private Limited • Idlinow Eventure (India) Limited • Vikram Kamats Academy LLP

Any Body Corporate in which a body corporate as provided above holds ten percent or more of the equity share capital	• Conwy Finance and Leasing Private Limited • Kamats Amusements Private Limited • Swastik Amusements and Hotels Private Limited
Any HUF or firm in which the aggregate shareholding of the promoter and his immediate relatives is equal to or more than ten percent of the total	• Vikram Kamat HUF • Vikram Kamats Academy LLP

For Corporate Promoter	
A Subsidiary or Holding Company of such body corporate.	• VITS Hotels Worldwide Private Limited • Kamats Amusements Private Limited • Conwy Finance and Leasing Private Limited
Any body corporate in which the promoter holds ten percent or more of the equity share capital or which holds ten per cent or more of the equity share capital of the promoter.	• VITS Hotels Worldwide Private Limited • Kamats Amusements Private Limited • Vidli Restaurants Limited • Conwy Finance and Leasing Private Limited • Swastik Amusements and Hotels Private Limited • Kamat Hotels Private Limited
Any body corporate in which a group of individuals or companies or combinations thereof which hold twenty percent. or more of the equity share capital in that body corporate also holds twenty percent. or more of the equity share capital of the issuer.	• VITS Hotels Worldwide Private Limited • Kamats Amusements Private Limited • Conwy Finance and Leasing Private Limited • Vikram Kamats Academy LLP • Kamat Hotels Private Limited • Swastik Amusements and Hotels Private Limited

OUR GROUP COMPANIES / ENTITIES

Pursuant to a resolution passed by our Board dated December 28, 2015, for the purpose of identification of 'Group Companies' as required under the SEBI Regulations, our Company has considered (i) companies /entities forming part of related parties in accordance with Accounting Standard 18 in relation to financial statements for Financial Year 2014-2015; and (ii) other companies/entities which are considered material by our Board.

For the purposes of (ii) above, a company has been considered material if:

a. Our Company or the Promoters have a direct interest in such company/entities; and
b. Our Company has entered into one or more transactions with such company/entities in the financial year 2014-2015, cumulatively exceeding 25% of the total revenue of our Company for the financial year 2014-2015.

*Note: Accounting Standard – 18 of ICAI defines Relative as "in relation to an individual, means the spouse, son, daughter, brother, sister, father and mother who may be expected to influence, or be

influenced by, that individual in his/her dealings with the reporting enterprise". Our Promoter vide declaration cum affidavit dated December 30, 2015 has submitted that information related to business/financial interest held by the brother, sister, father and mother of our Ms. Vidhi V Kamat, our Promoter, is not accessible for the purpose of disclosure in this Prospectus. Moreover, the aforesaid relatives do not influence our Company and are not involved in any business decisions of our Company.

1. Kamats Holiday Resorts (Silvassa) Limited
2. Idlinow Eventure (India) Limited
3. Orchid Hotels Pune Private Limited
4. Vishal Amusements Limited
5. Kamburger Foods Private Limited
6. Kamats Eateries Private Limited
7. Kamats Super Snacks Private Limited
8. Kamats Club Private Limited
9. Swastik Amusements and Hotels Private Limited
10. Karaoke Amusements Private Limited
11. Kamats Amusements Private Limited
12. Kamat Hotels (India) Limited
13. Green Dot Restaurants Private Limited
14. Kamat Holdings Private Limited
15. Kamats Development Private Limited
16. VITS Hotel Worldwide Private Limited
17. Venketesh Hotels Private Limited
18. Conwy Finance and Leasing Private Limited
19. Kamat Hotels Private Limited
20. Vikram Kamats Academy LLP
21. Indira Investments Private Limited
22. Vikram Kamat (HUF)

Details of Group Companies:

The details of our top five Group Entities (based on turnover of the financial statements for the Financial Year ended March 31, 2015) are provided below:

1. Kamat Hotels (India) Limited ("KHIL")

KHIL was incorporated on March 21, 1986, as "Kamat Hotels (India) Limited" under the provisions of the Companies Act, 1956 with the Register of Companies, Maharashtra, Mumbai. The Company received the certificate of Commencement of Business on March 31, 1986. The Corporate identification number of KHIL is L55101MH1986PLC039307

Kamat Hotels (India) Limited's registered office is located at 70-C Nehru Road, Near Santacruz Airport, Vile Parle (E), Mumbai – 400099.

Interest of Promoters/Promoter group

As on the Date of Prospectus our promoter's do not hold Equity Shares of the Company.

Main objects	To manage, administer, own and to carry on the business of running hotels, motels, holiday camps, guest houses, restaurants, canteens, caterers, cafes, traverns, pubs, bars, beer-houses, refreshment rooms, and lodging or apartments, housekeepers, night clubs, casinos, discotheques, swimming pools, health clubs, baths, dressing rooms, beauty parlours, shopping arcade licensed victuallers, wine, beer and spirit merchants, exporters, importers and manufacturers of aerated mineral and artificial waters and other drinks, purveyours, caterers for public amusement		
PAN Card no.	AAACK2912L		
Registered Office Address	70-C Nehru Road, Near Santacruz Airport, Vile Parle (E), Mumbai – 400099		
Board of Directors	Dr. Vithal Venketesh Kamat Mr. Vikram V. Kamat Mr. Dinkar D. Jadhav Ms. Himali H. Mehta		
Audited Financial Information (Standalone)	**For The Year Ended** *(Amount Rs. in Lakhs)*		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	2417.26	2417.26	1968.19
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	(5,056.75)	1418.95	22,642.61
Networth	(2633.42)	3,542.28	24,316.87
Income including other income	13,930.63	15,679.06	16,287.26
Profit/ (Loss) after tax	(5,915.69)	(23,260.69)	(566.39)
Earnings per share (face value of Rs. 10 each)	(25.08)	(111.67)	(2.97)
Net asset value per share	(12.44)	15.02	127.36

Shareholding Pattern as on December 31, 2015 is as follows:

Category	Category of shareholder	Number of shareholders	No. of fully paid up equity shares held	No. of Partly paid-up equity shares held	No. of shares underlying Depository Receipts	Total nos. shares held	Shareholding as a % of total no. of shares (calculated as per SCRR, 1957)	Number of Voting Rights held in each class of securities				No. of Shares Underlying Outstanding convertible securities (including Warrants)	Shareholding , as a % assuming full conversion of convertible securities (as a percentage of diluted share capital)	Number of Locked in shares		Number of Shares pledged or otherwise encumbered		Number of equity shares held in dematerialised form
								No of Voting Rights			Total as a % of (A+B+C)			No. (a)	As a % of total Shares held(b)	No. (a)	As a % of total Shares held(b)	
								Class eg: X	Class eg: y	Total								
(A)	Promoter & Promoter Group	24	14361960	0	0	14361960	60.90	14361960	0	14361960	60.90	0	60.90	1629629	6.91	9871296	68.73	14361960
(B)	Public	6907	9222098	0	0	9222098	39.10	9221598	0	9221598	39.10	0	39.10	0	0.00	0	0.00	8898986
(C)	Non Promoter - Non Public	0	0	0	0	0	0.00	0	0	0	0.00	0	0	0	0.00	0	0.00	0
(C1)	Shares Underlying DRs	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
(C2)	Shares Held By Employee Trust	0	0	0	0	0	0.00	0	0	0	0.00	0	0.00	0	0.00	0	0.00	0
	Total	**6931**	**23584058**	**0**	**0**	**23584058**	**100.00**	**23583558**	**0**	**23583558**	**100.00**	**0**	**100.00**	**1629629**	**6.91**	**9893541**	**68.73**	**23260946**

For further details, regarding the shareholding pattern of KHIL please refer BSE website (i.e. http://www.bseindia.com/corporates/Sharehold_Searchnew.aspx?scripcode=526668&flag=7&expandable=6) and NSE website (i.e. http://www.nseindia.com/corporates/corporateHome.html?id=spatterns).

Share Price Information

The details of the monthly high and low prices of the closing on the BSE during the preceding six months are as follows:

Month, Year	Monthly Low	Monthly High
July 2015	54.90	64.70
August 2015	55.25	66.95
September 2015	53.20	68.45
October 2015	52.50	59.50
November 2015	46.30	57.00
December 2015	46.50	75.00

The details of the monthly high and low prices of the closing on the NSE during the preceding six months are as follows:

Month, Year	Monthly Low	Monthly High
July 2015	55.20	63.50
August 2015	53.40	69.00
September 2015	53.15	68.90
October 2015	51.00	58.90
November 2015	46.00	58.00
December 2015	45.00	75.50

Interest in Our Promotion of Our Company

- Kamat Hotels (India) Limited do not have any Interest, including any business or other interest, in our Company. Further Kamat Hotels (India) Limited do not have any interest in the Promotion of our Company.

- No Part of the Issue proceeds is payable to Kamat Hotels (India) Limited.

Loans granted or taken from our Company

As on the date of this Prospectus, Kamat Hotels (India) Limited has neither granted any unsecured loan to our Company nor taken any unsecured loan from our Company.

Mechanism for redressal of investor grievances

All share related matters, namely transfer, transmission, transposition, dividend, change of name, address and signature of mandate and power of attorney, replacement, split, consolidation, dematerialisation and rematerialisation of shares, issue of duplicate certificates etc. are handled by Kamat Hotels (India) Limited Registrar and Transfer Agent being Link Intime India Pvt. Ltd

The board of directors of Kamat Hotels (India) Limited constituted the investor grievances-cum-share transfer committee as “Stakeholders’ Relationship Committee” to look into the redressal of shareholder and investor complaints, issue of duplicate/consolidated share certificates, allotment and listing of shares and review of cases of refusal of transfer/transmission of shares and debentures and reference to statutory and regulatory authorities.

Other Confirmations:

- Kamat Hotels (India) Limited is not a sick company within the meaning of the Sick Industrial Companies (Special Provisions) Act, 1995. Further no application for winding up has been filed against the company.
- No application has been made to RoC for striking off the name of Kamat Hotels (India) Limited;
- Kamat Hotels (India) Limited is not prohibited from accessing the capital markets for any reasons by the SEBI or any other authorities;
- Kamat Hotels (India) Limited has not failed to meet the listing requirements of recognized stock exchange in India or abroad and no penalty, if any including suspension of trading, has been imposed on Kamat Hotels (India) Limited;
- There are no adverse findings, as regards compliance with the securities laws against Kamat Hotels (India) Limited.

Our group company, Kamat Hotels (India) Limited (KHIL) had made a reference to Corporate Debt Restructuring (CDR) Cell for restructuring its debts in view of difficult financial situation. The CDR Empowered Group, at its meeting held on February 15, 2013, has approved the CDR Package.

a. The Asset Sale Committee constituted by the CDR lenders could not materialize sale of specified assets of KHIL despite best efforts by KHIL's management, promoters and the Asset Sale Committee and therefore the CDR empowered Group communicated revocation of CDR mechanism as decided in the Joint Lenders Meeting. After the failure of the CDR Scheme as intimated by the CDR Cell on 11-9-2014 (i) SBI, vide Assignment Agreement dated 28-6-2014 assigned its entire loans and other dues aggregating to Rs. 155.68 crores to Assets Care & Reconstruction Ent. Ltd. (ACRE) (ii) TFCI assigned the entire loan and other dues aggregating to Rs. 45.04 crores on 30-9-2014 to ACRE; (iii) L & T Infrastructure Finance Co assigned the entire dues as on 30-9-2014 to Edelweiss Asset Reconstruction Company and Edelweiss ARC informed vide letter dated 25-8-2015 that the debt has been settled for Rs. 45 crores payable over a time as agreed. (iv) Vijaya Bank vide its assignee's letter dated 19-5-2015 informed the Company that it had assigned the entire dues to Invent Assets Securitization & Reconstruction Pvt Ltd. which is settled for Rs. 7.26 crores (v) Allahabad Bank vide letter dated 19-10-2015 informed that it has assigned the entire debt dues to Phoenix ARC Pvt. Ltd., which is pending for settlement.
b. Remaining lenders including lenders who were not part of CDR scheme and Edelweiss Asset Reconstruction Company, have vide various notices issued from time to time in exercise of their powers vested under SARFAESI Act, classified their respective loans to Company and other amounts recoverable as NPA and recalled the entire dues within specified period ranging from 7 days to 60 days. As a result, following adjustments have been made during the quarter:
c. Interest on outstanding loans to non-CDR lenders, except IL & FS, has been provided in accordance with the terms and conditions of the original loan agreements and/or as per intimations received.
d. In respect of SBI, all outstanding amounts to SBI have been transferred to ACRE Account towards the settlement amount of Rs. 160 crores payable over a period of time. Rs. 200.00 lakhs repaid during this quarter as per Settlement terms. During this quarter, SBI transferred Rs. 177.80 lakhs to ACRE by closing various TRA Accounts, which has not been adjusted by ACRE towards the repayment of loan and the same is under reconciliation.
e. In respect of TFCI, all outstanding amounts have been transferred to ACRE Account towards the settlement amount of Rs. 45.04 crores payable over a period of time. No interest or any other amount payable on the settled amount. Rs. 18.00 lakhs repaid during this quarter as per Settlement terms.
f. In respect of L& T, all outstanding amounts have been transferred to ACRE Account towards the settlement amount of Rs. 45.00 crores payable over a period of time. No interest or any other amount payable on the settled amount. Rs. 7.00 crores repaid during this quarter as per Settlement terms. Gap between the settled amount and balance as per books as on the date of settlement, is provided subject to confirmation by the ARC.

g. In respect of Vijaya Bank, interest has been provided for the quarter on the basis of original terms and conditions. The Company has signed the settlement document and repayment will start from December, 2015.
h. In respect of Allahabad Bank, interest has been provided for the quarter on the basis of original terms and conditions. The Company is yet to sign the settlement document.
i. In respect of other lenders covered under CDR, provision for revised interest has been made from 1-4-2012 on the basis of original terms and conditions. There is no intimation of any assignment by them yet.
j. In respect of IL&FS, interest has been provided upto 31-3-2014 based on agreed terms. No Interest has been provided from 1-4-2014 till 31-3-2015 and thereafter till the end of this quarter pending resolution of certain disputes. The IL & FS has filed a suit for recovery in May-2015, which is pending before the Bombay High Court. Some Interim orders have been passed in the meantime. The company has disputed the demands and accordingly no further interest has been provided for the quarter and we confirm that it is not necessary to provide.
k. Canara Bank: As per the directions of the HC as mentioned in (j) above, the Company has deposited Rs.14.09 crores in an Escrow Account from May-2015 to Sept-2015 out of credit card collections, out of which Canara Bank adjusted Rs. 12.50 crores towards its term loans, which has been disputed by IL& FS before the High Court, and the matter is pending. The final adjustment of the said amounts will be made in accordance with the HC court on disposal of the suit.
l. In respect of other lenders not covered under CDR, interest has been provided in the accounts as per respective loan agreements for the quarter.

2. Kamats Holiday Resorts (Silvassa) Limited ("KHRSL")

Main objects :	To manage, administer, own and to carry on the business of running hotels, motels, holiday camps, guest houses, restaurants, canteens, caterers, cafes, taverns, pubs, bars, beer-houses, refreshment rooms, and lodging or apartments, housekeepers, night clubs, casinos, discotheques, swimming pools, health clubs, baths, dressing rooms, beauty parlours, shopping arcade licensed victuallers, wine, beer and spirit merchants, exporters, importers and manufacturers of aerated mineral and artificial waters and other drinks, purveyors, caterers for public amusement		
Date of Incorporation	May 6, 1987		
CIN	U55200MH1987PLC043377		
PAN Card no.	AAACK2015L		
Registered Office Address	70-C, Nehru Road, Vile Parle (East), Mumbai 400099		
Board of Directors	Dr. Vithal Venketesh Kamat Mr. Gopalkrishna Narsimha Shenoy Mr. Vikram V Kamat		
Audited Financial Information	**For The Year Ended**		***(Amount Rs in Lakhs.)***
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	241.75	241.75	220.00
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	619.97	590.52	167.77
Networth	911.72	882.27	4,37.77
Income including other income	415.57	352.11	416.00
Profit/ (Loss) after tax	36.39	9.50	(6.73)

Earnings per share (face value of Rs. 10 each)	1.51	0.39	(0.58)
Net asset value per share for Equity Shareholders	35.64	34.42	17.62

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Dr. Vithal Kamat	70,650	2.92
2.	Vithal Kamat HUF	21,400	0.89
3.	Ms. Vidya V. Kamat	13,050	0.54
4.	Mr. Vikram V. Kamat	12,00,000	49.64
5.	Kamats Amusements Private Limited	5,11,250	21.15
6.	Plaza Hotels Private Limited	5,06,250	20.94
7.	Vishal V Kamat	600	0.02
8.	Dr. Vithal V Kamat Jointly with Vidya V Kamat	300	0.01
9.	Vidya V Kamat Jointly with Vithal V. Kamat	90,000	3.72
10.	Vishal Amusements Limited	3800	0.16
11.	Indira Investments Private Limited	100	0.01
12.	Kamat Holdings Private Limited	100	0.01
	TOTAL	**24,17,500**	**100**

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly through their immediate relatives hold the following shares in Kamats Holiday Resorts (Silvassa) Limited and are interested to such extent of the shareholding as mentioned herein below:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Mr. Vikram V. Kamat	12,00,000	49.69
2.	Kamats Amusements Private Limited	5,11,250	21.15
3.	Vishal Amusements Limited	3800	0.16
4.	Indira Investments Private Limited	100	0.01
5.	Kamat Holdings Private Limited	100	0.01

Kamats Holiday Resorts (Silvassa) Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA.

3. VITS Hotels Worldwide Private Limited ("VHWPL")

VHWPL was incorporated on March 12, 2010, as "UK Hospitality Infotech Private Limited" under the provisions of the Companies Act, 1956 with the Assistant Registrar of Companies, Maharashtra, Mumbai. Subsequently on September 3, 2014 the name of the Company was changed to VITS Hotel Worldwide Private Limited vide Certificate of Incorporation pursuant to change of name issued by Assistant Registrar of Companies. The Corporate identification number of VHWPL is U55101MH2010PTC200800.

Main objects :	To carry on the business in all the segments of hospitality and hotel industry and to build, develop, manage, run, conduct, the business of running hotels, motels, holiday camps, guest houses, restaurants, highway restaurants, canteens, caterers, cafes, traverns, pubs, bars, beer-houses, refreshment rooms, and lodging of apartments, housekeepers, night clubs, casinos, discotheques swimming pools, health clubs, baths, dressing rooms, beauty parlours, shopping arcade, licensed vitaullers, wine, beer and spirit merchants, exporters, importers and manufacturers of aerated, mineral and artificial waters and other drinks, caterers for public amusement		
PAN Card no.	AABCU1574D		
Registered Office Address	C-1502, RNA Azzure, Prajakta CHS, Kher Nagar, Bandra East, Mumbai - 400051.		
Board of Directors	Ms. Vidya V Kamat Mr. Ashok S Hegde Mr. Amit S Mehta		
Audited Financial Information	**For The Year Ended** *(Amount Rs. in Lakhs)*		
	March 31, 2015	**March 31, 2014**	**March 31, 2013**
Equity Capital	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	(43.35)	(39.80)	(19.31)
Networth	(42.40)	(38.88)	(19.41)
Income including other income	42.59	0.65	4.77
Profit/ (Loss) after tax	(3.17)	(20.48)	(8.74)
Earnings per share (face value of Rs. 10 each)	(31.80)	(204.80)	(87.47)
Net asset value per share	(424.09)	(388.79)	(194.14)

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Vidhi Kamat	9,999	99.99
2.	Babu Devadiga	1	0.01
	TOTAL	**10,000**	**100**

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly through their immediate relatives hold the following shares in VITS Hotels Worldwide Private Limited and are interested to such extent of the shareholding as mentioned herein below:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Vidhi Kamat	9,999	99.99

VITS Hotels Worldwide Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA.

4. Orchid Hotels Pune Private Limited ("OHPPL") (Formerly known as B W Highway Star Private Limited)

Main objects :	"To carry on the business of all the segments of hospitality and hotel industry and to build, develop, manage, run, conduct, the business of Holiday Resorts, Time Share Resorts, Vacation Resorts, Apartment Hotels or such Resorts by whatever name called providing accommodation and other holiday and recreational facilities to the members whether individuals, firms, companies, bodies corporate, or such other entities or to any other person(s) in India and/or abroad and obtain, acquire, invite, grant, extend membership, registration, recognition or licenses of to other Holiday Exchange Resorts, Time Share Resorts, Vacation Exchange Resorts or such other Resorts including Hotels for providing the Time Share Exchange, Holiday Exchange and/or Vacation Exchange facilities and to invite, enrol, float, develop, time share holiday schemes and to grant membership against refundable or non refundable deposits schemes for time share hospitality facilities, benefits, amenities and to conduct, manage, run, operate, club facilities for the members or otherwise for general public and carry on the business of sports club, night club, card game clubs, entertainment clubs, eating joints, permit room, health clubs and spa units, boat clubs, and to tie up, associate, affiliate with other time share operators, agencies, condominiums, hotels, resorts for providing facilities, amenities, accommodation, apartments to members and guests and for providing food and beverage services and other recreating services".
Date of Incorporation	April 21, 2007
Change of Name	Fresh Certificate of Incorporation consequent upon change on name from "B W Highway Star Private Limited" to "Orchid Hotels Pune Private Limited" issued by Registrar of Companies, Maharashtra, Mumbai dated April 13, 2012
CIN	U55101MH2007PTC1710188
PAN Card no.	AADCB1174E
Registered Office Address	Ground Floor, KHIL House, 70-C, Nehru Road, Vile Parle (East), Mumbai – 400099, Maharashtra, India.
Board of Directors	Dr. Vithal Kamat Mr. Vikram Kamat Mr. Samir Chaturvedi Mr. Dinkar Jadhav Ms. Gayatri Devadiga
Audited Financial Information	**For The Year Ended** ***(Amount Rs .in Lakhs)***

	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital	1176.47	1176.47	1176.47
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	(380.14)	86.67	1,635.93
Networth	796.33	1263.14	2812.39
Income including other income	2841.21	2481.20	2897.21
Profit/ (Loss) after tax	(456.85)	(1549.26)	(2128.86)
Earnings per share (face value of Rs. 10 each)	(3.88)	(13.17)	(18.10)
Net asset value per share	6.77	10.74	23.90

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Kamat Hotels (India) Limited	11,764,703	100.00
2.	Dr. Vithal V Kamat*	1	Negligible
3.	Mr. Babu A Devadiga*	1	Negligible
4.	Mr. Narendra Pai*	1	Negligible
	TOTAL	**11,764,706**	**100.00**

**Dr. Vithal V Kamat, Mr. Babu A Devadiga and Mr. Narendra Pai holds one share each on behalf of Kamat Hotels (India) Limited who is the beneficial owner.*

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly through their immediate relatives hold the following shares in Orchid Hotels Pune Private Limited and are interested to such extent of the shareholding as mentioned herein below:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Kamat Hotels (India) Limited	1,17,64,703	100
2.	Mr. Vikram V Kamat	1	Negligible

Orchids Hotels Pune Private Limited is an unlisted Company and it has not made any public issue (including any rights issue to the public) in the preceding three years. It has not become a sick Company under the meaning of SICA.

5. Vikram Kamats Academy LLP ("VKA")

VKA was incorporated on June 11, 2014 under the Limited Liability Act, 2008 and having its registered office at C/1502, RNA AZZURE, Prajakta CHS Near Employee Provident Fund Office, Kher Nagar, Bandra East, Mumbai - 400051. VKA is involved in the business of training of persons for hotels, restaurants and hospitality related business including providing services of recruiting, training to chiefs, cooks, management trainees, bearers, house keepers and any type of skilled and unskilled labour, managerial, technical and supervisory services required in the running, operation and management of hotel and restaurants and also to carry on all the business directly or indirectly related in the Hospitality Industry. LLPIN of VKA is AAC-3635.

Capital Contribution as on the date of this Prospectus is as follows:

(Rs. in lacs)

Sr. No.	Name of the Partners	Capital Contribution
1.	Ms. Vidhi V Kamat	50%
2.	Mr. Vikram V Kamat	50%
	TOTAL	**100.00%**

Designated Partners of VKA

1. Mr. Vikram V Kamat
2. Ms. Vidhi V Kamat

Nature and extent of interest of our Promoters

The Promoters of our Company directly or indirectly through their immediate relatives hold the following profit sharing ratio in Vikram Kamats Academy LLP and are interested to such extent of the shareholding as mentioned herein below:

Sr. No.	Name of the Partners	% of Capital Contributed	% of Shareholding
1.	Ms. Vidhi V Kamat	50	50
2.	Mr. Vikram V Kamat	50	50

Further, our Promoter Ms. Vidhi V Kamat and Mr. Vikram V Kamat (Spouse of our Promoter Ms. Vidhi V Kamat) are the Designated Partners of VKA.

Financial Information

Audited Financial Information	For The Year Ended *(Amount Rs .in Lakhs)*
	March 31, 2015
Partners Capital	9.42
Income including other income	8.66
Profit/ (Loss) after tax	(0.57)

**VKA was formed on June 11, 2014; hence financial year 2014-15 is the first financial year of VKA.*

Note:

1. Vikram Kamat (HUF) was formed on January 11, 2014. Vikram Kamat (HUF) has confirmed to our Company and Lead Manager that it is not operational and has not filed any income tax returns from the financial year 2014-15.
2. Idlinow Eventure (India) Limited was formed on August 26, 2015. This being the first financial year of the Company, the Company has not prepared the Financials.

Group Entites with negative net worth

1. Venketesh Hotels Private Limited ("VHPL")

VHPL was incorporated on November 28, 1983. The main objects set out in the Company's memorandum of association is to deal in hotels and lodging houses and to carry on business of restaurant, café, tavern, beerhouse, refreshment-room, and lodging house keepers. Licensed victuallers, wine, beer and spirit merchants, brewers, maltsters, distillers, importers and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caters for

public amusements. Mr. Vithal V Kamat, Mrs. Indira V Kamath and Mr. Vikram V Kamat are the directors of the Company. The CIN of the Company is U55200MH1983PTC031435.

VHPL's registered office is situated at 70-C, Nehru Road, Vile Parle (E), Mumbai – 400 099

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Mr. Vithal V Kamat	850	85
2.	Mr. Vithal V Kamat Jointly with Ms. Vidya V Kamat	50	5
3.	Ms. Vidya V Kamat Jointly with Mr. Vithal V Kamat	50	5
4.	Mr. Vishal V Kamat Jointly with Mr. Vithal V Kamat	50	5

Financial Performance:

Audited Financial Information	For The Year Ended *(Rs .in Lakhs)*		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital excluding forfeited shares	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	(180.02)	(168.57)	(169.03)
Networth excluding forfeited shares	(166.45)	(155.33)	(155.78)
Income including other income	0.90	0.90	0.90
Profit/ (Loss) after tax	(11.45)	0.45	0.37
Earnings per share (face value of Rs. 100 each)	(1144.88)	45.51	36.58
Net asset value per share for Equity Shareholders	(17,870.37)	(16,725.49)	(16,770.90)

2. Indira Investments Private Limited ("IIPL")

IIPL was incorporated on January 1, 1986. The main objects set out in the Company's memorandum of association is to carry on the business of Investment Company and to buy, underwrite, invest, acquire and hold stocks, debentures, debenture-stocks, bonds, notes, obligations and securities issued or guaranteed by any company or body corporate and debentures, debenture-stocks, bonds, obligation, savings certificates and securities issued or guaranteed by any state or Central Government, Public body or authority, municipal, local or otherwise whether in India or elsewhere, and to invest funds in post-office savings account, Unit Trust or in such other bonds. Mr. Vikram V Kamat and Mr. Ashok Hegde are the directors of the Company. The CIN of the Company is U65990MH1986PTC038514.

IIPL's registered office is situated at 70-C, Nehru Road, Vile Parle (E), Mumbai – 400 099

Shareholding Pattern as on the date of this Prospectus is as follows:

Sr. No.	Name of the Equity Shareholder	No. of Equity Shares held	%age of Shareholding
1.	Dr. Vithal V Kamat	890	89
2.	Vithal Kamat HUF	60	6
3.	Vidya Kamat	50	5

Financial Performance:

Audited Financial Information	For The Year Ended *(Rs .in Lakhs)*		
	March 31, 2015	March 31, 2014	March 31, 2013
Equity Capital excluding forfeited shares	1.00	1.00	1.00
Reserves and Surplus (excluding Revaluation Reserve and Less Misc. Expenses, if any)	(8.44)	(4.31)	(4.27)
Networth excluding forfeited shares	(7.44)	(3.31)	(3.27)
Income including other income	4.77	0.07	0.03
Profit/ (Loss) after tax	(4.13)	(0.03)	0.36
Earnings per share (face value of Rs. 100 each)	(413.38)	(3.77)	35.87
Net asset value per share	(711.69)	(298.21)	(294.44)

3. Kamat Hotels (India) Limited

For details relating to Kamat Hotels (India) Limited, please refer chapter titled "*Our Group Entities"* beginning on page 171 of this Prospectus.

4. Conwy Finance & Leasing Private Limited

For details relating to Conwy Finance & Leasing Private Limited, please refer chapter titled "*Our Promoters"* beginning on page 171 of this Prospectus.

5. VITS Hotels Worldwide Private Limited

For details relating to VITS Hotels Worldwide Private Limited, please refer chapter titled "*Our Group Entities"* beginning on page 171 of this Prospectus.

Following are the Group Entities which are having losses either in current financial year or in preceding financial years.

1. **Financial Performance of Kamat Hotels (India) Limited:**

Amount (Rs. in lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	2,417.26	2,417.26	1,968.19
Sales and other income	13,930.63	15,679.06	16,287.26
Profit/ Loss after tax	(5,915.69)	(23,260.69)	(566.39)

2. **Financial Performance of Kamat Hotels Private Limited:**

Amount (Rs. in lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	1.00	1.00	1.00
Sales and other income	0.05	-	-
Profit/ Loss after tax	(0.06)	(0.07)	(0.07)

3. **Financial Performance of VITS Hotel Worldwide Private Limited:**

Amount (Rs. in lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Capital	1.00	1.00	1.00
Sales and other income	42.59	0.65	4.77
Profit/ Loss after tax	(3.18)	(20.48)	(8.74)

4. **Financial Performance of Indira Investments Private Limited:**

Amount (Rs. in lakhs

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Equity Capital excluding forfeited shares	1.00	1.00	1.00
Sales and other income	4.77	0.07	0.03
Profit/ Loss after tax	(4.13)	(0.03)	0.36

5. **Financial Performance of Orchid Hotels Pune Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	1,176.47	1,176.47	1,176.47
Sales and other income	2841.21	2481.20	2,897.21
Profit/ Loss after tax	(456.85)	(1,549.26)	(2,128.87)

6. **Financial Performance of Conwy Finance & Leasing Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	1.00	1.00	1.00
Income	5.26	0.95	0.51
Profit/loss after tax	(18.13)	(13.97)	(26.41)

7. **Financial Performance of Venketesh Hotels Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	13.58	13.58	13.58
Income	0.90	0.90	0.90
Profit/loss after tax	(11.45)	0.45	0.37

8. **Financial Performance of Vishal Amusements Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	355.75	355.75	355.75
Income	-	0.006	0.03
Profit/loss after tax	(3.59)	(4.19)	(0.14)

9. **Financial Performance of Vikram Kamats Academy LLP:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015
Partners' Capital	9.43
Income	8.66
Profit/loss after tax	(0.57)

**VKA was formed on June 11, 2014, hence financial year 2014-15 is the first financial year of VKA.*

10. **Financial Performance of Kamats Club Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	236.32	236.32	236.32
Income	-	-	-
Profit/loss after tax	(0.56)	(0.32)	(0.43)

11. **Financial Performance of Kamats Development Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	1.32	1.32	1.32
Income	0.05	13.86	1.60
Profit/loss after tax	(0.52)	10.66	(4.17)

12. **Financial Performance of Kamats Super Snacks Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2014
Capital	154.32	154.32	154.32
Income	-	-	-
Profit/loss after tax	(0.25)	(0.12)	(0.10)

13. **Financial Performance of Kamburger Foods Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	196.32	196.32	196.32
Income	-	-	-
Profit/loss after tax	(0.16)	(0.25)	(0.12)

14. **Financial Performance of Kamats Eateries Private Limited:**

Amount (Rs. in lakhs)

Particulars	For the year ended March 31, 2015	For the year ended March 31, 2014	For the year ended March 31, 2013
Capital	193.82	193.82	193.82
Income	(0.02)	-	-
Profit/loss after tax	(0.15)	(0.11)	(0.12)

Other Group Companies are as provided

1. **Kamats Amusements Private Limited ("KAPL")**

   KAPL was incorporated as "Sarvodaya Amusements Private Limited" under the Companies Act, 1956 on March 29, 1985. Subsequently, the name of the Company was changed to "Kamats Amusements Private Limited" vide fresh certificate of incorporation consequent to change of name dated January 10, 1991 issued by RoC. In terms of its memorandum of association, the main objects of is to purchase, lease, hire, construct, provide, operate, equip and maintain theatres, cinemas, studios, concert halls, stadiums, tracks, arenas, golf and putting courses, bowling greens, tennis courts, skating rinks, swimming baths, boating and paddling pools, marine piers, lading stages, jetties coach and car parks, sideshows, fair-ground apparatus, marquees, tents, vehicles, boats, chairs, machines and all other structures, apparatus and necessary for carrying in the business of amusements. The Corporate Identity Number of the Company is U70100MH1985PTC035803.

2. **Swastik Amusements and Hotels Private Limited ("SAHPL")**

   SAHPL was incorporated under the Companies Act, 1956 on February 20, 1985. In terms of its memorandum of association, the main objects of is to manage, administer, own and to carry on the business of running hotels, motels, holiday camps, guest houses, restaurants, canteens, cafe, caterers, taverns pubs, bars, beer-houses, refreshment rooms, and lodging or apartments, housekeepers, night clubs, casinos, discothegues, swimming pools, health clubs, baths, dressing rooms, licensed victualers, wine, beers and spirit merchants, exporters, importers, and manufacturers of aerated, mineral and artificial waters and other drinks, purveyors, caters for public amusements generally.

3. **Karaoke Amusements Private Limited ("KAPL")**

   KAPL was incorporated under the Companies Act, 1956 on November 25, 1991. In terms of its memorandum of association, the main objects of are to carry on the business of musical entertainers, discotheques, song editiors, sing-along, parlours, amusements macines like vide games and to acquire, purchase, lease, or assign franchises, coyprights, rights of production or presentation, licenses and privileges of all kinds for the production of recorded video tapesor casettes or any other goods likely to be condusive to the objects of the company.

4. Kamat Holdings Private Limited ("KHPL")

KHPL was incorporated under the Companies Act, 1956 on February 12, 1991. In terms of its memorandum of association, the main objects of are to carry on the business of an investment Company and to invest the capital and other moneys of the company in the purchase or upon the security of shares, stocks, units, debentures, debenture-stock, bonds, mortgages, obligations and securities of any kind issued or undertaking of whatever nature, whether incorporated or otherwise, and wheresoever constituted or carrying on business and shares, stocks, debentures, debenture-stock, bonds, notes, mortgages, obligations and other securities ruler, commission by any government, soverign ruler, commissioners, trust, municipal, local or other authority, or body of whatever nature in India or abroad and to manage investments in shares, stocks, securities, subject to the necessary Government approval.

5. Green Dot Restaurants Private Limited ("GDRPL")

GDRPL was incorporated under the Companies Act, 1956 on October 25, 2012. In terms of its memorandum of association, the main objects of GDRPL is to carry on the business in all the segments of hospitality and restaurant / eateries/ hotel industry and to build, own, lease, develop, mange, run, operate, conduct restaurants/eateries/hotels and/or the business of Holiday Resorts, Heritage Hotels, Beach Resorts, Fort or Palace Hotels, Vacation Resorts, Agro Based Resorts, Forest Based Resorts, forest based resorts, Apartment Hotels Time Share Resorts, Vacation Resorts, or such resorts by whatever name called providing accommodation and other holiday and recreational facilities to the members whether individuals, firms, companies, bodies corporate, or such other entities or to any other person(s) in India and/or abroad and obtain, acquire, invite, grant, extend membership, registration, recognition, or licenses of to other Holiday Exchange Resorts, Time Share Resorts, Vacation Exchange Resorts including Hotels for providing the time Share Exchange facilities, Holiday Exchange Resorts, Vacation Exchange Facilities and to invite, enrol, flat, develop time share holiday schemes and to grant membership against refundable or non refundable deposits schemes for the time share hospitality facilities, benefits, amenities, and to conduct, manage, run, operate, club, facilities for the members or otherwise for general public and to carry on the business of sports club, night club, card game clubs, entertainment clubs, eating joints, permit room, health clubs, and spa units, boat clubs and to tie up, associate, affiliate with other time share operators, agencies, apartments to members and guests and for providing food and beverage services and other recreating services and to carry on the business, manage and act as agents and or collaborators, franchisees, technicians, managers, interior decorators, architectures, consultants, advisors, operators for any other hotels, motels, holiday resorts, restaurants, canteens, cafes, coffee houses, pubs, health apartments, adventure sports, bars, clubs, discotheques and to provide services of recruiting, training to chefs, cooks, bearers, housekeepers and any type of managerial, technical and supervisory managerial services required in the management of hotel industry and also to carry on all the business directly related in the Hospitality Industry.

6. Vikram Kamat (HUF)

Vikram Kamat HUF is a Hindu un-divided family and was formed on January 11, 2014. Mr. Vikram Kamat is the Karta of the HUF.

Sr. No.	Name of HUF and PAN	Name of Karta	Member of HUF
1.	Vikram Kamat HUF AAIHV6137R	Vikram Kamat	Vidhi Kamat Master Vyom Kamat

7. Idlinow Eventure (India) Limited ("IEIL")

IEIL was incorporated under the Companies Act, 1956 on November 25, 1991. In terms of its memorandum of association, the main objects of IEIL is to carry on the business of e-commerce of food, food products, eatables, other products and services related to restaurants, hotel and hospitality industry. To build, develop, manage, run, conduct, the business of and to purchase, sell, market, distribute, on through electronic commerce, for the purpose to do web designing, web based information systems, client server application, enterprise, resource planning, business to business wholesale trade of food and food products, eatables, other related products and services, network management and to establish and maintain portals, to act as internet service provider, to develop E- commerce activities doing business to business wholesale trading, to commercialize internet applications, to develop consumer oriented electronic commerce, to create digital signatures & systems on demand, to develop education and digital copyrights, to provide multimedia and digital video broadband communication, to create domain names, internet, internet marketing, online advertisement or such other internet media any kinds of goods, things, articles, products, materials, commodities and services of the company or other companies relating to hotels and hospitality or any other party on cash basis or on commission basis or such other terms and conditions and to do all such other acts and things necessary for the attainment of the objects of the Company.

Litigations

For details on litigations and disputes pending against the Group Company, if any, please refer to the section titled "***Outstanding Litigations and Material Developments***" on page 231 of this Prospectus.

Companies / Ventures with which the Promoters have disassociated themselves in the last three years

Except as mentioned below, none of our Promoters have disassociated themselves from any companies, firms or other entities during the last three years preceding the date of this Prospectus.

1. Our Promoter Ms. Vidhi V Kamat has disassociated herself from M/s. Rama Krishna ("Partnership Firm") vide Deed of Dissolution dated May 22, 2015
2. Our Promoter Conwy Finance and Leasing Private Limited has disassociated from M/s. Kamat Beachfront Hotels Private Limited on account of Strike Off effective from date April 8, 2014

Undertaking / confirmations

None of our Promoters or Promoter Group or Group Companies / entities or person in control of our Company, the natural persons in control of our corporate Promoter has been (i) prohibited from accessing or operating in the capital market or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI or any other authority or (ii) refused listing of any of the securities issued by such entity by any stock exchange, in India or abroad. None of our Promoters, person in control of our Company, persons in control of our Corporate Promoter are or have ever been a promoter, director or person in control of any other company which is debarred from accessing the capital markets under any order or direction passed by the SEBI or any other authority.

Further, neither our Promoters, the relatives of our individual Promoters (as defined under the Companies Act) nor our Group Companies / entities have been declared as a wilful defaulter by the RBI or any other government authority and there are no violations of securities laws committed by them in the past and no proceedings for violation of securities laws are pending against them.

Common Pursuits / Conflict of Interest

Except for, Kamat Hotels (India) Limited, Venketesh Hotels Private Limited, VITS Hotel Worldwide Private Limited, Green Dot Restaurants Private Limited, Kamburger Foods Private Limited, Orchid Hotels Pune Private Limited, Kamats Holiday Resorts (Silvassa) Limited none of our Promoter / Group Companies has any common pursuits. For details please refer to chapter titled "***Our Promoters***" on page 171 of this Prospectus.

We shall adopt the necessary procedures and practices as permitted by law to address any conflicting situations, as and when they may arise.

For details relating to sales or purchases between our Company and any of our Group entities exceeding 10% of the sales or purchases of our Company see the chapter titled "***Restated Financial Statements - Related Party Disclosures***" on page 215 of this Prospectus.

RELATED PARTY TRANSACTIONS

For details on Related Party Transactions of our Company, please refer to Annexure XXIV of the restated financial statement under the section titled, "Financial Statements" beginning on page 215 of the Prospectus.

DIVIDEND POLICY

Our Company does not have any formal dividend policy. The declaration and payment of dividend are governed by the applicable provisions of the Companies Act and the Articles of Association of our Company and will depend on a number of other factors, including the results of operations, financial condition, capital requirements and surplus, contractual restrictions and other factors considered relevant by our Board.

The dividends declared by our Company for the period ended September 30, 2015 and in each of the Fiscal 2015, 2014, 2013, 2012 and 2011, as per our audited and restated financial statements are as given below:

(Amount in Rupees Lakhs, except per share figures)

Description	For the period ended	For the Year Ended March 31				
	September 30, 2015	2015	2014	2013	2012	2011
Face value of Equity Shares (Rs.)	10	10	10	10	10	10
Dividend (Rs.)	Nil	2,99,449 (Interim Dividend)	15,000 (Final Dividend)	Nil	Nil	Nil
Dividend tax (Rs.)	Nil	61,312	3,000	Nil	Nil	Nil
Dividend per Equity Share (Rs.)	Nil	2.00*	1.5	Nil	Nil	Nil
Dividend rate (%)	Nil	20%*	15%	Nil	Nil	Nil

*The Company has paid Interim Dividend to the members on pro-rata basis at the at the rate of 20% as on February 9, 2015

**Our Board of Director vide their meeting on December 28, 2015 has proposed to declare an interim dividend @ 7.5% to its shareholders. The dividend of Rs. 22.65 lacs was paid to Equity Shareholders whose name appear in the register of members of our Company as on the record date.

SECTION V – FINANCIAL STATEMENTS
FINANCIAL STATEMENTS AS RE-STATED

Independent Auditor's Report for the Restated Financial Statements of Vidli Restaurants Limited

The Board of Directors
Vidli Restaurants Limited
Office No.26, Building No.1
Ajay Mittal Industrial Premises Limited
Marol, Andheri East, Mumbai–400059

Dear Sirs,

1. We have examined the attached Restated Summary Statement of Assets and Liabilities of **Vidli Restaurants Limited,** (hereinafter referred to as "**the Company"**) as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, Restated Summary Statement of Profit and Loss and Restated Summary Statement of Cash Flow for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (collectively referred to as the "**Restated Summary Statements**" or "**Restated Financial Statements**") annexed to this report and initialled by us for identification purposes. These Restated Financial Statements have been prepared by the Company and approved by the Board of Directors of the company in connection with the Initial Public Offering (IPO) in SME Platform of BSE Limited ("**BSE**").

2. These Restated Summary Statements have been prepared in accordance with the requirements of:

   (i) Part I of Chapter III to the Companies Act, 2013("the Act") read with Companies (Prospectus and Allotment of Securities) Rules 2014;
   (ii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009 ("**ICDR Regulations"**) issued by the Securities and Exchange Board of India ("**SEBI"**) in pursuance to Section 11 of the Securities and Exchange Board of India Act, 1992 and related amendments / clarifications from time to time;

3. We have examined such Restated Financial Statements taking into consideration:

   (i) The terms of reference to our engagements with the Company letter dated December 8, 2015 requesting us to carry out the assignment, in connection with the Draft Prospectus/ Prospectus being issued by the Company for its proposed Initial Public Offering of equity shares in SME Platform of BSE Limited ("**IPO**" or "**SME IPO**"); and
   (ii) The Guidance Note on Reports in Company Prospectus (Revised) issued by the Institute of Chartered Accountants of India ("**Guidance Note**").

4. The Restated Financial Statements of the Company have been extracted by the management from the Audited Financial Statements of the Company for the period / year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which have been approved by the Board of Directors.

5. In accordance with the requirements of the Act, ICDR Regulations, Guidance Note and Engagement Letter, we report that:

   (i) The "**Restated Statement of Asset and Liabilities**" as set out in **Annexure I** to this report, of the Company as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Asset

and Liabilities, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

(ii) The "**Restated Statement of Profit and Loss**" as set out in **Annexure II** to this report, of the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Profit and Loss, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to the Restated Summary Statements as set out in **Annexure IV** to this Report.

(iii) The "**Restated Statement of Cash Flow**" as set out in **Annexure III** to this report, of the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 are prepared by the Company and approved by the Board of Directors. These Statement of Cash Flow, as restated have been arrived at after making such adjustments and regroupings to the individual financial statements of the Company, as in our opinion were appropriate and more fully described in Significant Accounting Policies and Notes to Restated Summary Statements as set out in **Annexure IV** to this Report.

6. Based on our examination and audited financial statements, we report that the Restated Financial Statements have been made after incorporating:

   a) Adjustments for the changes in accounting policies retrospectively in respective financial years/period to reflect the same accounting treatment as per the changed accounting policy for all reporting periods.
   b) Adjustments for other material amounts in the respective financial years/period to which they relate and there are no qualifications which require adjustments.
   c) There are no extra-ordinary items that need to be disclosed separately in the accounts and requiring adjustments.
   d) There are no audit qualifications in the Audit Reports issued by the Statutory Auditors for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 which would require adjustments in this Restated Financial Statements of the Company.
   e) These Profits and Losses have been arrived at after charging all expenses including depreciation and after making such adjustments/restatements and regroupings as in our opinion are appropriate and are to be read in accordance with the Significant Accounting Polices and Notes to Restated Summary Statements as set out in **Annexure IV** to this report.

7. Audit for the period / financial year ended on September 30, 2015 and March 31, 2015 was conducted by M/S. V B G & Co., Chartered Accountants and for the financial year ended on March 31, 2014, 2013, 2012 and 2011 was conducted by M/S. J G Verma & Co., Chartered Accountants and accordingly reliance has been placed on the financial information examined by them for the said years. The financial report included for these years is based solely on the report submitted by them. Further financial statements for the period / financial year ended on September 30, 2015 and March 31, 2015 have been reaudited by us as per the relevant guidelines.

8. We have also examined the following other financial information relating to the Company prepared by the Management and as approved by the Board of Directors of the Company and annexed to this report relating to the Company for the period / financial year ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 proposed to be included in the Draft Prospectus / Prospectus ("**Offer Document**").

Annexure of Restated Financial Statements of the Company:-

1. Summary Statement of Assets and Liabilities, as Restated as ANNEXURE I;
2. Summary Statement of Profit and Loss, as Restated as ANNEXURE II;
3. Summary Statement of Cash Flow as Restated as ANNEXURE III;
4. Significant Accounting Policies as Restated in ANNEXURE IV;
5. Details of Details of Share Capital as Restated as appearing in ANNEXURE V to this report;
6. Details of Reserves and Surplus as Restated as appearing in ANNEXURE VI to this report;
7. Details of Long Term Borrowings as Restated as appearing in ANNEXURE VII to this report;
8. Details of Other Long Term Liabilities as Restated as appearing in ANNEXURE VIII to this report;
9. Details of Long Term Provisions as Restated as appearing in ANNEXURE IX to this report;
10. Details of Trade Payables as Restated as appearing in ANNEXURE X to this report;
11. Details of Other Current Liabilities as Restated as appearing in ANNEXURE XI to this report;
12. Details of Short Term Provisions as Restated as appearing in ANNEXURE XII to this report;
13. Details of Fixed Assets as Restated as appearing in ANNEXURE XIII to this report;
14. Details of Deferred Tax Assets / Liabilities as Restated as appearing in ANNEXURE XIV to this report;
15. Details of Non Current Investments as Restated as appearing in ANNEXURE XV to this report;
16. Details of Other Non Current Assets as Restated as appearing in ANNEXURE XVI to this report;
17. Details of Current Investments as Restated as appearing in ANNEXURE XVII to this report;
18. Details of Inventories as Restated as appearing in ANNEXURE XVIII to this report;
19. Details of Trade Receivables as Restated as appearing in ANNEXURE XIX to this report;
20. Details of Short term Loans & Advances as Restated as appearing in ANNEXURE XX to this report;
21. Details of Other Current Assets as Restated as appearing in ANNEXURE XXI to this report;
22. Details of Revenue from Operations as Restated as appearing in ANNEXURE XXII to this report;
23. Details of Other Income as Restated as appearing in ANNEXURE XXIII to this report;
24. Details of Related Party Transaction as Restated as appearing in ANNEXURE XXIV to this report;
25. Summary of Significant Accounting Ratios as Restated as appearing in ANNEXURE XXV to this report;
26. Capitalisation Statement as at 30th September, 2015 as Restated as appearing in ANNEXURE XXVI to this report;
27. Statement of Tax Shelters as Restated as appearing in ANNEXURE XXVII to this report;

9. The report should not in any way be construed as a re-issuance or re-dating of any of the previous audit reports issued by any other Firm of Chartered Accountants nor should this report be construed as a new opinion on any of the financial statements referred to therein.

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

11. In our opinion, the above financial information contained in Annexure I to XXVII of this report read with the respective Significant Accounting Polices and Notes to Restated Summary Statements as set out in Annexure IV are prepared after making adjustments and regrouping as considered appropriate and have been prepared in accordance with the Act, ICDR Regulations, Engagement Letter and Guidance Note.

12. Our report is intended solely for use of the management and for inclusion in the Offer Document in connection with the SME IPO. Our report should not be used, referred to or adjusted for any other purpose except with our consent in writing.

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

(CA Bankim Jain)
Partner
Membership No.139447

Mumbai, December 29, 2015

STATEMENT OF ASSETS AND LIABILITIES AS RESTATED **ANNEXURE -I**

Amount (Rs. in Lakhs)

Sr. No.	Particulars	As at September 30	As at March 31				
		2015	2015	2014	2013	2012	2011
	EQUITY AND LIABILITIES						
1)	**Shareholders Funds**						
	a. Share Capital	302.00	302.00	1.00	1.00	1.00	1.00
	b. Reserves & Surplus	32.33	6.97	3.68	-0.56	-0.52	-0.46
2)	**Share Application Money Pending Allotment**	-	-	-	-	-	-
3)	**Non Current Liabilities**						
	a. Long Term Borrowings	-	-	-	0.41	0.50	0.50
	b. Deferred Tax Liabilities (Net)	0.29	-	0.11	-	-	-
	c. Other Long Term Liabilities	304.90	197.44	87.99	-	-	-
	d. Long Term Provisions	0.63	0.71	-	-	-	-
4)	**Current Liabilities**						
	a. Short Term Borrowings	-	-	-	-	-	-
	b. Trade Payables	23.04	16.45	9.20	-	-	-
	c. Other Current Liabilities	65.12	32.37	27.00	0.07	0.07	0.07
	d. Short Term Provisions	1.09	5.33	2.27	-	-	-
	TOTAL (1+2+3+4)	**729.41**	**561.28**	**131.25**	**0.92**	**1.06**	**1.11**
	ASSETS						
5)	**Non Current Assets**						
	a. Fixed Assets						
	i. Tangible Assets	16.57	18.49	5.69	-	-	-
	ii. Intangible Assets	3.73	3.35	-	-	-	-
	Less: Accumulated Depreciation	1.62	1.69	0.03	-	-	-
	Net Block	18.68	20.16	5.66	-	-	-
	b. Deferred Tax Assets(Net)	-	0.28	-	0.01	0.02	0.03
	c. Non-current Investments	30.00	30.00	30.00	-	-	-
	d. Long Term Loans & Advances	-	-	-	-	-	-
	e. Other Non Current Assets	25.31	123.80	3.12	-	-	-
6)	**Current Assets**						
	a. Current Investments	146.93	0.18	45.10	-	-	-
	b. Inventories	8.70	6.30	0.82	-	-	-
	c. Trade Receivables	28.98	12.18	1.81	-	-	-
	d. Cash and Cash Equivalents	112.11	258.62	40.76	0.90	1.03	1.08
	e. Short Term Loans & Advances	331.37	96.87	3.06	-	-	-
	f. Other Current Assets	27.33	12.89	0.92	-	-	-
	TOTAL(5+6)	**729.41**	**561.28**	**131.25**	**0.92**	**1.06**	**1.11**

STATEMENT OF PROFIT AND LOSS AS RESTATED **ANNEXURE – II**

Amount (Rs. in Lakhs)

Sr. No.	Particulars	For the period ended September 30	For the year ended March 31				
		2015	2015	2014	2013	2012	2011
A	**INCOME**						
	Revenue from Operations	163.41	244.56	46.40	-	-	-
	Other Income	29.38	14.51	1.80	-	-	-
	Total Income (A)	**192.79**	**259.07**	**48.20**	**-**	**-**	**-**
B	**EXPENDITURE**						
	Cost of Goods Traded	46.26	57.37	12.25	-	-	-
	Cost of Food and Beverages Consumed	13.53	20.00	3.58	-	-	-
	Employee benefit expenses	37.61	71.13	8.57	-	-	-
	Finance Costs	0.01	0.14	0.21	-	-	-
	Depreciation	1.64	1.71	0.03	-	-	-
	Other Expenses	56.79	96.12	16.75	0.04	0.05	0.15
	Total Expenses (B)	**155.86**	**246.47**	**41.39**	**0.04**	**0.05**	**0.15**
C	**Profit before extraordinary items and tax (C) = (A-B)**	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
	Extraordinary items	-	-	-	-	-	-
D	**Profit before tax**	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
	Tax expense						
	(i) Current tax	11.00	6.10	2.27	-	-	-
	(ii) Deferred tax	0.58	(0.39)	0.12	0.01	0.01	(0.03)
E	**Total Tax Expense**	**11.58**	**5.71**	**2.39**	**0.01**	**0.01**	(0.03)
F	**Restated profit after tax (D-E)**	**25.36**	**6.89**	**4.42**	**(0.05)**	**(0.06)**	**(0.12)**

STATEMENT OF CASH FLOW AS RESTATED **ANNEXURE -III**

Amount (Rs. in Lakhs)

Particulars	As at September 30	As at March 31				
	2015	2015	2014	2013	2012	2011
CASH FLOW FROM OPERATING ACTIVITIES:						
Net profit before tax for the year	**36.94**	**12.61**	**6.81**	**(0.04)**	**(0.05)**	**(0.15)**
Adjustments for:						
Interest Income	(18.70)	(8.85)	(1.51)	-	-	-
Interest Expense	0.01	0.14	0.21	-	-	-
Depreciation Expense	1.64	1.71	0.03	-	-	-
Preliminary Expenses W/off	-	-	-	-	-	0.12
Share Issue Expenses W/off	0.39	5.09	-	-	-	-
Profit on Sale of Investments	(0.75)	(3.10)	-	-	-	-
Profit / (Loss) on sale of Fixed Assets	(6.36)	1.48	-	-	-	-
Provision for Doubtful Debts	0.71	1.95	-	-	-	-
Provision for Employee Benefits	-	0.73	-	-	-	-
Bad Debts Written off		1.56				
Provisions written back	(0.19)	(0.48)	-	-	-	-
Operating Profit Before Working Capital Changes	***13.68***	***12.84***	***5.55***	***(0.04)***	***(0.05)***	***(0.03)***
Movements in working capital:						
Decrease / (Increase) in Trade receivables	(16.79)	(10.37)	(1.81)	-	-	-
(Increase)/Decrease in Inventories	(2.40)	(5.48)	(0.82)	-		-
Decrease / (Increase) in Other Current & Non Current Assets	(13.63)	(31.69)	(3.16)			
Increase / (Decrease) in Trade payables	6.59	7.25	9.18	-	-	-
Increase / (Decrease) in Other Long Term Liabilities	107.46	109.45	87.99			
Increase/(Decrease) in Other Current Liabilities	32.85	6.04	26.95			
Cash Generated From Operations	***127.76***	***88.04***	***123.88***	***(0.04)***	***(0.05)***	***(0.03)***
Net Income Tax paid / refunded	(15.24)	(2.88)	(1.30)	-	-	-
Cash from operating activities before extra-ordinary items	**112.51**	**85.16**	**122.58**	**(0.04)**	**(0.05)**	**(0.03)**
Extra Ordinary Items	-	-	-	-	-	-
Net Cash Flow from/(used in) Operating Activities: (A)	**112.51**	**85.16**	**122.58**	**(0.04)**	**(0.05)**	**(0.03)**
Cash Flow From Investing Activities:						
Purchase of fixed assets(Including capital advances)	(5.35)	(17.69)	(5.69)	-	-	-
Purchase of Investments	(183.00)	(117.00)	(75.10)	-	-	-
Sale of fixed assets	11.55	-	-	-	-	-
Sale of Investments	37.00	165.02	-	-	-	-
Fixed Deposit (made) / matured with Banks	100.00	(100.00)	-	-	-	-
Interest income	15.28	1.63	1.51	-	-	-
Loans and Advances Given	(234.50)	(96.15)	(3.06)	-	-	-
Net cash used in investing activities (B)	**(259.03)**	**(164.19)**	**(82.34)**	-	-	-
Cash Flow from Financing Activities:						
Proceeds from issue of share capital	-	301.00	-	-	-	-
Net Increase/(Decrease) in Borrowings	-	-	(0.41)	(0.09)	-	-
Interest paid	0.01	(0.09)	(0.21)	-	-	-
Dividend paid	-	(3.78)	-	-	-	-
Net cash from financing activities (C)	0.01	297.12	(0.62)	(0.09)	-	-
Net increase in cash and cash equivalents (A+B+C)	**(146.50)**	**218.10**	**39.62**	**(0.13)**	**(0.05)**	**(0.03)**
Cash and cash equivalents at the beginning of the period	**258.62**	**40.52**	**0.90**	**1.03**	**1.08**	**1.11**
Cash and cash equivalents at the end of the period	**112.11**	**258.62**	**40.52**	**0.90**	**1.03**	**1.08**

ANNEXURE IV

SIGNIFICANT ACCOUNTING POLICIES

CORPORATE INFORMATION

Vidli Restaurants Limited was incorporated in the year 2007. The Company is operating in hospitality sector.

A. Basis of preparation of Financial Statements:

The restated summary statement of assets and liabilities of the Company as at September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 and the related restated summary statement of profits and loss and cash flows for the period / years ended September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011 (herein collectively referred to as ('Restated Summary Statements')) have been compiled by the management from the audited financial statements of the Company for the period /years ended on September 30, 2015, March 31, 2015, 2014, 2013, 2012 and 2011, approved by the Board of Directors of the Company. Restated Summary Statements have been prepared to comply in all material respects with the provisions of Part I of Chapter III of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014, Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 ("the SEBI Guidelines") issued by SEBI and Guidance note on Reports in Companies Prospectus (Revised). Restated Summary Statements have been prepared specifically for inclusion in the offer document to be filed by the Company with the SME Platform of BSE in connection with its proposed Initial public offering of equity shares. The Company's management has recast the financial statements in the form required by Schedule III of the Companies Act, 2013 for the purpose of Restated Summary Statements.

B. Use of Estimates:

The preparation of financial statements requires management to make estimates and assumptions that affect amounts in the financial statements and reported notes thereto. Actual results could differ from these estimates. Differences between the actual result and estimates are recognized in periods in which the results are known/ materialized.

C. Fixed Assets:

Fixed assets are stated at cost of acquisition or construction less accumulated depreciation and impairment loss, if any. The cost of an asset comprises of its purchase price and any directly attributable cost of bringing the assets to working condition for its intended use. Expenditure on additions, improvements and renewals is capitalized and expenditure for maintenance and repairs is charged to profit and loss account.

D. Depreciation:

Upto 31st March 2014, depreciation on fixed assets is provided on Straight Line Method (SLM) at the rate and manner prescribed in schedule XIV of the Companies Act, 1956 over their useful life.

With effect from 1st April 2014, depreciation is provided on Straight Line Method (SLM) on the balance useful life of asset as prescribed in schedule II of Companies Act 2013. Buildings taken on Lease and Leasehold improvements are depreciated over the primary lease period. Cost of Intangible assets is amortised in accordance with the provisions of AS-26 on Intangible Assets.

E. Valuation of Inventories:

Inventory of Food and Beverages is valued at cost or net realizable value whichever is lower. Inventory of traded goods is at cost or net realizable value whichever is lower.

F. Valuation of Investments:

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

ii. Current Investments are carried at lower of cost and fair value determined on an individual investment basis.
iii. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of investments.

G. Revenue Recognition:
Sale of food and beverages and allied services relating to restaurant operations is recognized as revenue upon rendering of the service. Joining Fees for providing marketing and restaurant set up services is recognized as revenue over the life of the franchise agreement. Franchise Fees for operation of restaurants by Franchisees is recognized on accrual basis in accordance with relevant agreement.

H. Lease Rentals:
Operating lease are recognized as an expense in the Statement of Profit and Loss over the period of Lease Agreement.

I. Employee Benefits:

i. Short Term Employee Benefits:
All employee benefits payable within twelve months of rendering of services are classified as short term benefits. Benefits include salaries, wages, awards, ex-gratia, performance pay, etc. and are recognized in the period in which the employee renders the related service. Liability on account of encashment of leave, Bonus to employee is considered as short term compensated expense provided on actual.

ii. Post Employment Benefit :

a. <u>Defined Contribution Plan</u>:
Provident fund is a defined contribution scheme established under a State Plan. The contributions to the scheme are charged to the profit & loss account in the year when the contributions to the fund are due.

b. <u>Defined Benefit Plan</u>:
Company's liability towards gratuity / compensated absences is determined using the projected unit credit method which considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. The present value of the obligation under such defined benefit plans is determined based on the actuarial valuation at the date of the Balance Sheet.

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

K. Taxation & Deferred Tax
Provision for Current Tax is made in accordance with the provision of Income Tax Act, 1961. Deferred tax is recognized on timing differences between taxable & accounting income / expenditure that originates in one period and are capable of reversal in one or more subsequent period(s).

L. Contingent Liabilities / Provisions
Contingent liabilities are not provided in the accounts and are disclosed separately in notes on accounts.

M. Impairment Of Assets
The company assesses at each balance sheet date whether there is any indication due to external factors that an asset or group of assets comprising a cash generating unit (CGU) may be impaired. If

any such indication exists, the company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the CGU, to which the asset belongs is less than the carrying amount of the asset or the CGU as the case may be, the carrying amount is reduced to its recoverable amount and the reduction is treated as impairment loss and is recognized in the statement of profit and loss. If at any subsequent balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is re assessed and the asset is reflected at recoverable amount subject to a maximum of depreciated historical cost and is accordingly reversed in the statement of profit and loss.

Presentation and disclosure of financial statements

During the year ended 31 March 2012, the Revised Schedule VI notified under the Act, had become applicable to the Company, for preparation and presentation of its financial statements. Accordingly, the Company has prepared the financial statements for the year ended 31 March 2012 onwards in accordance with Revised Schedule VI of the Act. The adoption of Revised Schedule VI of the Act does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements. The Company has also reclassified the figures for the years ended 31 March 2011 in accordance with the requirements of Revised Schedule VI of the Act, to the extent possible.

DETAILS OF SHARE CAPITAL AS RESTATED

ANNEXURE - V

(Rs in Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Share Capital						
Authorised Share capital						
Equity Share of Rs. 10/- each	400.00	400.00	5.00	5.00	5.00	5.00
Issued, Subscribed & Fully Paid Up share capital						
Equity Share of Rs. 10/- each	302.00	302.00	1.00	1.00	1.00	1.00
T O T A L	**302.00**	**302.00**	**1.00**	**1.00**	**1.00**	**1.00**

Reconciliation of number of shares outstanding at the end of year

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Equity shares at the beginning of the year	30,20,000	10,000	10,000	10,000	10,000	10,000
Add: Other allotments	-	30,10,000	-	-	-	-
T O T A L	**30,20,000**	**30,20,000**	**10,000**	**10,000**	**10,000**	**10,000**

Details of shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	As at September 30, 2015		As at 31st March, 2015		As at 31st March, 2014		As at 31st March, 2013		As at 31st March, 2012		As at 31st March, 2011	
	No. Of Shares	Percen tage	No. Of Shares	Percen tage	No. Of Shares	Percen tage	No. Of Shares	Percen tage	No. Of Shares	Percen tage	No. Of Shares	Percen tage
Conwy Finance And Leasing Pvt. Ltd.	11,55,000	38.25%	11,55,000	38.25%	5,000	50.00%	-	-	-	-	-	-
Vits Hotels Worldwide Pvt. Ltd (Earlier known as UK Hospitality Infotech Pvt Ltd)	7,75,000	25.66%	7,75,000	25.66%	5,000	50.00%	-	-	-	-	-	-
Dr. Vithal V. Kamat	2,10,000	6.95%	4,64,500	15.38%	-	-	5,000	50.00%	5,000	50.00%	5,000	50.00%
Vidhi V Kamat	3,32,000	10.99%	-	-	-	-	-	-	-	-	-	-
Ramesh N. Shanbhag	-	-	-	-	-	-	5,000	50.00%	5,000	50.00%	5,000	50.00%

DETAILS OF RESERVES & SURPLUS AS RESTATED **ANNEXURE - VI**

(Rs in Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Profit & Loss Account						
Opening Balance	6.97	3.68	(0.56)	(0.52)	(0.46)	(0.34)
Add: Profit / (Loss) for the year / period	25.36	6.89	4.42	(0.05)	(0.06)	(0.12)
Less: Appropriations						
Less: Proposed Dividend	-	(2.99)	(0.15)	-	-	-
Less: Provision for dividend distribution tax	-	(0.61)	(0.03)	-	-	-
Closing Balance	**32.33**	**6.97**	**3.68**	**(0.56)**	**(0.52)**	**(0.46)**
T O T A L	**32.33**	**6.97**	**3.68**	**(0.56)**	**(0.52)**	**(0.46)**

DETAILS OF LONG TERM BORROWINGS AS RESTATED **ANNEXURE - VII**

(Rs in Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured						
Loan from Directors & Related Parties	-	-	-	0.41	0.50	0.50
Loan from Others	-	-	-	-	-	-
TOTAL	**-**	**-**	**-**	**0.41**	**0.50**	**0.50**

Note: The above loan carries nil rate of interest and the terms of repayment are not fixed.

DETAILS OF OTHER LONG TERM LIABILITIES AS RESTATED **ANNEXURE - VIII**

(Rs in Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Advance Franchisee Fees	304.90	197.44	87.99	-	-	-
TOTAL	**304.90**	**197.44**	**87.99**	**-**	**-**	**-**

DETAILS OF LONG TERM PROVISIONS AS RESTATED **ANNEXURE - IX**

(Rs in Lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Employee Benefit						
Provision for Leave Encashment	0.18	0.18	-	-	-	-
Provision for Gratuity	0.44	0.53	-	-	-	-
TOTAL	**0.63**	**0.71**	**-**	**-**	**-**	**-**

DETAILS OF TRADE PAYABLES AS RESTATED **ANNEXURE - X**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good						
Due to Micro, Small and Medium Enterprises	4.80	0.87	2.27	-	-	-
Others	18.24	15.58	6.93	-	-	-
TOTAL	**23.04**	**16.45**	**9.20**	**-**	**-**	**-**

DETAILS OF OTHER CURRENT LIABILITIES AS RESTATED **ANNEXURE – XI**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Advance from customers	4.18	0.60	0.40	-	-	-
Advance Franchise Fees	42.51	22.60	15.47	-	-	-
Interest Payable to Creditors	0.08	0.07	0.02	-	-	-
Other Payables	18.35	9.10	11.11	0.07	0.07	0.07
TOTAL	**65.12**	**32.37**	**27.00**	**0.07**	**0.07**	**0.07**

DETAILS OF SHORT TERM PROVISIONS AS RESTATED **ANNEXURE - XII**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Others						
Provision for Leave Encashment	0.02	0.02	-	-	-	-
Provision for Gratuity	0.01	0.01	-	-	-	-
Provision for Taxation	1.06	5.30	2.10	-	-	-
Proposed Dividend	-	-	0.15	-	-	-
Tax on Proposed Dividend	-	-	0.03	-	-	-
TOTAL	**1.09**	**5.33**	**2.27**	**-**	**-**	**-**

DETAILS OF FIXED ASSETS AS RESTATED

ANNEXURE - XIII

(Rs in Lacs)

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2010	ADDITIONS	DEDUCTIONS	AS AT 31.03.2011	UPTO 01.04.2010	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 31.03.2011	AS AT 31.03.2011	AS AT 31.03.2010
	-	-	-	-	-	-	-	-	-	-

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2011	ADDITIONS	DEDUCTIONS	AS AT 31.03.2012	UPTO 01.04.2011	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 31.03.2012	AS AT 31.03.2012	AS AT 31.03.2011
	-	-	-	-	-	-	-	-	-	-

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2012	ADDITIONS	DEDUCTIONS	AS AT 31.03.2013	UPTO 01.04.2012	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
	-	-	-	-	-	-	-	-	-	-

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2013	ADDITIONS	DEDUCTIONS	AS AT 31.03.2014	UPTO 01.04.2013	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
Tangible Assets Improvements to Leasehold Buildings under Long Term Contracts	-	1.54	-	1.54	-	0.01	-	0.01	1.52	-
Plant & Machinery	-	4.16	-	4.16	-	0.03	-	0.03	4.13	-
T O T A L	**-**	**5.69**	**-**	**5.69**	**-**	**0.04**	**-**	**0.04**	**5.65**	**-**

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2014	ADDITIONS	DEDUCTIONS	AS AT 31.03.2015	UPTO 01.04.2014	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 31.03.2015	AS AT 31.03.2015	AS AT 31.03.2014
Tangible Assets										
Improvements to Leasehold Buildings under Long Term Contracts	1.54	5.76	1.54	5.76	0.01	0.82	0.06	0.78	4.98	1.52
Plant & Machinery and Equipment's	4.16	6.47	-	10.62	0.03	0.48	-	0.50	10.12	4.13
Furniture and Fixtures	-	0.76	-	0.76	-	0.04	-	0.04	0.72	-
Office Equipment's	-	1.35	-	1.35	-	0.18	-	0.18	1.18	-
T O T A L	**5.69**	**14.34**	**1.54**	**18.49**	**0.04**	**1.51**	**0.06**	**1.50**	**17.00**	**5.65**
Intangible Assets										
Computer Software	-	3.35		3.35	-	0.20		0.20	3.15	-
T O T A L	**-**	**3.35**	**-**	**3.35**	**-**	**0.20**	**-**	**0.20**	**3.15**	**-**
GRAND TOTAL	**5.69**	**17.69**	**1.54**	**21.84**	**0.04**	**1.71**	**0.06**	**1.70**	**20.15**	**5.65**

FIXED ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2015	ADDITIONS	DEDUCTIONS	AS AT 30.09.2015	UPTO 01.04.2015	FOR THE YEAR	DEDUCTIONS / ADJUSTMENTS	UPTO 30.09.2015	AS AT 30.09.2015	AS AT 31.03.2015
Tangible Assets Improvements to Leasehold Buildings under Long Term Contracts	5.76	0.75	5.76	0.75	0.78	0.52	1.26	0.04	0.71	4.98
Plant & Machinery and Equipment's	10.62	3.20	0.84	12.99	0.50	0.43	0.15	0.78	12.21	10.12
Furniture and Fixtures	0.76	0.61	-	1.37	0.04	0.08	-	0.11	1.25	0.72
Office Equipment's	1.35	0.41	0.30	1.46	0.18	0.24	0.10	0.31	1.15	1.18
T O T A L	18.49	4.97	6.90	16.57	1.50	1.26	1.51	1.25	15.32	17.00
Intangible Assets Computer Software	3.35	0.38		3.73	0.20	0.18		0.38	3.35	3.15
T O T A L	**3.35**	**0.38**	**-**	**3.73**	**0.20**	**0.18**	**-**	**0.38**	**3.35**	**3.15**
GRAND TOTAL	**21.84**	**5.35**	**6.90**	**20.30**	**1.70**	**1.44**	**1.51**	**1.63**	**18.67**	**20.15**

DETAILS OF DEFFERED TAX ASSET / (LIABILITIES) AS RESTATED

ANNEXURE - XIV

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Deferred Tax Liability						
Related to Depreciation on Fixed Assets	(1.19)	(0.46)	(0.11)	-	-	-
Related to Preliminary Expenses allowed	-	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Deferred Tax Asset	-	-	-	-	-	-
Related to Preliminary Expenses disallowed	-	-	-	-	-	0.04
Related to Expense disallowed u/s 43B	0.39	0.25	-	-	-	-
Related to Provision for doubtful debts	0.22	0.60	-	-	-	-
Net Deferred Tax (Liability) / Asset	**(0.29)**	**0.28**	**(0.10)**	**0.01**	**0.02**	**0.03**

DETAILS OF NON CURRENT INVESTMENT AS RESTATED

ANNEXURE - XV

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
TRADE INVESTMENTS (at Cost)						
Tax Free Bonds of Indian Railway Finance Corporation Ltd(Face Value Rs 1000) (Maturity Date 17.02.2024)	10.00	10.00	10.00	-	-	-
No of Units	*1,000.00*	*1,000.00*	*1,000.00*			
UTI Fixed Maturity Plan Bonds (Maturity Date 27.04.2017)	20.00	20.00	20.00	-	-	-
No of Units	*2,00,000.00*	*2,00,000.00*	*2,00,000.00*			
TOTAL	**30.00**	**30.00**	**30.00**	**-**	**-**	**-**
Aggregate Cost of Quoted Investment	-	-	-	-	-	-
Aggregate Cost of Unquoted Investment	30.00	30.00	30.00	-	-	-
Aggregate Market Value of Quoted Investment	-	-	-	-	-	-

DETAILS OF OTHER NON-CURRENT ASSETS AS RESTATED **ANNEXURE - XVI**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Prepaid Taxes	1.12	1.12	1.12	-	-	-
Fixed Deposit with Banks (Maturity more than 12 months)	-	100.00	-	-	-	-
Share Application Money	0.49	-	-	-	-	-
Security Deposits	23.69	22.67	2.00	-	-	-
TOTAL	**25.31**	**123.80**	**3.12**	**-**	**-**	**-**

DETAILS OF CURRENT INVESTMENT AS RESTATED **ANNEXURE - XVII**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Quoted Investment						
UTI Floating Rate Fund (Face Value Rs 10)	146.75	-	-	-	-	-
No of Units	*6,632.677*					
UTI Money Market Fund (Face value Rs 1000)	0.18	0.18	35.10	-	-	-
No of Units	*12.420*	*12.420*	*2,447.964*			
Reliance Quarterly Interval Fund (Face Value Rs 10)	-	-	10.00	-	-	-
No of Units			*57,946.83*			
TOTAL	**146.93**	**0.18**	**45.10**	**-**	**-**	**-**
Aggregate Cost of Quoted Investment	146.93	0.18	45.10	-	-	-
Aggregate Cost of Unquoted Investment	-	-		-	-	-
Aggregate Market Value of Quoted Investment	149.05	0.19	45.29			

DETAILS OF INVENTORIES AS RESTATED **ANNEXURE - XVIII**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
- Food & Beverages	5.39	2.44	0.53	-	-	-
- Stores and Operating Supplies	3.31	3.86	0.29	-	-	-
TOTAL	**8.70**	**6.30**	**0.82**	**-**	**-**	**-**

DETAILS OF TRADE RECEIVABLES AS RESTATED **ANNEXURE - XIX**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good, unless otherwise stated						
Outstanding for a period less than six months						
From Directors / Promoter / Promoter Group / Relatives of Directors and Group Companies	-	-	-	-	-	-
Others	29.56	14.12	1.81	-	-	-
More than six months						
From Directors / Promoter / Promoter Group / Relatives of Directors and Group Companies	-	-	-	-	-	-
Others	2.07	0.02	-	-	-	-
Less:- Provision for Doubtful Debts	2.66	1.95	-	-	-	-
TOTAL	**28.98**	**12.18**	**1.81**	**-**	**-**	**-**

DETAILS OF SHORT TERM LOANS & ADVANCES AS RESTATED **ANNEXURE - XX**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Unsecured, considered good, unless otherwise stated						
To Directors / Promoter / Promoter Group / Relatives of Directors and Group Companies	330.65	96.15	-	-	-	-
Others	0.72	0.72	3.06	-	-	-
TOTAL	**331.37**	**96.87**	**3.06**	**-**	**-**	**-**

DETAILS OF OTHER CURRENT ASSETS AS RESTATED **ANNEXURE - XXI**

(Rs. In lacs)

Particulars	As at September 30, 2015	As at March 31, 2015	As at March 31, 2014	As at March 31, 2013	As at March 31, 2012	As at March 31, 2011
Interest Receivable	11.30	7.87	0.65	-	-	-
Advance to Suppliers	5.37	0.95	-	-	-	-
MVAT Credit Receivable	1.11	0.87	0.01	-	-	-
Service Tax Credit Receivable	0.07	1.71	0.16	-	-	-
Prepaid Expenses	9.37	1.48	0.09	-	-	-
Advances to Staff	0.11	-	-	-	-	-
TOTAL	**27.33**	**12.89**	**0.92**	**-**	**-**	**-**

DETAILS OF REVENUE FROM OPERATIONS AS RESTATED **ANNEXURE - XXII**

(Rs. In lacs)

Particulars	For the period Ended September 30, 2015	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011
Sale of Manufactured Goods	-	-	-	-	-	-
Sale of Traded Goods	48.33	60.39	12.38	-	-	-
Sale of Services	115.08	184.17	34.02	-	-	-
Turnover in respect of Products not normally dealt with	-	-	-	-	-	-
T O T A L	**163.41**	**244.56**	**46.40**	**-**	**-**	**-**

DETAILS OF OTHER INCOME AS RESTATED

ANNEXURE - XXIII

(Rs. In lacs)

Particulars	For the period Ended September 30, 2015	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011	Nature
Other income	29.38	14.51	1.80	-	-	-	
Net Profit / (Loss) Before Tax as Restated	25.36	6.89	4.42	(0.05)	(0.06)	(0.12)	
Percentage	**115.87%**	**210.48%**	**40.78%**	**0.00%**	**0.00%**	**0.00%**	
Source of Income							
Interest on Long Term Investments	18.70	0.82	0.16	-	-	-	Recurring and related to business activity.
Interest from Banks on deposits	-	0.33	1.35	-	-	-	Recurring and related to business activity.
Interest from Others	-	7.70	-	-	-	-	Non recurring and not related to business activity.
Provision for Gratuity Written Back	0.08	-	-	-	-	-	Non recurring and related to business activity.
Profit on Sale of Investments	0.75	3.10	-	-	-	-	Non recurring and not related to business activity.
Profit on Sale of Fixed Assets	6.36	-	-	-	-	-	Recurring and not related to business activity.
Miscellaneous Income	3.48	2.57	0.30	-	-	-	Recurring and not related to business activity.
Total Other income	**29.38**	**14.51**	**1.80**	**-**	**-**	**-**	

DETAILS OF RELATED PARTY TRANSACTIONS AS RESTATED

ANNEXURE - XXIV

(Rs in Lacs)

Name	Nature of Relation	Nature of Transaction	Amount of Transaction upto Sept 30, 2015	Amount Outstanding as on 30.09.2015 (Payable)/ Receivable	Amount of Transaction in 2014-15	Amount Outstanding as on 31.03.15 (Payable)/ Receivable	Amount of Transaction in 2013-14	Amount Outstanding as on 31.03.14 (Payable)/ Receivable	Amount of Transaction in 2012-13	Amount Outstanding as on 31.03.2013 (Payable)/ Receivable	Amount of Transaction in 2011-12	Amount Outstanding as on 31.03.2012 (Payable)/ Receivable	Amount of Transaction in 2010-11	Amount Outstanding as on 31.03.2011 (Payable)/ Receivable
Dr Vithal Kamat	Director*	Loan Repayment	-	-	-	-	0.41	-	0.09	(0.41)	-	(0.50)	-	(0.50)
		Trademark user Fees	10.70	3.28	13.84	(4.51)	2.69	(2.76)	-	-	-	-	-	-
Vits Hotels Worldwide Private Limited	Promoter	Share Allotment	-	-	77.00	-	-	-	-	-	-	-	-	-
		Security Deposit Received	3.00	-	-	-	-	-	-	-	-	-	-	-
		Security Deposit Refunded	3.00	-	-	-	-	-	-	-	-	-	-	-
Conwy Finance and Leasing Pvt. Ltd.	Promoter	Share Allotment	-	-	115.00	-	-	-	-	-	-	-	-	-
Kamat Holiday Resorts (Silvassa) Limited	Associate Company	Loan Given	234.50	330.65	96.15	96.15	-	-	-	-	-	-	-	-
		Trademark user Fees	0.03	0.03	-	-	-	-	-	-	-	-	-	-
		Interest Received	10.81	10.81	7.69	6.92	-	-	-	-	-	-	-	-
Idlinow Eventure (India) Limited	Associate Company	Share Application Money Paid	0.49	-	-	-	-	-	-	-	-	-	-	-
Mr. Vikram V. Kamat	Director**	Share Allotment	-	-	46.45	-	-	-	-	-	-	-	-	-
Mrs. Vidhi V. Kamat	Director	Share Allotment	-	-	7.55	-	-	-	-	-	-	-	-	-

* Dr Vithal Kamat has resigned from Directorship of the Company w.e.f 8/10/2013

** Vikram V Kamat has resigned from Directorship of the Company w.e.f 5/10/2011

SUMMARY OF ACCOUNTING RATIOS AS RESTATED

ANNEXURE - XXV

(Amount in Lacs, except per share data)

Ratios	Period Ended September, 30th 2015	Year ended March, 31st 2015	Year ended March, 31st 2014	Year ended March, 31st 2013	Year ended March, 31st 2012	Year ended March, 31st 2011
Restated PAT as per P& L Account	25.36	6.89	4.42	(0.05)	(0.06)	(0.12)
Weighted Average Number of Equity Shares at the end of the Year	30,20,000	1,64,082	10,000	10,000	10,000	10,000
Number of Equity Shares at the end of the Year	30,20,000	30,20,000	10,000	10,000	10,000	10,000
Restated Net Worth for Equity Shareholders	**334.33**	**308.97**	**4.68**	**0.44**	**0.48**	**0.54**
Earnings Per Share						
Basic & Diluted	0.84	4.20	44.22	-0.48	-0.56	-1.21
Return on Net Worth (%)	7.58%	2.23%	94.45%	-11.12%	-11.51%	-22.42%
Net Asset Value Per Share (Rs)	11.07	10.23	46.82	4.36	4.84	5.40
Nominal Value per Equity share (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00

1. Ratios have been calculated as below

Basic and Diluted Earnings Per Share (EPS) (Rs.)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Weighted Average Number of Equity Shares at the end of the year / period}}$$

Return on Net Worth (%)

$$\frac{\text{Restated Profit after Tax available to equity Shareholders}}{\text{Restated Net Worth of Equity Shareholders}}$$

Net Asset Value per equity share (Rs.)

$$\frac{\text{Restated Net Worth of Equity Shareholders}}{\text{Number of Equity Shares outstanding at the end of the year / period}}$$

2. The figures for the period ended September 30, 2015 are not annualised.

CAPITALISATION STATEMENT AS AT 30TH SEPTEMBER, 2015 **ANNEXURE - XXVI**

(Rs in Lacs)

Particulars	Pre Issue	Post Issue
Borrowings		
Short term debt (A)	-	-
Long Term Debt (B)	-	-
Total debts (C)	**-**	**-**
Shareholders' funds		
Equity share capital	302.00	433.00
Reserve and surplus - as restated	32.33	32.33
Total shareholders' funds	**334.33**	**465.33**
Long term debt / shareholders funds	-	-
Total debt / shareholders funds	-	-

STATEMENT OF TAX SHELTERS AS RESTATED

ANNEXURE – XXVII
(Rs in Lacs)

Particulars	Period ended September 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Profit before tax as per books (A)	36.94	12.61	6.81	(0.04)	(0.05)	(0.15)
Tax Rate (%)	30.90%	30.90%	30.90%	30.90%	30.90%	30.90%
Adjustments :						
Permanent Differences(B)						
Interest on MSME Creditors	-	0.05	0.02	-	-	-
Disallowance u/s 14A	-	0.05	0.03	-	-	-
(Profit) / Loss on Sale of Fixed Assets	(6.36)	1.48	-	-	-	-
Donation	-	-	0.25	-	-	-
Total Permanent Differences(B)	*(6.36)*	*1.58*	*0.30*	-	-	-
Income considered separately (C)						
Profit on Sale of Investments	(0.75)	(3.10)	-	-	-	-
Exempt Income- Interest on Tax Free Bonds	-	(0.82)	(0.09)	-	-	-
Total Income considered separately (C)	*(0.75)*	*(3.92)*	*(0.09)*	-	-	-
Timing Differences (D)						
Difference between tax depreciation and book depreciation	(0.29)	(2.61)	(0.36)	-	-	-
Share Issue Expense Disallowed	0.39	5.09	-	-	-	-
Share Issue Expenses Allowable	(0.51)	(1.02)	-	-	-	-
Provision for Doubtful Debts	0.71	1.95	-	-	-	-
Preliminary Expenses allowed	-	(0.02)	(0.02)	(0.02)	(0.02)	(0.02)
Preliminary Expenses Disallowed	-	-	-	-	-	0.12
Disallowance u/s 43B	-	1.76	-	-	-	-
Total Timing Differences (D)	**0.30**	**5.15**	**(0.38)**	**(0.02)**	**(0.02)**	**0.10**
Net Adjustments E = (B+C+D)	**(6.82)**	**2.81**	**(0.18)**	**(0.02)**	**(0.02)**	**0.10**
Tax expense / (saving) thereon	(2.11)	0.87	(0.05)	(0.01)	(0.01)	0.03
Income chargeable under the head Capital Gains (F)						
Short-term Capital Gain on sale of Investments	0.75	3.10	-	-	-	-

Particulars	Period ended September 30, 2015	Year ended March 31, 2015	Year ended March 31, 2014	Year ended March 31, 2013	Year ended March 31, 2012	Year ended March 31, 2011
Total Income chargeable under the head CAPITAL GAINS (F)	0.75	3.10	-	-	-	-
Deduction under Chapter VI-A (G)						
Deduction u/s 80G	-	-	(0.13)	-	-	-
Total Deduction under Chapter VI-A (G)	-	-	(0.13)	-	-	-
Taxable Income/(Loss) (A+E+F+G)	**30.87**	**18.51**	**6.51**	**(0.07)**	**(0.07)**	**(0.05)**
Income Tax as returned/computed	9.42	5.23	2.01	-	-	-
Taxable Income/(Loss) as per MAT	36.94	12.61	6.81	(0.04)	(0.05)	(0.15)
Tax as per MAT	6.83	2.33	1.26	-	-	-
Tax paid as per normal or MAT	Normal	Normal	Normal	No Tax	No Tax	No Tax

RECONCILIATION OF RESTATED PROFIT

ANNEXURE - IV(B)

(Rs in Lacs)

Adjustments for	For the period Ended September 30, 2015	For the Year Ended March 31, 2015	For the Year Ended March 31, 2014	For the Year Ended March 31, 2013	For the Year Ended March 31, 2012	For the Year Ended March 31, 2011
Net profit/(Loss) after Tax as per Audited Profit & Loss Account	25.38	10.95	4.41	(0.06)	(0.07)	(0.05)
Adjustments for:	-	-	-	-	-	-
Impact of change in Depreciation	(0.10)	0.17	-	-	-	-
Preliminary Expenses w/off	0.01	0.02	0.02	0.02	0.02	(0.10)
Share Issue Expenses w/off	0.16	(4.07)	-	-	-	-
Impact of change in Depreciation and Preliminary expenses on Deferred Tax Asset / Liability	(0.18)	(0.17)	(0.01)	(0.01)	(0.01)	0.03
Excess Provision of Gratuity Written Back	0.08	-	-	-	-	-
Net Profit/ (Loss) After Tax as Restated	**25.36**	**6.89**	**4.42**	**(0.05)**	**(0.06)**	**(0.12)**

Notes on Reconciliation of Restated Profits

1 Impact of Change in Depreciation - The Company had charged depreciation for the year / period ended 30 September, 2015 and March 31, 2015 as per Schedule XIV of the Companies Act, 1956. The depreciation has been charged as per Schedule II of the Companies Act, 2013.

2 Preliminary Expenses W/off- The Company had a policy to write off preliminary expenses over a period of ten years. However as per AS- 26 the entire preliminary expenses have been written off in the same year in which the expenditure has been incurred.

3 Share Issue Expenses W/off- The Company had a policy to write off share issue expenses over a period of five years. However as per AS- 26 the entire share issue expenses have been written off in the same year in which the expenditure has been incurred.

4 Impact of Change in Depreciation and Preliminary Expenses on Deferred Tax Asset / Liability - Due to change in depreciation and preliminary expenses written off the provision for deferred tax asset / liabilities has been changed.

5 Excess provision for Gratuity written back - Provision for Gratuity for the period ended September 30, 2015 has been overstated by Rs 8313. as per actuarial valuation. Thus the excess provision has been reversed.

FINANCIAL INDEBTNESS

NIL

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

The following discussion of our financial condition and results of operations should be read in conjunction with our restated financial statements for the financial period ended September 2015 and for the financial years ended March 2015, 2014, 2013, 2012 and 2011 prepared in accordance with the Companies Act and Indian GAAP and restated in accordance with the SEBI ICDR Regulations, including the schedules, annexure and notes thereto and the reports thereon, included in the section titled *"Financial Statements"* on page 194 of this Prospectus.

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

This discussion contains forward-looking statements and reflects our current views with respect to future events and financial performance. Actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors such as those set forth in *"Risk Factors"* and *"Forward-Looking Statements"* on pages 16 and 15, of this Prospectus beginning respectively.

Our Company was incorporated on August 24, 2007 and has completed more than eight years since incorporation. However, our Company stated commercial operations from November 2013. Hence, the Management's Discussion and Analysis of Financial Condition and Results of Operations, reflects the analysis and discussion of our financial condition and results of operations for the financial period ended September 2015 and for the financial years ended March 2015, 2014 and 2013.

OVERVIEW

Incorporated in 2007, our Company Vidli Restaurants Limited is engaged in the hospitality business and runs chain of restaurants either through own operated outlets or through franchisee operated outlets. Our Company started its commercial operations from November 2013. The registered office of our Company is situated at Office no. 26, Building 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri (East), Mumbai – 400 059. Over these last 2 years, our Company has carved a niche for itself and is successfully operating 2 restaurants and running 37 franchisee outlets.

Our Company runs a chain of restaurants serving hygienic standardized food items in a quick serve format at various outlets on national highways, state highways and cities. Currently, as on December 30, 2015, our Company has 39 restaurants in western, northern & central India having presences on major highways. Our Company believes in providing quality food in hygienic surroundings at convenient locations for serving our customers better. Hygiene, quality and customer satisfaction are core concepts exercised by our team at all outlets which distinguishes us from local restaurants. Our hygienic and convenient locations, dedicated team efforts, quality of service and products are our strengths which help us work towards our long term vision of being largest, trusted and premium vegetarian family restaurants.

Our success depends on the value, perception and marketing of brands "VITHAL KAMATS" and "KAMATS". Our ability to market and increase our franchisee network is significantly dependent on these brands. We believe that maintaining and enhancing the abovementioned brands is important for our competitive advantage. However, the abovementioned brands are not owned by us; nor do we have exclusive agreement with their owners for their usage.

"Vithal Kamats" and "Kamats" Group is a known name in Hotel & Restaurant Industry segment. Over the years, Kamat Group has been instrumental in launch of successful hospitality verticals and Restaurants Brand **"Vithal Kamats Original Family Restaurants" and "Kamats Original Family Restaurants".** Over the years, Kamat Group has emerged as a symbol of quality, originality and truth, which has in turn nurtured trust among people for our services.

We do not own the brands "VITHAL KAMATS" and "KAMATS" but have a right to use the same by virtue of Trade Mark User Agreement executed with the owner of the Brands.

Our Company has also entered into Master Franchisee Agreement dated August 6, 2015 with MNM Group for a period of 5 years wherein the said group would have exclusive rights to give franchisee in Gujarat region.

The food menu at the restaurant mainly comprises of South Indian Snacks, Pav Bhaji, Sandwiches, North Indian Snacks, Indian Foods items etc.

SIGNIFICANT DEVELOPMENTS SUBSEQUENT TO THE LAST FINANCIAL STATEMENT

In the opinion of the Board of Directors of our Company, since the date of the last financial statements disclosed in this Prospectus, there have not arisen any circumstance that materially or adversely affect or are likely to affect the profitability of our Company or the value of its assets or its ability to pay its material liabilities within the next twelve months except as follows:

1. The shareholders approved and passed a special resolution on December 28, 2015 to authorize the Board of Directors to raise funds by making an initial public offering.
2. The Board designated Mr. Ramnath J Pradeep as Chairman of the Company in the Board meeting held on December 28, 2015.
3. The shareholders designated Ms. Vidhi V Kamat as Managing Director of the Company in the extraordinary general meeting held on October 7, 2015.
4. The Board of Directors by passing circular resolution on November 30, 2015 decided to shift the registered office to Office No.26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai – 400059.
5. The shareholders vide their meeting on September 26, 2015 regularized Ms. Vidhi V Kamat as Director and Mr. Ramnath Pradeep & Mr. Vaibhav Rathi as Independent Directors.
6. The Board of Directors appointed Mr. Arun Jain as Additional Independent Director in their meeting held on October 24, 2015.
7. The Board of Directors appointed Ms. Payal Barai as Company Secretary and Compliance Officer of the Company vide Board Resolution dated December 28, 2015.
8. The Board of Directors appointed Mr. Ravindra Shinde as Chief Financial Officer of the Company vide Board Resolution dated December 28, 2015.
9. The Board of Director of our Company vide their meeting on December 28, 2015 has proposed to declare an interim dividend @ 7.5% to its shareholders. The said dividend has been paid to the Shareholders.

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:

- Our success depends on the value, perception and marketing of brands "VITHAL KAMATS" and "KAMATS".
- We do not own the brands "VITHAL KAMATS" and "KAMATS" but have a right to use the same by virtue of Trade Mark User Agreement executed with the owner of the Brands.
- Opening new restaurants/food joints present increased risks due to our unfamiliarity with the proposed location and geography
- Inability to identify restaurant locations or set-up and operate new restaurants/food joint profitably may adversely affect our business
- Dependency on third party suppliers for timely delivery of raw materials

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 the financial period ended September 2015 and for the financial years ended March 2015, 2014 and 2013.

OVERVIEW OF REVENUE & EXPENDITURE

Revenues

Income from operations:
Our principal component of revenue from operations is from franchise license fees, sales of traded goods, sale of foods & beverages and royalty from franchised outlets.
Sale of traded goods is primarily sale of premix batter, gravies, disposable paper plates and cups etc. of our food items.

Other Income:
Our other income mainly includes interest income, profit on sale of fixed assets, investment income and miscellaneous income like transportation charges on sale of traded goods.

Amount (*Rs. In Lakhs*)

Particulars	For period ended	Till March 31,		
	September 30, 2015	2015	2014	2013
Income				
Revenue from Operations	163.41	244.56	46.40	0.00
As a % of Total Revenue	84.76%	94.40%	96.26%	--
Other Income	29.38	14.51	1.80	0.00
As a % of Total Revenue	15.24%	5.60%	3.74%	--
Total Revenue	**192.79**	**259.07**	**48.20**	**0.00**

**Our Company started its commercial operations from November 2013, hence there was no income in the financial year 2012-13.*

Expenditure

Our total expenditure primarily consists of direct expenditure i.e. cost of traded goods, cost of materials consumed, employee benefit expenses, depreciation and other expenses.

Direct Expenditure
Our direct expenditure includes cost of materials consumed and cost of traded goods. The cost of materials and traded goods comprise of costs of gravy, premix and disposable paper plates and cups purchased from our suppliers.

Employee benefits expense
Our employee benefits expense primarily comprise of salaries and wages expenses, contribution to provident fund and other funds and other employee benefits expense.

Depreciation & Amortisation
Depreciation includes depreciation on tangible assets like leasehold building, plant and machinery, furniture & fixtures and office equipment. Amortisation includes amortisation on intangible assets like computer software.

Other Expenses
Other expenses include the following:

i. Operating expenses like product development expenses, rent, restaurant opening expenses, repairs & maintenance expenses etc.
ii. General expenses like marketing and sales promotion expenses, license fees, royalty etc.
iii. Administrative and other expenses such as communication expenses, legal & professional charges, travelling & conveyance, etc.

Statement of profits and loss

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

Amount (Rs. In Lakhs)

Particulars	For period ended	Till March 31,		
	September 30, 2015	2015	2014	2013
Income				
Revenue from Operations	163.41	244.56	46.40	0.00
As a % of Total Revenue	84.76%	94.40%	96.26%	--
Other Income	29.38	14.51	1.80	0.00
As a % of Total Revenue	15.24%	5.60%	3.74%	--
Total Revenue	**192.79**	**259.07**	**48.20**	**0.00**
Growth%		**437.51%**		
EXPENDITURE				
Cost of traded goods	46.26	57.37	12.25	0.00
As a % of Total Revenue	24.00%	22.14%	25.41%	--
Cost of material consumed	13.53	20.00	3.58	0.00
As a % of Total Revenue	7.02%	7.72%	7.43%	--
Employee benefit Expenses	37.61	71.13	8.57	0.00

Particulars	For period ended	Till March 31,		
	September 30, 2015	2015	2014	2013
As a % of Total Revenue	19.51%	27.45%	17.78%	--
Finance costs	0.01	0.14	0.21	0.00
As a % of Total Revenue	0.01%	0.05%	0.44%	--
Depreciation and amortization expense	1.64	1.71	0.03	-
As a % of Total Revenue	0.85%	0.66%	0.06%	--
Other Expenses	56.79	96.12	16.75	0.04
As a % of Total Revenue	29.46%	37.10%	34.75%	--
Total Expenses (B)	**155.86**	**246.47**	**41.39**	**0.04**
As a % of Total Revenue	80.84%	95.13%	85.87%	--
Profit before exceptional extraordinary items and tax	**36.94**	**12.61**	**6.81**	**(0.04)**
As a % of Total Revenue	19.16%	4.87%	14.13%	--
Exceptional items	0.00	0.00	0.00	0.00
Profit before extraordinary items and tax	**36.94**	**12.61**	**6.81**	**(0.04)**
As a % of Total Revenue	19.16%	4.87%	14.13%	--
Extraordinary items	0.00	0.00	0.00	0.00
Profit before tax	**36.94**	**12.61**	**6.81**	**(0.04)**
PBT Margin	19.16%	4.87%	14.13%	--
Tax expense:				
(i) Current tax	11.00	6.10	2.27	0.00
(ii) Deferred tax	0.58	(0.39)	0.12	0.01
Total Tax Expense	**11.58**	**5.71**	**2.39**	**0.01**
Profit for the year/ period	25.36	6.89	4.41	(0.05)
PAT Margin%	**13.15%**	**2.66%**	**9.15%**	--

REVIEW OF SIX MONTHS ENDED SEPTEMBER 30, 2015

INCOME

Income from Operations

Our income from operations was Rs. 163.41 lakhs which is about 84.76% of our total revenue for the period of six months ended on September 30, 2015.

Other Income

Our other income was Rs. 29.38 lakhs which includes interest income, profit on sale of fixed assets, investment income and miscellaneous income like transportation charges on sale of traded goods etc.

EXPENDITURE

Direct Expenditure

Our direct expenditure was Rs. 59.79 lakhs which is 31.02% of our total revenue for the period of six months ended September 30, 2015 .The direct material expenditure includes raw material cost of food and beverages like premix, gravy, batter etc.

Employee Benefits Expenses

Our employee benefits expenses were Rs. 37.61 lakhs which was 19.51% of our total revenue for the period of six months ended September 30, 2015 and comprised of salaries & wages, employee welfare expenses etc.

Finance Cost

Our finance cost which consists of interest on delayed payments was Rs. 0.01 lakhs which is 0.01% of our total revenue for the period of six months ended September 30, 2015.

Depreciation and amortisation

Depreciation and amortisation expenses were Rs. 1.64 lakhs which is 0.85% of our total revenue for the period of six months ended September 30, 2015.

Other Expenses

Our other expenses were Rs. 56.79 lakhs which is 29.46% of our total revenue for the period of six months ended September 30, 2015. Other expenses include operating expenses, general expenses, administrative and other expenses.

Profit Before Tax

Our Profit Before Tax was Rs. 36.94 lakhs which is 19.16% of our total revenue for the period of six months ended September 30, 2015.

Net Profit

Our Net Profit After Tax was Rs. 25.36 lakhs which is 13.15% of our total revenue for the period of six months ended September 30, 2015.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2015 WITH FINANCIAL YEAR ENDED MARCH 31, 2014

INCOME

Income from Operations

(Rs. In lakhs)

Particulars	2014-15	2013-14	Variance in %
Revenue from Operations	244.56	46.40	427.13%

The operating income of the Company for the year ending March 31, 2015 is Rs. 244.56 lakhs as compared to Rs. 46.40 lakhs for the year ending March 31, 2014, showing an increase of 427.13%. Income from operations was low in FY 2013-14 as our Company started its commercial operations from November 2013 only.

Other Income

Our other income increased by 706.11% from Rs. 1.80 lakhs to Rs. 14.51 lakhs. This was primarily due to higher interest income and profit on sale of investments.

EXPENDITURE

Direct Expenditure

(Rs. In lakhs)

Particulars	2014-15	2013-14	Variance in %
Cost of traded goods	57.37	12.25	368.32
Cost of materials consumed	20.00	3.58	458.66
Total	**77.37**	**15.83**	**388.76**

Our direct expenditure increased from Rs. 15.83 lakhs in Financial Year 2013-2014 to Rs. 77.37 lakhs in Financial Year 2014-2015 showing an increase of 388.76% over the previous year. The increase in cost of material consumed was due to 2 reasons namely (i) in FY 2013-14 the Company was operational for half a year and (ii) there were more numbers of outlets operational in FY 2014-15 as compared to FY 2013-14 due to increase in our business operations.

Administrative and Employee Costs

(Rs. In lakhs)

Particulars	2014-15	2013-14	Variance in %
Employee Benefit Expenses	71.13	8.57	729.99
Other Expenses	96.12	16.75	473.85

There is around 730% increase in employee benefit expenses from Rs. 8.57 lakhs in financial year 2013-14 to Rs. 71.13 lakhs in financial year 2014-15 which is due to increase in number of employees. Our other expenses increased by 473.85% from Rs. 16.75 lakhs in financial year 2013-14 to Rs. 96.12 lakhs in financial year 2014-15. The increase was due to significant increase in operating expenses, general expenses and administrative expenses.

Finance Charges

Our finance cost which consists of interest on delayed payments decreased by 34.21% in FY 2014-15 compared to FY 2013-14.

Depreciation

Depreciation expenses for the Financial Year 2014-2015 have increased to Rs. 1.71 lakhs as compared to Rs. 0.03 lakhs for the Financial Year 2013-2014. The increase in depreciation was majorly due to improvement to leasehold building, addition in plant and machinery, furniture and fixtures, office equipment's, computer software and change in rates of depreciation as per the Companies Act, 2013.

Profit Before Tax

(Rs. In lakhs)

Particulars	2014-15	2013-14	Variance in %
Profit Before Tax	12.61	6.81	85.17

Profit before tax increased by 85.17% from Rs. 6.81 lakhs in financial year 2013-14 to Rs. 12.61 lakhs in financial year 2014-15. Our Company started its commercial operation from November 2013 and hence was functional for half year only in FY 2013-14.

Provision for Tax and Net Profit

(Rs. In lakhs)

Particulars	2014-15	2013-14	Variance in %
Taxation Expenses	5.71	2.39	138.91
Profit after Tax	6.89	4.42	55.88

Our profit after tax increased by 55.88% from Rs. 4.42 lakhs in financial year 2013-14 to Rs. 6.89 lakhs in financial year 2014-15. The increase was in line with our increase in operations and also considering the fact that our Company started commercial operations from November 2013 only.

COMPARISON OF FINANCIAL YEAR ENDED MARCH 31, 2014 WITH FINANCIAL YEAR ENDED MARCH 31, 2013

Our Company started commercial operations from November 2013. Therefore, our Company did not generate any revenue for the financial year ended March 31, 2013 and accordingly comparison cannot be made for 2014 with 2013. The Company incurred expense of Rs. 0.04 Lakhs during the financial year ended March, 2013 towards payment of audit fees, amortisation of preliminary expenses, etc.

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 to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

3. Known trends or uncertainties that have had or are expected to have a material adverse impact on sales, revenue or income from continuing operations

Other than as disclosed in the section titled *"Risk Factors"* beginning on page 16 of this Prospectus to our knowledge there are no known trends or uncertainties that have or had or are expected to have a material adverse impact on revenues or income of our Company from continuing operations.

4. Future relationship between Costs and Income

Our Company's future costs and revenues will be determined by demand/supply situation, government policies, prices of raw material and development in hospitality industry.

5. The extent to which material increases in net sales or revenue are due to increased sales volume, introduction of new products or services or increased prices

Increase in revenue is by and large linked to increases in volume of business activity by the Company.

6. Total turnover of each major industry segment in which the issuer company operates.

The Company is operating in hospitality Industry. Relevant industry data, as available, has been included in the chapter titled *"Our Industry"* beginning on page 96 of this Prospectus.

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

Our Company has not announced any new projects or business segments, other than disclosed in the Prospectus.

8. The extent to which the business is seasonal

Our Company business is not seasonal in nature.

9. Any significant dependence on a single or few suppliers or customers

The % of Contribution of our Company's customer and supplier vis a vis the total revenue from operations and raw materials/ finished goods cost respectively as March 31, 2015 and September 30, 2015 is as follows:

	Customers		Suppliers	
	September 30, 2015	March 31, 2015	September 30, 2015	March 31, 2015
Top 5 (%)	6.29	2.12	24.51	13.49
Top 10 (%)	10.76	3.61	27.36	15.78

10. Competitive Conditions

We face competition from existing and potential organised and unorganized 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 115 of this Prospectus.

SECTION VI – LEGAL AND OTHER INFORMATION

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated in this section there are no outstanding: (i) criminal proceedings; (ii) actions by statutory/regulatory authorities; (iii) indirect and direct tax cases; and (iv) other material pending litigations, involving our Company, Directors, Promoters and Group Companies.

Our Board of Directors, in its meeting held on December 28, 2015 determined that any pending litigation where the amounts exceeds Rs. 5 lakhs individually apart from litigations mentioned in point X(A)(1)(i) to (iii) of Schedule VIII of SEBI (ICDR) Regulations, 2009, are considered as material pending litigation and accordingly are disclosed in the Offer Document. Further, dues owed by our Company to small scale undertakings and other creditors, which exceeds Rs 1 lakh as at September 30, 2015 have been considered as material dues for the purposes of disclosure in this Prospectus.

Unless stated to the contrary, the information provided below is as of the date of this Prospectus.

LITIGATION INVOLVING OUR COMPANY

Criminal Litigation
Nil

Civil Proceedings
Nil

Cases relating to Taxation Matters
Nil

Proceedings against Our Company for economic offences
Nil

Past Penalties imposed on our Company

Penalties in Last Five Years
Nil

Pending Notice against our Company
Nil

LITIGATION FILED BY OUR COMPANY
Nil

Material Developments since the Last Balance Sheet
Nil

Outstanding dues to small scale undertakings or any other creditors
Nil

Outstanding Litigation against other companies whose outcome could have an adverse effect on our company
Nil

Disciplinary Action taken by SEBI or stock exchanges against Our Company
Nil

Defaults including non payment or statutory dues to banks or financial institutions
Nil

Details of any enquiry, inspection or investigation initiated under Companies Act, 2013 or any previous Company Law
Nil

LITIGATION INVOLVING DIRECTORS OF OUR COMPANY

Outstanding Litigation
Nil

Past Penalties imposed on our Directors
Nil

Proceedings initiated against our directors for Economic Offences/securities laws/ or any other law
Nil

Tax proceedings initiated against our Directors
Department of Income Tax has determined certain against our Independent Director Mr. Vaibhav Rathi for assessment year 2009-10. Mr. Rathi has filed an application for rectification of the same. The matter is currently pending.

Directors on list of wilful defaulters of RBI
Nil

Litigation by Directors of Our Company
Nil

LITIGATION INVOLVING PROMOTER OF OUR COMPANY

Outstanding Litigation against our Promoters
Nil

Past Penalties imposed on our Promoters
Nil

Proceedings initiated against our Promoters for Economic Offences
Nil

Tax proceedings initiated against our Promoters
Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Promoter
Nil

Litigation /defaults in respect of the companies/Firms/ventures/ with which our promoter was associated in Past
Nil

Adverse finding against Promoter for violation of Securities laws or any other laws
Nil

LITIGATION BY OUR PROMOTERS
Nil

LITIGATION INVOLVING OUR GROUP COMPANIES

Outstanding Litigation against our Group Companies

1. Innovators Facade Systems Pvt. Ltd has filed a case against B. W. Highway Star Private Limited (currently known as Orchid Hotels Pune Private Limited) & Ors including Orchid Hotels Pune Private Limited before Hon'ble High Court titled as Innovators Facade Systems Pvt. Ltd. V/s B.W. Highway Star Pvt. Ltd (currently known as Orchid Hotels Pune Private Limited) & 2 Ors numbered as SS/1273/2012. Orchid Hotels Pune Private Limited has already paid 1.72 crore to the party and deposited 87,00,000/-in the Court. The suit is transferred to list of commercial cause. Orchid Hotels Pune Private Limited has filed the written statement. The matter is currently pending.

2. Vijay Dodekar & Others have filed a criminal and against Kamat Hotels (India) Limited (KHIL) & Ors titled as Vijay Dodekar & Others vs KHIL and others no. 12/2013 before Bandra Labour Court for reinstatement. The services of workers were discontinued on 13/04/2004 as the Agreement which KHIL was having with Madhu Fantasy Land Pvt. Ltd. got determined. The Matter was filed for reinstatement of the services with back wages. The Industrial Court passed an Award to reinstate the workers with back wages. Further one Worker Mr. Niwale has filed contempt petition since KHIL did not complied with order of the court. KHIL, aggrieved by order of court, filed a review petition which was also dismissed. Also Labour Court, Mumbai has issued a show cause as to why order of issue process should not be issued against the Company under Section 48/1 of The Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 in respect of Non compliance of the Order dated 09-10-12 passed by Hon'ble Industrial Court, Mumbai, in Comp (ULP) No. 9/2010. Aggrieved by orders of the Industrial court KHIL filed Writ Petition bearing no. 1702/2013 in Hon'ble Bombay High Court, wherein Hon'ble High Court vide its order dated 08/08/2013 stayed for implementing, enforcing and operating impugned order dated 09/10/2012 of Labour Court and 07/05/2012. The matter is currently pending till disposal of writ petition By the Hon'ble High Court.

3. Mr. Ravindra Shankar Nivale has filed criminal complaint against KHIL & Ors. titled as Ravindra Shankar Nivale V/s Kamat Hotels (I) Ltd. & Vithal V. Kamat No. Misc Criminal Complaint No. 13/2013 before Bandra Labour Court in relation to reinstatement with back wages. Labour Court, Mumbai issued a show cause as to KHIL why order of issue process should not be issued against the Company under Section 48/1 of the Maharashtra Recognition of Trade Unions and Prevention of Unfair Labour Practices Act, 1971 in respect of Non compliance of the Order dated 09-10-12 passed by Hon'ble Industrial Court, Mumbai, in Comp (ULP) No. 61 of 2005. KHIL has filed a writ petition no 1702/2013 Hon'ble Bombay High Court, wherein Hon'ble High Court has stayed the said order. The matter is currently pending till disposal of writ petition by Hon'ble High Court.

4. Deochand Vishwanathji kamble, filed a case against Hotel VITS, KHIL before labour court, Nagpur for reinstatement and back wages wherein labour court vide its order dated 17/01/2013 directed the KHIL to reinstate the worker. Against the same Hotel VITS, KHIL has filed a writ petition titled as Hotel VITS, KHIL V/s Deochand Vishwanathji Kamble numbered as Writ Petition No. 4584/13 before Nagpur Branch of High Court of Bombay for staying the said order of labour court. Hon'ble High Court vide its order dated 15/10/2013 has stayed the order of labour court only to the extent of payment of back wages. The matter is currently pending for serving of summons on Deochand Vishwanathji Kamble.

5. Shramjivi Kamgar Sabha has filed a complaint before Bandra Industrial Court titled as Shramjivi Kamgar Sabha V/s KHIL & others. numbered as Complaint (ULP) No. 229/13 wherein Shramjivi Kamgar Sabha has claimed wages for their employees who had worked at OHPPL, since the contractor had not paid the daily wages to his employees, being the principal employer the liability has come upon KHIL for paying the wages to the employees of the contractor. The amount involved in the matter is Rs.39,04,675/. The matter is currently pending before Bandra Industrial Court.

6. Ms. Pallavi Kumar has filed a consumer case against the VITS Hotels Private Limited before Bandra Consumer Redressal Forum titled as Pallavi Kumar V/s VITS Hotels Pvt. Ltd. numbered as CC/438/2014. Complainant has claimed that, they booked hotel for wedding, however, the wedding got cancelled., however the Hotel is not refunding the entire money. The amount involved in the matter is Rs.10,14,406/-. The matter is currently pending.

Past Penalties imposed on our Group Companies
Nil

Proceedings initiated against our Group Companies for Economic Offences
Nil

Tax proceedings initiated against our Group Companies
Nil

Litigation /Legal Action pending or taken by Any Ministry or any statutory authority against any Group Companies
Nil

Adverse finding against Group Companies for violation of Securities laws or any other laws
Nil

Litigation by Our Group Companies

1. Kamat Hotels (India) Limited has filed a writ petition WP 84/2014 against State of Maharashtra & Ors. for quashing the FIR against staff of company. The matter is currently pending. In the same matter our company has also filed an application in the same matter titled as Kamat Hotels (India) Limited and Others V/s Govt. of Maharashtra numbered as 0403792/2014 for extending the process of charge sheet. The matter is currently pending.

2. Kamat Hotels (India) Limited ("KHIL")has filed an Arbitration Petition No. as 1913/2015 against CSSC before the Hon'ble High Court of Bombay for appointment of Sole Arbitrator.

3. KHIL has filed three criminal complaints against Ms. Aba Bhoge numbered as Summary Cri. Complaint No. 9173/09, Summary Cri. Complaint No. 16932/09, Summary Cri. Complaint No. 12036/09 before the Court of Judicial Magistrate First Class Nagpur, dishonour of various cheques for an amount totalling to Rs. 5 crores. On the basis of examination and cross examination Ms. Aba Bhoge filed application for cross examination of other witnesses and mediation. Mediation proceedings failed and now the matter is pending cross examination of CS of KHIL. The matters are currently pending.

4. KHIL has filed a criminal complaint before Andheri Metropolitan Court, against Prime Holiday Interface Service and others, titled as KHIL (through Paresh Prajapati) V/s Prime Holiday Interface Services, Rajiv Bajpai and Goutam. G. Shirur numbered as 2600/SS/2012 in case of dishonour of cheque amounting to Rs. 60,000/- KHIL has put an application for withdrawal of case before Lok Adalat. The matter is currently pending before Lok Adalat.

5. KHIL has filed a summary suit against Ms. Aba Bhoge numbered as 67/12 before Nagpur Civil Court, Senior Division, Nagpur for recovery of an amount of Rs. 2.9 Crores The matter is currently pending.

6. KHIL has filed a criminal complaint under Section 138 of Negotiable Instruments Act, 1881 against Prashant S. Bagaddeo before the court of Metropoiltam Magistrate, Andheri titled as Kamat Hotels (India) Ltd through Ramesh Shanbhag V/s Prashant S. Bagaddeo numbered as CC No. 2564/2007. The matter is currently pending.

7. KHIL has filed a criminal complaint against Prashant S. Bagaddeo before the court of Metropoiltam Magistrate, Andheri titled as Kamat Hotels (India) Ltd through Ramesh Shanbhag V/s Prashant S. Bagaddeo numbered as CC/15/Misc/2007. The matter is currently pending.

8. KHIL has filed a criminal application before Hon'ble High Court of Bombay against Prashant S Baggdeo titled as Ramesh Shanbhag (Kamat Hotels (India) Ltd) vs. Prashant S. Bagaddeo & Ors. numbered as Cr. Application 463/2011 seeking transfer/clubbing of matters. The matter is currently pending.

9. KHIL has filed a summary suit No. 663 of 2010 against Prashant S Baggdeo before the City Civil Court, Bombay titled as Prashant S Baggdeo for recovery of an amount of Rs. 0.72 Crore. The matter is currently pending.

10. KHIL has filed a suit before Bombay High Court titled as Kamat Hotels (India) Ltd. V/s Royal Orchid Hotels Ltd. and Ors. numbered as Suit No. 2224/2008. The matter is currently pending for direction and framing of issues.

11. KHIL has filed an appeal before Hon'ble High Court of Bombay titled as Kamat Hotels (India) Ltd. V/s Royal Orchid Hotels Ltd. and Ors. numbered as Appeal No. 319/2011. Royal Orchid Hotels Ltd. also filed a notice of motion for allowing them to use the name which was dismissed. The appeal has been admitted and pending for hearing.

12. KHIL has filed suit against BMC before City Civil Court, Mumbai titled as KHIL V/s B.M.C. numbered as suit No. 2088 of 2015. The Suit has been filed for allotment of traffic island at Mata Ramabai Marg, Tardeo and for restraining the BMC not to allot it to anyone without following due process of law. The Court refused to grant ad-interim stay. The matter is pending for reply of BMC. The matter is currently pending.

13. KHIL has filed a suit against BMC before Small Cause Courts, Mumbai numbered as M A 2066/14 for change in Change in Assessment of VITS Hotel Mumbai, in Capital Value System. The matter is pending for deposit of approx. Rs. 2.75 crores for admittance.

14. KHIL has filed a criminal complaint against FIC Finance (I) Ltd. & others numbered as Complaint No. 78/SS/2013 before Andheri Court. The amount involved in the matter is Rs.0.35 Crore. The matter is currently pending.

15. OHPPL has filed an application before Small Cause Courts against PMC & Director of Sports, Govt. of Maharashtra titled as Orchid Hotels Pune Pvt Ltd V/s PMC & Director of Sports, Govt. of Maharashtra numbered as M.A 300057/2013 for New assessment of hotel, Balewadi in Rateable Value. The matter is pending for admittance against deposit of Rs 6 crores.

16. Kamats Holiday Resorts (Silvassa) Ltd ("KHRSL"), has filed a civil suit against Mr. Deepak Thorat and Idali and Kamats numbered as 21/2015. KHRSL has alleged that the defendant has copied all the essentials and prominent features of the plaintiffs Trademark along with same color scheme and one small change made by way of affixing word Idli along with Kamats as " Idli & Kamats" which is causing confusion among the public. Plaintiff has suffered a loss of Rs. 0.05 Crore due to conduct of defendants. Plaintiff has prayed before the Hon'ble Court to perpetually restrain the defendants from using Trademark/Trade Name/Brand Name " Kamats " in the style " Idli & Kamats " or any other mark / name deceptively similar to the plaintiffs Trademark and an amount of Rs. 0.05 Crore as compensation. The matter is currently pending.

OTHER MATTERS

1. Dr. Vithal V Kamat has filed objections to registration of "VITHAL KAMATS" under class 43 of Trademark Act, 1999. An opposition is filed by Dr. Vithal V Kamat on the basis of this TM against Sunil M. Khadawala of application number 1327051 and the TM was opposed by government registry.

OUTSTANDING DUES TO CREDITORS OF OUR COMPANY

As on September 30, 2015 the Company does not owe a sum exceeding Rs. 1 lakh to any undertaking, except the following:

Creditors	Amount (Rs. in lacs)
Span Foods	4.70
Zest Foods & Wellness	3.62
Dr. Vithal V Kamat	3.28
Forstar Insta Foods	2.20

The details pertaining to net outstanding dues towards our Material Creditors shall be made available under investors' section on the website of our Company i.e. www.kamatsrestaurants.com. It is clarified that such details available on our website do not form a part of this Prospectus. Anyone placing reliance on any other source of information, including our Company's website, www.kamatsrestaurants.com, would be doing so at their own risk.

GOVERNMENT AND OTHER STATUTORY APPROVALS

Our Company has received the necessary consents, licenses, permissions and approvals from the Government/RBI and various Government agencies required for our present business, and except as mentioned under this heading, no further approvals are required for carrying on our present business. Our Company undertakes to obtain all material approvals and licenses and permissions required to operate our present business activities. Unless otherwise stated, these approvals or licenses are valid as of the date of this Prospectus and in case of licenses and approvals which have expired; we have either made an application for renewal or are in the process of making an application for renewal. In order to operate our restaurants in various states we require various approvals and/ or licenses under various laws, rules and regulations as applied by each state. Further, most of our approvals are obtained for each restaurant unit by the concerned franchisee whom we have contracted with. For further details in connection with the applicable regulatory and legal framework, see section "Regulations and Policies" on page 129.

Further, except as mentioned herein below, our Company has not yet applied for any licenses for the proposed activities as contained in the chapter titled 'Objects of this Issue' beginning on page no. 79 of this Prospectus to the extent that such licences/approvals may be required for the same.

The objects clause of the Memorandum of Association enables our Company to undertake its present business activities. The approvals required to be obtained by our Company include the following:

Approvals in relation to the Issue

Corporate Approvals

Our Board of Directors have, pursuant to resolutions dated December 28, 2015 authorised the Issue, subject to the approval of our shareholders under Section62 (1)(c) of the Companies Act, 2013.Our shareholders have, pursuant to the resolutions dated December 28, 2015 under Section 62 (1)(c) of the Companies Act, authorised the Issue**.**

In- principle approvals from BSE

We have received in-principle approvals from BSE for the listing of our Equity Shares pursuant to their letter dated January 27, 2016.

Incorporation details of our Company

Certificate of incorporation dated August 24, 2007 was issued to our Company in its former name being Kanisha Hotels Private Limited.

Fresh Certificate of incorporation dated October 1, 2013 was issued by Registrar of Companies to our Company consequent upon change of name to Vithal Kamats Restaurants Private Limited.

Fresh Certificate of incorporation dated February 26, 2015 was issued by Registrar of Companies to our Company consequent upon change of name to Vidli Restaurants Private Limited, bearing Corporate Identity Number U55101MH2007PTC173446 and registration no. 173446 issued by Registrar of Companies, at Mumbai.

Fresh Certificate of incorporation dated November 23, 2015 on conversion from Private Company to Public Company, bearing Corporate Identity Number U55101MH2007PLC173446.

Tax Related Approvals

i. TAN (Tax Identification Number) as issued under the Income Tax Act is MUMV20982D.

ii. PAN (Permanent Account Number) as issued to us is: AADCK2041B

iii. Service tax registration for being registered with the Central Excise Department, Central Board of Excise and Customs bearing Service Tax Code (Registration Number) is AADCK2041BSD003.

iv. Certificate of Registration dated 9th July, 2014 issued by Sales Tax Officer under the Central Sales Tax Act, 1956 bearing Tax Payer Identification Number (TIN): 27395275418C. The Registration certificate is valid with effect from 10th March, 2014.

v. Certificate of Registration dated July 9, 2014 issued by Sales Tax Officer under Section 16 of the Maharashtra Value Added Tax Act, 2002 bearing Tax Payer Identification Number (TIN): 27395275418V. The Registration certificate is valid with effect from 10th March, 2014.

vi. LBT as issued by the Local Body Tax Department, Nashik Municipal Corporation is NSK503993

vii. Certificate of Registration dated June 2, 2015 issued by the Assistant Commercial Tax Officer under Section 7(1)/ 7(2) of Central sales Act, 1956 with effect from November 1, 2014 bearing registration no. 08652193850. This Certificate is valid from November 1, 2014 until cancelled.

viii. Certificate of Registration dated March 11, 2014 with effect from October 1, 2013 issued by Profession Tax Officer (13), Registration Branch, Mumbai under Sub-Section (1) of Section 5 of the Maharashtra State Tax on Professions, Trades, Callings and Employments Act, 1975 bearing registration no. 27395275418P.

ix. Certificate of enrolment dated March 11, 2014 with effect from August 27, 2007 issued by Profession Tax Officer (C-016), Registration Branch, Mumbai under Sub-Section 2 or Sub-Section 2A or Sub-Section (3) of Section 5 of the Maharashtra State Tax on Professions, Trades, Calling and Employments Act, 1975 bearing registration No. 99492139329P.

x. Certificate of Registration and Allotment of TIN 09559403976C dated August 6, 2014 issued by Assistant Commissioner, Department of Commercial Taxes, Government of Uttar Pradesh under Sub-rule (8) and (10) of Rule – 32 of UPVAT Rules, 2008. The Registration certificate is valid with effect from August 1, 2014 till the business is discontinued.

xi. Certificate of Registration dated June 2, 2015 issued by the Assistant Commercial Tax Officer under the Rajasthan VAT Act, 2003 with effect from November 1, 2014 bearing registration no. (TIN): 08652193850. This Certificate shall remain in force unless it is cancelled.

Approvals in relation to our Business Operations

In order to operate our food joints/outlets in various states we require various approvals and/ or licenses under various laws, rules and regulations as applied by each state. Further, most of our approvals are obtained for each food joint/outlet unit by the concerned franchisee whom we have contracted with as the franchisee is the essential owner of the property and the business. Further, certain of our own premises also require the requisite registrations such as:

- FSSAI Certificate of Registration dated August 3, 2015 issued by Registering Authority, Food and Drug Administration, Mumbai, Maharashtra State under the Food Safety and Standards Act, 2006, bearing registration no. 21515023000150. The Registration certificate is valid for a period of five years till August 2, 2020. This has been issue in favour of our company for the premises located at VITS – Luxury Business Hotels, Kondivita lane, off Andheri Kurla Road, Mumbai, 400059.

- FSSAI License dated April 17, 2015 issued by the Licensing Authority (026), Jaipur – I, Medical, Health & Family Welfare Department, Government of Rajasthan under the Food Safety and Standards Act, 2006[Regulation 2.1.4(6)] bearing license no. 12215026000504. The License is valid for a period of one year till April 16, 2016. This FSSAI license has been issued in favour of our company for premises located near Highway choice, kanwarpura, Tehsil Kotputli, Jaipur, Jaipur I (Rajasthan), 303108.

- Shops and Establishment Registration Certificate of Establishment under Bombay/Maharashtra Shops and Establishments Act, 1948 bearing registration no. 760484877/Commercial . Valid till July 20, 2018.This has been issue in favour of our company for the premises located at VITS – Luxury Business Hotels, Kondivita lane, off Andheri Kurla Road, Mumbai, 400059.

Further, for our top five franchisee operated restaurants, based on sales for the period ending September 30, 2015 the following FSSAI Licenses have been obtained:

Sr. No.	Restaurant	License detail
1.	Vithal Kamats Restaurant Private Limited at Pune Rural, Maharashtra – 412301	FSSAI License no. 11515038000025 dated - 12/01/2015 valid till 11/01/2020
2.	Hotel Sanskruti at Shirdi, Rahata, Ahmednagar	FSSAI License no. 11516033000003 Dated – 08/01/2016 Valid till 07/01/2018
3.	M/s Shri Swami Krupa Enterprises, Bhor District, Pune – 412205	FSSAI License no. 11515038000069 Dated - 29/01/2015 Valid till 28/01/2020
4.	M/s Saptatara Garden Family Restaurant at Wadhe Taluka, Satara, Maharashtra	FSSAI License no. 11513039002858 Dated – 05/04/2013 Valid till 04/04/2014 Renewed – 04/04/2019
5.	Hotel Vithal Kamat at Gate No. 635, Kodhapuri, Pune	FSSAI License no. 11513038004966 Dated - 14/03/2013

Sr. No.	Restaurant	License detail
		Valid till – 13/03/2018

Intellectual Property Related Approvals

Intellectual Property usage under Licenses
Our Company entered into intellectual property agreements described below whereby the owner of the intellectual property has conferred on our Company a non-exclusive right to use the intellectual property, which are registered or sought to be registered, subject to further terms and conditions. However in addition to the trademarks and copyrights licensed to us, the owner of the said trademarks has made additional applications which are undergoing various stages of the registration process as shown. All the below trademarks have not been licensed to us and those that have been licensed are also provided to us on a non- exclusive basis. Provided below is a list of trademarks and copyrights we are licensed to use as well as other trademarks relating to our brand name:

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
1.	"KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Kamat Holiday Resort (Silvassa) Limited	2986229	June 16, 2015	Send to Vienna Codification	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and copyright in the form of artwork.
2.	"KAMATS" under the provisions of Copyright Act, 1957	Unpublished Artistic Work	Kamat Holiday Resort (Silvassa) Limited	A114316/2015	November 13, 2015	Registered	
3.	"VITHAL KAMATS" as special form of writing under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1545811	April 2, 2007	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
4.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	2010226	August 17, 2010	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
							right/license to use copyright/ mark/ trademark/ logo
5.	"VITHAL KAMATS" class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	1640351	January 11, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
6.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V Kamat	2009447	August 16, 2010	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
7.	"KAMATS" (special form of writing)	Device - Restaurant	Dr. Vithal V Kamat	1545819	April 2, 2007	Registered	The Company has entered into *Permitted Users License Agreement* dated for 15 years with the applicant, whereby the applicant conferred on our Company a non-exclusive right to use the trademark and

Sr. No.	Trademarks/ Copyright	Class Trademark Type	Applicant	Application No.	Date of Application	Registration Status	Company's rights
							copyright in the form of artwork.
8.	VITHAL KAMATS (LABEL) under class 42 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1739256	September 30, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
9.	"VITHAL KAMATS" under class 43 of Trademark Act, 1999	Device - Restaurant	Dr. Vithal V. Kamat	1743062	October 14, 2008	Registered	Our Company has entered into *Agreement for Use of Copyright / Trademark* dated October 12, 2013 for 15 years with the applicant, whereby the applicant grants our Company right/license to use copyright/ mark/ trademark/ logo
10.	"VIDLI" under class 43 of Trademark Act, 1999	Device - Restaurant	Mr. Vikram V Kamat	2857895	December 8, 2014	Send to Vienna Codification	--

Approvals regarding the Company Logo:

We do not in own our logo VIDLI and the owner of our logo (Mr. Vikram Kamat, spouse of our promoter) has not entered into any license agreement with our company for usage of the same. Further the application for registration of the said logo in favour of the owner, who is the spouse of our promoter is also pending with the registrar of trademarks, trademark registry, Mumbai bearing Proprietor code: 1666865, dated December 8, 2014 for "Vidli" logo under class 43 and the Application number is 2857895, and applicants name Vikram Kamat. However the same is under process.

Labour related approvals:

We have not applied for any labour related approvals.

Environment related approvals:

We have not applied for any environmental related approvals.

Overview of Approvals required for the Restaurant services industry in India:

Since we have a total of 37 franchisee food joints/outlets and 2 Company operated food joints / outlets which are operated by us, various legislations and requisite approvals are required as per the applicable law of the state, however some of the material valid approvals required by us to operate our restaurant business include the following:

Employee related Laws

1. Certificate from Provident Fund Inspector and Regional Provident Fund Commissioner under the Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and the scheme framed there-under for allotment of provident fund number; and

2. Registration from Employee State Insurance Corporation under the Employees State Insurance Act, 1948 for registration of employees, factories and establishments.

Environmental Regulations

1. Consents from the State Pollution Control Board to operate under the provisions of the Water (Prevention and Control of Pollution) Act, 1974 and Air (Prevention and Control of Pollution) Act, 1981.

Excise Laws

1. Certificate of Import-Export Code from the Ministry of Commerce, Government of India.

Fire and Emergency Service Laws

1. Fire license issued by the Directorate of Fire and Emergency Services under the Fire Force Act, applicable in the states where the restaurants of our Company are situated.

Municipality Laws

1. License from the "Health Department", of the relevant local municipalities for operating a permit room; and

2. License from the "Health Department", of the relevant local municipalities for operating as a Grade-I Eating House.

Police Laws

1. License granted by the Commissioner of Police, in accordance with the authority granted to relevant police department under the State Police Act, 1951 to keep a 'Place of Public Entertainment, Class A'.

2. License to have and keep a restaurant or an open bar, as applicable, granted by the Commissioner of Police.

Prevention of Food Adulteration Laws

1. License under the Prevention of Food Adulteration Act, 1954 and the Prevention of Food Adulteration Rules, 1955 issued by the relevant State authorities.

Shops and Establishments Legislations

1. Registration Certificate of Establishment under the Shops and Establishment Act, 1948 as issued by the Corporation of the cities where the restaurants of our Company are located; and

2. Registration Certificate of Establishment as an 'Eating House IV' under the Shops and Establishment Act, 1948 as issued by the relevant city Corporations.

Tax Laws

1. Registration certificate from the Commercial Taxes Department of the respective state under the Value Added Tax Act of the relevant State;

2. Registration certificate from the Office of the Assistant Commissioner of Taxes under the Entry Tax Act of the relevant State for bringing material into the respective state;

3. Registration certificate from the Sales Tax Department of the respective state under the Central Sales Tax Act, 1956 to register as a dealer;

4. Permission from the Office of the Assistant Commissioner of Central Excise under the centralized service tax for providing services under different categories;

5. PAN (Permanent Account Number) as issued under the Income Tax Act; and

6. TAN (Tax Identification Number) as issued under the Income Tax Act.

Certain approvals may have elapsed in their normal course and franchisees responsible for such license has either made an application to the appropriate authorities for renewal of such licenses and/or approvals or is in the process of making such applications. We undertake to obtain all approvals, licenses, registrations and permissions required to operate our business. We shall also endeavor that our franchisee operated restaurants take timely and appropriate steps to update and validate their requisite approvals for which the franchisee is primarily responsible.

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 December 28, 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 Extra-Ordinary General Meeting of our Company held on December 28, 2015.

PROHIBITION BY SEBI, RBI OR OTHER GOVERNMENTAL AUTHORITIES

None of our Company, our Directors, our Promoter, relatives of Promoter, our Promoter Group, and our Group Entities has been declared as wilful defaulter(s) by the RBI or any other governmental authority. Further, there has been no violation of any securities law committed by any of them in the past and no such proceedings are currently pending against any of them.

We confirm that our Company, Promoter, Promoter Group, Directors or Group Entities have not been prohibited from accessing or operating in the capital markets under any order or direction passed by SEBI or any other government authority. Neither our Promoter, nor any of our Directors or persons in control of our Company were or are promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by the SEBI or any other governmental authorities.

None of our Directors is associated with the securities market in any manner, including securities market related business.

ELIGIBITY FOR THIS ISSUE

Our Company is eligible for the Issue in accordance with regulation 106M(1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Our Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

We confirm that:

1. In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, this Issue will be hundred percent underwritten and that the LM will underwrite at least 15% of the total issue size. For further details pertaining to underwriting please refer to chapter titled "*General Information*" beginning on page 56 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, then our company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 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 LM submits the copy of the Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

4. In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM will ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue. For further details of the market making arrangement see chapter titled "*General Information*" beginning on page 56 of this Prospectus.

5. The Company has Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.

6. The Net worth (excluding revaluation reserves) of the Company is at least Rs. 3 crore as per the latest audited financial results.

7. The Company has track record of distributable profits in terms of section 123 of Companies Act for at least two years out of immediately preceding three financial years and each financial year has a period of at least 12 months or has networth of Rs. 5 crore.

8. The distributable Profit, Net tangible Assets and Net worth of the Company as per the restated financial statements for the period ended September 30, 2015 and the year ended March 31, 2015, 2014 and 2013 is as set forth below:-

(Rs. In lakhs)

Particulars	September 30, 2015	March 31, 2015	March 31, 2014	March 31, 2013
Distributable Profits*	25.36	6.89	4.42	(0.05)
Net Tangible Assets**	636.42	503.77	92.78	0.84
Net Worth***	334.33	308.97	4.68	0.44

** "Distributable profits" have been computed in terms section 123 of the Companies Act, 2013.*
*** 'Net tangible assets' are defined as the sum of all net assets (i.e. non current assets, current assets less current liabilities) of our Company, excluding intangible assets as defined in Accounting Standard 26 (AS 26) issued by the Institute of Chartered Accountants of India*
**** "Net Worth" has been defined as the aggregate of the paid up share capital, share application money (excluding the portion included in other current liabilities) and reserves and surplus excluding miscellaneous expenditure, if any*

9. The Post-issue paid up capital of the Company shall be at least Rs. 3 Crore. The post-issue paidup capital of the Company shall be Rs. 433.00 lakhs.

10. The Company shall mandatorily facilitate trading in demat securities and has entered into an agreement with both the depositories.

11. The Company has not been referred to Board for Industrial and Financial Reconstruction.

12. No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

13. No material regulatory or disciplinary action has been taken by any stock exchange or regulatory authority in the past three years against the Company.

14. There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE for listing on SME segment.

15. The Company has a website www.kamatsrestaurants.com

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 SECURITIES AND EXCHANGE BOARD OF INDIA SHOULD NOT IN ANY WAY BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THIS ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE OFFER DOCUMENT. THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED HAS CERTIFIED THAT THE DISCLOSURES MADE IN THIS PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH THE SEBI (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, IN FORCE THE TIME BEING. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THIS PROSPECTUS, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, IS EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE LEAD MANAGER, PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED, HAS FURNISHED TO STOCK EXCHANGE AND SEBI DUE DILIGENCE CERTIFICATE IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992.

"WE, THE UNDER NOTED LEAD MANAGER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS, 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 EXCHANGE 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, APPLICABLE PROVISIONS OF THE COMPANIES ACT, 2013, 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 EQUITY SHARES AS PART OF PROMOTER'S CONTRIBUTION SUBJECT TO LOCK-IN AND THE EQUITY SHARES PROPOSED TO FORM PART OF PROMOTER'S 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 EQUITY SHARES INELIGIBLE FOR COMPUTATION OF PROMOTER'S 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 PROMOTER'S 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 PROMOTER'S 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. – COMPLIED TO THE EXTENT APPLICABLE**
9. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SUB-SECTION (3) OF SECTION 40 OF THE COMPANIES ACT, 2013 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – NOTED FOR COMPLIANCE**
10. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE.- NOT APPLICABLE. AS IN TERMS OF THE PROVISIONS OF SECTION 29 OF THE COMPANIES ACT, 2013, THE SHARES ISSUED IN THE PUBLIC ISSUE SHALL BE IN DEMAT FORM ONLY.**
11. **WE CERTIFY THAT ALL THE APPLICABLE DISCLOSURES MANDATED IN THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE IN ADDITION TO DISCLOSURES WHICH, IN OUR VIEW, ARE FAIR AND ADEQUATE TO ENABLE THE INVESTOR TO MAKE A WELL INFORMED DECISION.**
12. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE 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. – NOTED FOR COMPLIANCE**
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, PROMOTER'S EXPERIENCE, ETC. – NOTED FOR COMPLIANCE**
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. – NOTED FOR COMPLIANCE

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". -** ***COMPLIED WITH TO THE EXTENT OF THE RELATED PARTY TRANSACTIONS REPORTED IN ACCORDANCE WITH ACCOUNTING STANDARD 18 IN THE FINANCIAL STATEMENTS OF THE COMPANY INCLUDED IN THE PROSPECTUS***

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 EQUITY SHARES 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. – NOTED FOR COMPLIANCE

(4) WE CONFIRM THAT AGREEMENTS HAVE BEEN ENTERED INTO WITH THE DEPOSITORIES FOR DEMATERIALISATION OF THE EQUITY SHARES OF THE ISSUER.

(5) WE CERTIFY THAT AS PER THE REQUIREMENTS OF FIRST PROVISO TO SUB-REGULATION 4 OF REGULATION 32 OF SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, CASH FLOW STATEMENT HAS BEEN PREPARED AND DISCLOSED IN THE PROSPECTUS – NOT APPLICABLE

(6) WE CONFIRM THAT UNDERWRITING AND MARKET MAKING ARRANGEMENTS AS PER REQUIREMENTS OF REGULATION 106P AND 106V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009 HAVE BEEN MADE.

Note:

The filing of this Prospectus does not, however, absolve our Company from any liabilities under section 34 and 36 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, Ahmedabad in terms of Section 26, 30 and 32 of the Companies Act, 2013.

DISCLAIMER STATEMENT FROM OUR COMPANY AND THE LEAD MANAGER

Our Company, our Directors and the Lead Manager accept no responsibility for statements made otherwise than in this Prospectus or in the advertisements or any other material issued by or at instance of our Company and anyone placing reliance on any other source of information, including our website www.kamatsrestaurants.com, would be doing so at his or her own risk.

Caution

The Lead Manager accepts no responsibility, save to the limited extent as provided in the Agreement for Issue Management entered into among the Lead Manager and our Company dated December 30, 2015, the Underwriting Agreement dated December 30, 2015 entered into among the Underwriter and our Company and the Market Making Agreement dated December 30, 2015 entered into among the Market Maker, Lead Manager and our Company.

Our Company and the Lead Manager shall make all information available to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports or at collection centres, *etc.*

The Lead Manager and its associates and affiliates may engage in transactions with and perform services for, our Company and associates of our Company in the ordinary course of business and may in future engage in the provision of services for which they may in future receive compensation. Pantomath Capital Advisors Private Limited is not an 'associate' of the Company and is eligible to Lead Manager this Issue, under the SEBI (Merchant Bankers) Regulations, 1992.

Investors who apply in this Issue will be required to confirm and will be deemed to have represented to our Company and the Underwriter and their respective directors, officers, agents, affiliates and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares and will not offer, sell, pledge or transfer the Equity Shares to any person who is not eligible under applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares. Our Company and the Lead Manager and their respective directors, officers, agents, affiliates and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares.

PRICE INFORMATION AND THE TRACK RECORD OF THE PAST ISSUES HANDLED BY THE LEAD MANAGER

For details regarding the price information and track record of the past issue handled by Pantomath Capital Advisors Private Limited, as specified in Circular reference CIR/MIRSD/1/2012 dated January 10, 2012 issued by SEBI, please refer "Annexure A" to this Prospectus and the website of the Lead Manager at www.pantomathgroup.com

DISCLAIMER IN RESPECT OF JURISDICTION

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorized to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorized under their constitution to hold and invest in shares, public financial institutions as specified in Section 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 FPIs, Eligible NRIs, multilateral and bilateral development financial institutions, FVCIs and eligible foreign investors, provided that they are eligible under all applicable laws and regulations to hold Equity Shares of the Company. The Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Mumbai, Maharashtra, only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Prospectus has been filed with BSE for its observations and BSE shall give its observations in due course. Accordingly, the Equity Shares represented hereby may not be offered or sold, directly or indirectly, and this Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

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

Further, each applicant where required agrees that such applicant will not sell or transfer any Equity Shares or create any economic interest therein, including any off-shore derivative instruments, such as participatory notes, issued against the Equity Shares or any similar security, other than pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with applicable laws, legislations and Prospectus in each jurisdiction, including India.

DISCLAIMER CLAUSE OF THE SME PLATFORM OF BSE

BSE Limited ("BSE") has given vide its letter dated January 27, 2016 permission to this Company to use its name in this offer document as one of the stock exchanges on which this company's securities are proposed to be listed on the SME Platform. BSE has scrutinized this offer document for its limited internal purpose of deciding on the matter of granting the aforesaid permission to this Company. BSE does not in any manner:-

i. warrant, certify or endorse the correctness or completeness of any of the contents of this offer document; or
ii. warrant that this Company's securities will be listed or will continue to be listed on BSE; or
iii. take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed that this offer document has been cleared or approved by BSE. Every person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

FILING

A copy of the Draft Prospectus has not been filed with SEBI, nor will SEBI issue any observation on the Offer Document in term of Regulation 106(M)(3) of SEBI (ICDR) Regulations. However, a copy of the Prospectus shall be filed with SEBI at the SEBI Corporate Finance Department, Mumbai. A copy of the Prospectus, along with the documents required to be filed under Section 26 of the Companies Act, 2013 shall be delivered to the RoC situated at 100, Everest, Marine Drive Mumbai-400002.

LISTING

In terms of Chapter XB of the SEBI (ICDR) Regulations, there is no requirement of obtaining in-principle approval from SME Platform of BSE. However application will be made to the SME Platform of BSE for obtaining permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange, with which the Basis of Allotment will be finalized.

The SME Platform of BSE has given its in-principle approval for using its name in our Prospectus vide its letter dated January 27, 2016.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by the SME Platform of BSE, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of the Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it (i.e. from the date of refusal or within 15 working days from the Issue Closing Date), then our Company and every Director of our Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% per annum on application money, as prescribed under section 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 Promoter, the Company Secretary & Compliance Officer, Chief Financial Officer, the Statutory Auditors, the Peer Reviewed Auditors, the Banker to the Company; and (b) Lead manager, Underwriters, Market Makers, Registrar to the Issue, Banker(s) to the Issue, Legal Advisor to the Issue to act in their respective capacities have been obtained and will be filed along with a copy of the Prospectus with the RoC, as required under sections 26 of the Companies Act, 2013 and such consents shall not be withdrawn up to the time of delivery of the Prospectus for registration with the RoC. Our Peer Reviewed Auditors have given their written consent to the inclusion of their report in the form and context in which it appears in this Draft Prospectus/ Prospectus and such consent and report shall not be withdrawn up to the time of delivery of the Prospectus for filing with the RoC.

EXPERT TO THE ISSUE

Except as stated below, our Company has not obtained any expert opinions:

- Report of the Peer Reviewed Auditor on Statement of Tax Benefits.
- Report on Re-stated Financial Statement.

EXPENSES OF THE ISSUE

The expenses of this Issue include, among others, underwriting and management fees, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. For details of total expenses of the Issue, refer to chapter "*Objects of the Issue*" beginning on page 79 of this 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 October 6, 2015 between our Company and the Lead Manager, the copy of which is available for inspection at our Registered Office.

Fees Payable to the Registrar to the Issue

The fees payable to the Registrar to the Issue will be as per the Agreement signed by our Company and the Registrar to the Issue dated December 30, 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 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 if any.

UNDERWRITING COMMISSION, BROKERAGE AND SELLING COMMISSION

The underwriting commission and selling commission for this Issue is as set out in the Underwriting Agreement entered into between our Company and the Lead Manager. Payment of underwriting commission, brokerage and selling commission would be in accordance with Section 40 of Companies Act, 2013 and the Companies (Prospectus and Allotment of Securities) Rule, 2013.

PREVIOUS RIGHTS AND PUBLIC ISSUES SINCE THE INCORPORATION

We have not made any previous public issues since incorporation, and are an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. For details of right issues made by our Company, please refer chapter titled "Capital Structure" on page 62 of this Prospectus.

PREVIOUS ISSUES OF SHARES OTHERWISE THAN FOR CASH

Except as stated in the chapter titled *"Capital Structure"* beginning on page 62 of this Prospectus, our Company has not issued any Equity Shares for consideration otherwise than for cash.

COMMISSION OR BROKERAGE ON PREVIOUS ISSUES

Since this is the initial public offer of the Equity Shares by our Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

PARTICULARS IN REGARD TO OUR COMPANY AND OTHER LISTED COMPANIES UNDER THE SAME MANAGEMENT WITHIN THE MEANING OF SECTION 370 (1B) OF THE COMPANIES ACT, 1956 WHICH MADE ANY CAPITAL ISSUE DURING THE LAST THREE YEARS

Except Kamat Hotels (India) Limited, none of the equity shares of our Group Entities are listed on any recognized stock exchange. None of the above companies have raised any capital during the past 3 years.

PROMISE VERSUS PERFORMANCE FOR OUR COMPANY

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Therefore, data regarding promise versus performance is not applicable to us.

OUTSTANDING DEBENTURES, BONDS, REDEEMABLE PREFERENCE SHARES AND OTHER INSTRUMENTS ISSUED BY OUR COMPANY

As on the date of this Prospectus, our Company has no outstanding debentures, bonds or redeemable preference shares.

STOCK MARKET DATA FOR OUR EQUITY SHARES

Our Company is an "Unlisted Issuer" in terms of the SEBI (ICDR) Regulations, and this Issue is an "Initial Public Offering" in terms of the SEBI (ICDR) Regulations. Thus there is no stock market data available for the Equity Shares of our Company.

MECHANISM FOR REDRESSAL OF INVESTOR GRIEVANCES

The Agreement between the Registrar and our Company provides for retention of records with the Registrar for a period of at least three year from the last date of dispatch of the letters of allotment, demat credit and unblocking of ASBA account to enable the investors to approach the Registrar to this Issue for redressal of their grievances. All grievances relating to this Issue may be addressed to the Registrar with a copy to the Compliance Officer, giving full details such as the name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Application Form was submitted by the ASBA applicants.

DISPOSAL OF INVESTOR GRIEVANCES BY OUR COMPANY

Our Company or the Registrar to the Issue or the SCSB in case of 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' Relationship Committee of the Board *vide* resolution passed at the Board Meeting held on December 28, 2015. For further details, please refer to the chapter titled "*Our Management*" beginning on page 151 of this Prospectus.

Our Company has appointed Payal Barai as Compliance Officer and she may be contacted at the following address:
Payal Barai
Vidli Restaurants Limited
Office No. 26, Building No. 1, Ajay Mittal Industrial Premises Limited
Marol, Andheri East, Mumbai - 400059
Tel: +91 22 66978736
Fax: +91 22 66978736
Email: investors@kamatsrestaurants.com
Website: www.kamatsrestaurants.com

Investors can contact the Compliance Officer or the Registrar in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allocation, credit of allotted Equity Shares in the respective beneficiary account or unblocking of ASBA account, *etc*.

CHANGES IN AUDITORS DURING THE LAST THREE FINANCIAL YEARS

Following Changes in Auditors have been done in last three financial years

- M/s. Suhas M Joshi, Chartered Accountant was appointed as auditors w.e.f. April 1, 2014 in place of M/s. J. G Verma & Co., Chartered Accountants on AGM dated September 29, 2014.
- M/s.VBG & Co., Chartered Accountant was appointed as auditors w.e.f. April 1, 2014 in place of M/s. Suhas M Joshi, Chartered Accountants on EGM dated March 3, 2015.

However, our Company has appointed M/s. R T Jain & Co., as peer reviewed auditors of the Company.

CAPITALISATION OF RESERVES OR PROFITS

Save and except as stated in the chapter titled "*Capital Structure*" beginning on page 62 of this Prospectus, our Company has not capitalized its reserves or profits during the last five years.

REVALUATION OF ASSETS

Our Company has not revalued its assets since incorporation.

PURCHASE OF PROPERTY

Other than as disclosed in this Prospectus, there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Prospectus.

Except as stated elsewhere in this Prospectus, our Company has not purchased any property in which the Promoter and/or Directors have any direct or indirect interest in any payment made there under.

SERVICING BEHAVIOR

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

SECTION VII – ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued and transferred are subject to the provisions of the Companies Act, 2013, SEBI ICDR Regulations, our Memorandum and Articles of Association, the SEBI Listing Regulations, *the terms of the Prospectus, Application Form, the Revision Form, the Confirmation of Allocation Note and other terms and conditions as may be incorporated in the allotment advices and other documents/certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, the Stock Exchange, the RBI, RoC 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 No. CIR/CFD/POLICYCELL/11/2015 dated November 10. 2015 All the investors applying in a public issue shall use only Application Supported by Blocked Amount (ASBA) facility for making payment.

Further vide the said circular Registar to the Issue and Depository Participants have been also authorised to collect the Application forms. Investors may visit the official websites of the concerned stock exchanges for any information on operationalization of this facility of form collection by Registrar to the Issue and DPs as and when the same is made available

RANKING OF EQUITY SHARES

The Equity Shares being issued in the Issue shall be subject to the provisions of the Companies Act, 2013 and the Memorandum and Articles of Association and shall rank *pari-passu* with the existing Equity Shares of our Company including rights in respect of dividend. The Allottees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by our Company after the date of Allotment in accordance with Companies Act, 1956 and Companies Act, 2013 and the Articles. For further details, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 314 of this Prospectus.

MODE OF PAYMENT OF DIVIDEND

The declaration and payment of dividend will be as per the provisions of Companies Act, SEBI Listing Regulations 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 dividend, if declared, to our Shareholders as per the provisions of the Companies Act, SEBI Listing Regulations and our Articles of Association. For further details, please refer to the chapter titled *"Dividend Policy"* on page 193 of this Prospectus.

FACE VALUE AND ISSUE PRICE PER SHARE

The face value of the Equity Shares is Rs. 10 each and the Issue Price is Rs. 10 per Equity Share. The Issue Price is determined by our Company in consultation with the Lead Manager and is justified under the section titled *"Basis for Issue Price"* beginning on page 85 of this Prospectus. At

any given point of time there shall be only one denomination for the Equity Shares.

COMPLIANCE WITH SEBI ICDR REGULATIONS

Our Company shall comply with all requirements of the SEBI ICDR Regulations. Our Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

RIGHTS OF THE EQUITY SHAREHOLDERS

Subject to applicable laws, rules, regulations and guidelines and the Articles of Association, the Equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to receive Annual Reports & notices to members;
- Right to attend general meetings and exercise voting rights, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offer for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation subject to any statutory and preferential claim being satisfied;
- Right of free transferability subject to applicable law, including any RBI rules and regulations; and
- Such other rights, as may be available to a shareholder of a listed public limited company under the Companies Act, 2013 Act, the terms of the SEBI Listing Regulations and the Memorandum and Articles of Association of our Company.

For a detailed description of the main provisions of the Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "*Main Provisions of Articles of Association*" beginning on page number 314 of this Prospectus.

MINIMUM APPLICATION VALUE, MARKET LOT AND TRADING LOT

In terms of Section 29 of the Companies Act, 2013, the Equity Shares shall be allotted only in dematerialised form. As per the existing SEBI ICDR Regulations, the trading of the Equity Shares shall only be in dematerialised form for all investors.

The trading of the Equity Shares will happen in the minimum contract size of 10,000 Equity Shares and the same may be modified by BSE from time to time by giving prior notice to investors at large. Allocation and allotment of Equity Shares through this Offer will be done in multiples of 10,000 Equity Share subject to a minimum allotment of 10,000 Equity Shares to the successful applicants in terms of the SEBI circular No. CIR/MRD/DSA/06/2012 dated February 21, 2012.

Allocation and allotment of Equity Shares through this Offer will be done in multiples of 10,000 Equity Share subject to a minimum allotment of 10,000 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 blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

JURISDICTION

Exclusive jurisdiction for the purpose of this Issue is with the competent courts / authorities in Mumbai, Maharashtra, India.

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

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

JOINT HOLDER

Where two or more persons are registered as the holders of any Equity Shares, they shall be deemed to hold the same as joint – tenants with benefits of survivorship.

NOMINATION FACILITY TO INVESTOR

In accordance with Section 72 of the Companies Act, 2013 the sole applicant, or the first applicant along with other joint applicant, may nominate any one person in whom, in the event of the death of sole applicant or in case of joint applicant, death of all the Applicant, as the case may be, the Equity Shares Allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to equity share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale of equity share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at our Corporate Office or to the registrar and transfer agents of our Company.

Any person who becomes a nominee by virtue of the provisions of Section 72 of the Companies Act, 2013 shall upon the production of such evidence as may be required by the Board, elect either:

a. to register himself or herself as the holder of the Equity Shares; or
b. to make such transfer of the Equity Shares, as the deceased holder could have made.

Further, 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.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialized mode there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investor wants to change the nomination, they are requested to inform their respective depository participant.

PERIOD OF OPERATION OF SUBSCRIPTION LIST OF PUBLIC ISSUE	
ISSUE OPENS ON	Wednesday, February 3, 2016
ISSUE CLOSES ON	Friday, February 5, 2016

MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten.

As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If our Company does not receive the 100% subscription of the offer through the Offer Document including devolvement of Underwriters, if any, within sixty (60) days from the date of closure of the issue, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after our Company becomes liable to pay the amount, our Company and every officer in default will, on and from the expiry of this period, be jointly and severally liable to repay the money, with interest or other penalty as prescribed under the SEBI Regulations, the Companies Act 2013 and applicable law.

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 blocked by the SCSBs shall be unblocked within 6 working days of closure of issue.

Further, in accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, our Company shall ensure that the minimum application size in terms of number of specified securities shall not be less than Rs.1,00,000/- (Rupees One Lakh) per application.

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

MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following

a. If the Paid up Capital of our Company is likely to increase above Rs. 2,500 lakhs by virtue of any further issue of capital by way of rights issue, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the

shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the Main Board), our Company shall apply to BSE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

b. If the Paid up Capital of our company is more than Rs. 1,000 lakhs but below Rs. 2,500 lakhs, our Company may still apply for migration to the Main Board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

MARKET MAKING

The shares offered though this Issue are proposed to be listed on the SME Platform of BSE (SME Exchange) with compulsory market making through the registered Market Maker of the SME Exchange for a minimum period of three years or such other time as may be prescribed by the Stock Exchange, from the date of listing of shares offered through the Prospectus. For further details of the market making arrangement please refer to chapter titled *"General Information"* beginning on page 56 of this Prospectus.

ARRANGEMENT FOR DISPOSAL OF ODD LOT

The trading of the equity shares will happen in the minimum contract size of 10,000 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.

AS PER THE EXTANT POLICY OF THE GOVERNMENT OF INDIA, OCBS CANNOT PARTICIPATE IN THIS ISSUE.

The current provisions of the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, provides a general permission for the NRIs, FIIs and foreign venture capital investors registered with SEBI to invest in shares of Indian companies by way of subscription in an IPO. However, such investments would be subject to other investment restrictions under the Foreign Exchange Management (Transfer or Issue of Security by a Person Resident outside India) Regulations, 2000, RBI and/or SEBI regulations as may be applicable to such investors.

The Allotment of the Equity Shares to Non-Residents shall be subject to the conditions, if any, as may be prescribed by the Government of India/RBI while granting such approvals.

OPTION TO RECEIVE SECURITIES IN DEMATERIALISED FORM

In accordance with the SEBI ICDR Regulations, Allotment of Equity Shares to successful applicants will only be in the dematerialized form. Applicants will not have the option of Allotment of the Equity Shares in physical form. The Equity Shares on Allotment will be traded only on the dematerialized segment of the Stock Exchange. Allottees shall have the option to re-materialize the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

NEW FINANCIAL INSTRUMENTS

The Issuer Company is not issuing any new financial instruments through this Issue.

APPLICATION BY ELIGIBLE NRIs, FPI'S REGISTERED WITH SEBI, VCF'S, AIF'S REGISTERED WITH SEBI

It is to be understood that there is no reservation for Eligible NRIs or FPIs or VCFs or AIFs registered with SEBI. Such Eligible NRIs, FPIs, VCFs or AIFs registered with SEBI will be treated on the same basis with other categories for the purpose of Allocation.

RESTRICTIONS, IF ANY ON TRANSFER AND TRANSMISSION OF EQUITY SHARES

Except for lock-in of the pre-Issue Equity Shares and Promoter's minimum contribution in the Issue as detailed in the chapter "*Capital Structure*" beginning on page 62 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 shares and on their consolidation / splitting except as provided in the Articles of Association. For details please refer to the section titled "*Main Provisions of the Articles of Association*" beginning on page 314 of this Prospectus.

The above information is given for the benefit of the Applicants. The Applicants are advised to make their own enquiries about the limits applicable to them. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated hereinabove. Our Company and the Lead Manager are not liable to inform the investors of any amendments or modifications or changes in applicable laws or regulations, which may occur after the date of the 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.

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 does not exceed ten crore rupees, shall issue specified securities to the public and propose to list the same on the Small and Medium Enterprise Exchange ("SME Exchange", in this case being the SME Platform of BSE). For further details regarding the salient features and terms of such an issue please refer chapter titled "*Terms of the Issue*" and "*Issue Procedure*" on page 261 and 269 of this Prospectus.

Following is the issue structure:

Public Issue of 13,10,000 Equity Shares of face value of Rs. 10/- each fully paid (the 'Equity Shares') for cash at a price of Rs. 10/- per Equity Share aggregating Rs. 131.00 Lacs ('the Issue') by our Company.

The Issue comprises a Net Issue to Public of 12,40,000 Equity Shares ('the Net Issue'), a reservation of 70,000 Equity Shares for subscription by the designated Market Maker ('the Market Maker Reservation Portion').

Particulars	Net Issue to Public*	Market Maker Reservation Portion
Number of Equity Shares	12,40,000 Equity Shares	70,000 Equity Shares
Percentage of Issue Size available for allocation	94.66% of Issue Size	5.34% of Issue Size
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate subject to minimum allotment of 10,000 equity shares and further allotment in multiples of 10,000 equity shares each. For further details please refer to the section titled *"Issue Procedure-Basis of Allotment"* on page 305 of the Prospectus	Firm allotment
Mode of Application	All the applicants shall make the application (Online or Physical) through the ASBA Process	Through ASBA Process Only
Minimum Application	**For QIB and NII:** Such number of Equity Shares in multiples of 10,000 Equity Shares such that the Application size exceeds Rs 2,00,000 **For Retail Individual:** 10,000 Equity shares	70,000 Equity Shares
Maximum Application Size	**For QIB and NII:** For all other investors the maximum application size is the Net Issue to public subject to limits the investor has to adhere under the relevant laws	70,000 Equity Shares of Face Value of Rs 10 each

Particulars	Net Issue to Public*	Market Maker Reservation Portion
	and regulations as applicable. **For Retail Individuals:** 20,000 Equity Shares	
Mode of Allotment	Compulsorily in Dematerialised mode	Compulsorily in Dematerialised mode
Trading Lot	10,000 Equity Shares	10,000 Equity Shares, however the Market Maker may accept odd lots if any in the market as required under the SEBI ICDR Regulations
Terms of payment	The Applicant shall have sufficient balance in the ASBA account at the time of submitting application and the amount will be blocked anytime within two day of the closure of the Issue.	

**50 % of the shares offered in the Net Issue to Public portion are reserved for applications whose value is upto* Rs. *2,00,000 and the balance 50 % of the shares are reserved for applications whose value is above* Rs. *2,00,000.*

WITHDRAWAL OF THE ISSUE

In accordance with the SEBI ICDR Regulations, our Company, in consultation with Lead Manager, reserves the right not to proceed with this Issue at any time after the Issue Opening Date, but before our Board meeting for Allotment, without assigning reasons thereof. However, if our Company withdraws the Issue after the Issue Closing Date, we will give reason thereof within two days by way of a public notice which shall be published in the same newspapers where the pre-Issue advertisements were published.

Further, the Stock Exchange shall be informed promptly in this regard and the Lead Manager, through the Registrar to the Issue, shall notify the SCSBs to unblock the Bank Accounts of the Applicants within one Working Day from the date of receipt of such notification. In case our Company withdraws the Issue after the Issue Closing Date and subsequently decides to undertake a public offering of Equity Shares, our Company will file a fresh offer document with the stock exchange where the Equity Shares may be proposed to be listed. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchange, which the Company shall apply for after Allotment. In terms of the SEBI Regulations, Non retail applicants shall not be allowed to withdraw their Application after the Issue Closing Date.

ISSUE PROGRAMME

ISSUE OPENS ON	Wednesday, February 3, 2016
ISSUE CLOSES ON	Friday, February 5, 2016

Applications and any revision to the same (except that on the Issue Closing Date) will be accepted only between 10.00 a.m. and 5.00 p.m. (Indian Standard Time) during the Issue Period at the Application Centres mentioned in the Application Form. On the Issue Closing date application and revision to the same will be accepted between 10.00 a.m and 3.00 p.m. Applications will be accepted during Issue period on Working Days.

ISSUE PROCEDURE

*All Applicants should review the General Information Document for Investing in Public Issues prepared and issued in accordance with the circular (CIR/CFD/DIL/12/2013) dated October 23, 2013 notified by SEBI (the "General Information Document") included below under section "**Part B – General Information Document**", which highlights the key rules, processes and procedures applicable to public issues in general in accordance with the provisions of the Companies Act, 1956, the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the SEBI Regulations. The General Information Document has been updated to include reference to the Securities and Exchange Board of India (Foreign Portfolio Investors) Regulations, 2014, SEBI Listing Regulations and certain notified provisions of the Companies Act, 2013, to the extent applicable to a public issue. The General Information Document is also available on the websites of the Stock Exchange and the Lead Manager. Please refer to the relevant provisions of the General Information Document which are applicable to the Issue.*

Please note that the information stated/covered in this section may not be complete and/or accurate and as such would be subject to modification/change. Our Company and the Lead Manager do not accept any responsibility for the completeness and accuracy of the information stated in this section and the General Information Document. Our Company and the Lead Manager would not be liable for any amendment, modification or change in applicable law, which may occur after the date of this Prospectus. Applicants are advised to make their independent investigations and ensure that their Applications do not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or as specified in this Prospectus and the Prospectus.

This section applies to all the Applicants, please note that all the Applicants are required to make payment of the full Application Amount along with the Application Form.

FIXED PRICE ISSUE PROCEDURE

The Issue is being made under Regulation 106(M)(1) of Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009 via Fixed Price Process.

Applicants are required to submit their Applications to the Application Collecting Intermediaries. In case of QIB Applicants, the Company in consultation with the Lead Manager may reject Applications at the time of acceptance of Application Form provided that the reasons for such rejection shall be provided to such Applicant in writing.

In case of Non Institutional Applicants and Retail Individual Applicants, our Company would have a right to reject the Applications only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Applicants only in dematerialized form. Applicants will not have the option of being Allotted Equity Shares in physical form.

Further the Equity shares on allotment shall be trade only in the dematerialized segment of the Stock Exchange, as mandated by SEBI.

APPLICATION FORM

Pursuant to SEBI Circular dated September 27, 2011 and bearing No. CIR/CFD/DIL/4/2011, the Application Form has been standardized. Also please note that pursuant to SEBI Circular CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015 investors in public issues can only invest through ASBA Mode. The prescribed colours of the Application Form for various investors applying in the Issue are as follows:

Category	Colour of Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis (ASBA)	White
Non-Residents and Eligible NRIs applying on a repatriation basis (ASBA)	Blue

Applicants shall only use the specified Application Form for the purpose of making an application in terms of the Prospectus. The Application Form shall contain information about the Applicant and the price and the number of Equity Shares that the Applicants wish to apply for. Application Forms downloaded and printed from the websites of the Stock Exchange shall bear a system generated unique application number.

Applicants are required to submit their applications only through any of the following Application Collecting Intermediaries

i) an SCSB, with whom the bank account to be blocked, is maintained
ii) a syndicate member (or sub-syndicate member)
iii) a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
iv) a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
v) a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

The upload of the details in the electronic bidding system of stock exchange will be done by:

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

Upon completion and submission of the Application Form to Application Collecting intermediaries, the Applicants are deemed to have authorised our Company to make the necessary changes in the Prospectus, without prior or subsequent notice of such changes to the Applicants.
Availability of Prospectus and Application Forms

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 as mentioned in the Application Form. The application forms may also be downloaded from the website of BSE Limited i.e. **www.bseindia.com**.

WHO CAN APPLY?

In addition to the category of Applicants set forth under "– ***General Information Document for Investing in Public Issues – Category of Investors Eligible to participate in an Issue***", the following persons are also eligible to invest in the Equity Shares under all applicable laws, regulations and guidelines, including:

- FPIs and sub-accounts registered with SEBI other than Category III foreign portfolio investor;
- Category III foreign portfolio investors, which are foreign corporates or foreign individuals only under the Non Institutional Investors (NIIs) category;
- Scientific and/or industrial research organisations authorised in India to invest in the Equity Shares.

OPTION TO SUBSCRIBE IN THE ISSUE

a. As per Section 29(1) of the Companies Act, 2013 allotment of Equity Shares shall be in dematerialised form only.
b. The Equity Shares, on allotment, shall be traded on the Stock Exchange in demat segment only.
c. A single application from any investor shall not exceed the investment limit/minimum number of specified securities that can be held by him/her/it under the relevant regulations/statutory guidelines and applicable law.

PARTICIPATION BY ASSOCIATED/ AFFILIATES OF LEAD MANAGER AND SYNDICATE MEMBERS

The Lead Manager and the Syndicate Members, if any, shall not be allowed to purchase in this Issue in any manner, except towards fulfilling their underwriting obligations. However, the associates and affiliates of the Lead Manager and the Syndicate Members, if any, may purchase the Equity Shares in the Issue, either in the QIB Category or in the Non-Institutional Category as may be applicable to such Applicants, where the allocation is on a proportionate basis and such subscription may be on their own account or on behalf of their clients.

APPLICATION BY INDIAN PUBLIC INCLUDING ELIGIBLE NRI'S APPLYING ON NON REPATRIATION

Application must be made only in the names of individuals, limited companies or statutory corporations/institutions and not in the names of minors, foreign nationals, non residents (except for those applying on non repatriation), trusts, (unless the trust is registered under the Societies Registration Act, 1860 or any other applicable trust laws and is authorized under its constitution to hold shares and debentures in a company), Hindu undivided families, partnership firms or their

nominees. In case of HUFs, application shall be made by the Karta of the HUF. An applicant in the Net Public Category cannot make an application for that number of Equity Shares exceeding the number of Equity Shares offered to the public. Eligible NRIs applying on a non-repatriation basis may make payments by inward remittance in foreign exchange through normal banking channels or by debits to NRE/FCNR accounts as well as NRO accounts.

APPLICATIONS BY ELIGIBLE NRI'S/RFPI's ON REPATRIATION BASIS

Application Forms have been made available for eligible NRIs at our Registered Office and at the Corporate Office of the Lead manager. Eligible NRI Applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment under the reserved category. The eligible NRIs who intend to make payment through Non Resident Ordinary (NRO) accounts shall use the Forms meant for Resident Indians and should not use the forms meant for the reserved category. Under FEMA, general permission is granted to companies vide notification no. FEMA/20/2000 RB dated 03/05/2000 to issue securities to NRIs subject to the terms and conditions stipulated therein. Companies are required to file the declaration in the prescribed form to the concerned Regional Office of RBI within 30 days from the date of issue of shares for allotment to NRIs on repatriation basis. Allotment of equity shares to Non Resident Indians shall be subject to the prevailing Reserve Bank of India Guidelines. Sale proceeds of such investments in equity shares will be allowed to be repatriated along with the income thereon subject to permission of the RBI and subject to the Indian tax laws and regulations and any other applicable laws.

As per the current regulations, the following restrictions are applicable for investments by FPIs:

1. A foreign portfolio investor shall invest only in the following securities, namely- (a) Securities in the primary and secondary markets including shares, debentures and warrants of companies, listed or to be listed on a recognized stock exchange in India; (b) Units of schemes floated by domestic mutual funds, whether listed on a recognized stock exchange or not; (c) Units of schemes floated by a collective investment scheme; (d) Derivatives traded on a recognized stock exchange; (e) Treasury bills and dated government securities; (f) Commercial papers issued by an Indian company; (g) Rupee denominated credit enhanced bonds; (h) Security receipts issued by asset reconstruction companies; (i) Perpetual debt instruments and debt capital instruments, as specified by the Reserve Bank of India from time to time; (j) Listed and unlisted non-convertible debentures/bonds issued by an Indian company in the infrastructure sector, where 'infrastructure' is defined in terms of the extant External Commercial Borrowings (ECB) guidelines; (k) Non-convertible debentures or bonds issued by Non-Banking Financial Companies categorized as 'Infrastructure Finance Companies'(IFCs) by the Reserve Bank of India; (l) Rupee denominated bonds or units issued by infrastructure debt funds; (m) Indian depository receipts; and (n) Such other instruments specified by the Board from time to time.

2. Where a foreign institutional investor or a sub account, prior to commencement of these regulations, holds equity shares in a company whose shares are not listed on any recognized stock exchange, and continues to hold such shares after initial public offering and listing thereof, such shares shall be subject to lock-in for the same period, if any, as is applicable to shares held by a foreign direct investor placed in similar position, under the policy of the Government of India relating to foreign direct investment for the time being in force.

3. In respect of investments in the secondary market, the following additional conditions shall apply:
   a) A foreign portfolio investor shall transact in the securities in India only on the basis of taking and giving delivery of securities purchased or sold;
   b) Nothing contained in clause (a) shall apply to:
      i. Any transactions in derivatives on a recognized stock exchange;
      ii. Short selling transactions in accordance with the framework specified by the Board;
      iii. Any transaction in securities pursuant to an agreement entered into with the merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      iv. Any other transaction specified by the Board.
   c) No transaction on the stock exchange shall be carried forward;
   d) The transaction of business in securities by a foreign portfolio investor shall be only through stock brokers registered by the Board; provided nothing contained in this clause shall apply to:
      i. transactions in Government securities and such other securities falling under the purview of the Reserve Bank of India which shall be carried out in the manner specified by the Reserve Bank of India;
      ii. sale of securities in response to a letter of offer sent by an acquirer in accordance with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      iii. sale of securities in response to an offer made by any promoter or acquirer in accordance with the Securities and Exchange Board of India (Delisting of Equity shares) Regulations, 2009;
      iv. Sale of securities, in accordance with the Securities and Exchange Board of India (Buy-back of securities) Regulations, 1998;
      v. divestment of securities in response to an offer by Indian Companies in accordance with Operative Guidelines for Disinvestment of Shares by Indian Companies in the overseas market through issue of American Depository Receipts or Global Depository Receipts as notified by the Government of India and directions issued by Reserve Bank of India from time to time;
      vi. Any bid for, or acquisition of, securities in response to an offer for disinvestment of shares made by the Central Government or any State Government;
      vii. Any transaction in securities pursuant to an agreement entered into with merchant banker in the process of market making or subscribing to unsubscribed portion of the issue in accordance with Chapter XB of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
      viii. Any other transaction specified by the Board.
   e) A foreign portfolio investor shall hold, deliver or cause to be delivered securities only in dematerialized form:

      Provided that any shares held in non-dematerialized form, before the commencement of these regulations, can be held in non-dematerialized form, if such shares cannot be dematerialized.

      Unless otherwise approved by the Board, securities shall be registered in the name of the foreign portfolio investor as a beneficial owner for the purposes of the Depositories Act, 1996.

4. The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below ten percent of the total issued capital of the company.

5. The investment by the foreign portfolio investor shall also be subject to such other conditions and restrictions as may be specified by the Government of India from time to time.

6. In cases where the Government of India enters into agreements or treaties with other sovereign Governments and where such agreements or treaties specifically recognize certain entities to be distinct and separate, the Board may, during the validity of such agreements or treaties, recognize them as such, subject to conditions as may be specified by it.

7. A foreign portfolio investor may lend or borrow securities in accordance with the framework specified by the Board in this regard.
   No foreign portfolio investor may issue, subscribe to or otherwise deal in offshore derivative instruments, directly or indirectly, unless the following conditions are satisfied:
   (a) Such offshore derivative instruments are issued only to persons who are regulated by an appropriate foreign regulatory authority;
   (b) Such offshore derivative instruments are issued after compliance with 'know your client' norms:
   Provided that those unregulated broad based funds, which are classified as Category II foreign portfolio investor by virtue of their investment manager being appropriately regulated shall not issue, subscribe or otherwise deal in offshore derivatives instruments directly or indirectly:
   Provided further that no Category III foreign portfolio investor shall issue, subscribe to or otherwise deal in offshore derivatives instruments directly or indirectly.

A foreign portfolio investor shall ensure that further issue or transfer of any offshore derivative instruments issued by or on behalf of it is made only to persons who are regulated by an appropriate foreign regulatory authority.

Foreign portfolio investors shall fully disclose to the Board any information concerning the terms of and parties to off-shore derivative instruments such as participatory notes, equity linked notes or any other such instruments, by whatever names they are called, entered into by it relating to any securities listed or proposed to be listed in any stock exchange in India, as and when and in such form as the Board may specify.

Any offshore derivative instruments issued under the Securities and Exchange Board of India (Foreign Institutional Investors) Regulations, 1995 before commencement of SEBI (Foreign Portfolio Investors) Regulations, 2014 shall be deemed to have been issued under the corresponding provisions of SEBI (Foreign Portfolio Investors) Regulations, 2014.

The purchase of equity shares of each company by a single foreign portfolio investor or an investor group shall be below 10% of the total issued capital of the company.

An FII or its subaccount which holds a valid certificate of registration shall, subject to payment of conversion fees, be eligible to continue to buy, sell or otherwise deal in securities till the expiry of its registration as an foreign institutional investor or sub-account, or until he obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

A qualified foreign investor may continue to buy, sell or otherwise deal in securities subject to the provisions of the SEBI (Foreign Portfolio Investors) Regulations, 2014, for a period of one year from the date of commencement of the aforesaid regulations, or until it obtains a certificate of registration as foreign portfolio investor, whichever is earlier.

APPLICATIONS BY MUTUAL FUNDS

No Mutual Fund scheme shall invest more than 10% of its net asset value in equity shares or equity related instruments of any single company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry specific funds. No Mutual Fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

With respect to Applications by Mutual Funds, a certified copy of their SEBI registration certificate 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 thereof.

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.

The Applications made by the asset management companies or custodians of Mutual Funds shall specifically state the names of the concerned schemes for which the Applications are made.

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. Limited liability partnerships can participate in the Issue only through the ASBA process.

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 reasons thereof.

The exposure norms for insurers, prescribed under the Insurance Regulatory and Development Authority (Investment) Regulations, 2000 (the 'IRDA Investment Regulations'), are broadly set forth below:

1. *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;
   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 Unit Linked Insurance Plans); and
2. *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 Unit Linked Insurance Plans).

APPLICATIONS UNDER POWER OF ATTORNEY

In case of Applications made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, FPI's, Mutual Funds, insurance companies and provident funds with minimum corpus of Rs. 2500 Lacs (subject to applicable law) and pension funds with a minimum corpus of Rs. 2500 Lacs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the Memorandum of Association and Articles of Association and/ or bye laws must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

With respect to applications by VCFs, FVCIs, and FPIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may belong with a certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any application, in whole or in part, in either case without assigning any reasons thereof.

In case of Applications made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made pursuant to a power of attorney by FIIs, 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 their SEBI registration certificate must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

In case of Applications made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a Chartered Accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

APPLICATIONS BY PROVIDENT FUNDS/PENSION FUNDS

In case of Applications made by provident funds with minimum corpus of Rs. 25 Crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 Crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund

must be lodged along with the Application Form. Failing this, the Company reserves the right to accept or reject any Application in whole or in part, in either case, without assigning any reason thereof.

The above information is given for the benefit of the Applicants. Our Company and Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of the Prospectus. Applicants are advised to make their independent investigations and ensure that any single application from them does not exceed the applicable investment limits or maximum number of the Equity Shares that can be held by them under applicable law or regulation or as specified in this Draft Prospectus/ Prospectus.

INFORMATION FOR THE APPLICANTS

1. Our Company and the Lead Managers shall declare the Issue Opening Date and Issue Closing Date in the Prospectus to be registered with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one regional newspaper with wide circulation. This advertisement shall be in the prescribed format.
2. Our Company will file the Prospectus with the RoC at least three days before the Issue Opening Date.
3. Any Applicant who would like to obtain the Prospectus and/or the Application Form can obtain the same from our Registered Office.
4. Applicants who are interested in subscribing to the Equity Shares should approach any of the Application Collecting Intermediaries or their authorised agent(s).
5. Applications should be submitted in the prescribed Application Form only. Application Forms submitted to the SCSBs should bear the stamp of the respective intermediary to whom the application form is submitted.. Application Forms submitted directly to the SCSBs should bear the stamp of the SCSBs and/or the Designated Branch. Application Forms submitted by Applicants whose beneficiary account is inactive shall be rejected.
6. the Application Form can be submitted either in physical or electronic mode, to the Application Collecting Intermediaries.Further Application Collecting Intermediary may provide the electronic mode of collecting either through an internet enabled collecting and banking facility or such other secured, electronically enabled mechanism for applying and blocking funds in the ASBA Account.
7. Except for applications by or on behalf of the Central or State Government and the officials appointed by the courts and by investors residing in the State of Sikkim, the Applicants, or in the case of application in joint names, the first Applicant (the first name under which the beneficiary account is held), should mention his/her PAN allotted under the Income Tax Act. In accordance with the SEBI Regulations, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction. Any Application Form without PAN is liable to be rejected. The demat accounts of Applicants for whom PAN details have not been verified, excluding persons resident in the State of Sikkim or persons who may be exempted from specifying their PAN for transacting in the securities market, shall be "suspended for credit" and no credit of Equity Shares pursuant to the Issue will be made into the accounts of such Applicants.
8. The Applicants may note that in case the PAN, the DP ID and Client ID mentioned in the Application Form and entered into the electronic collecting system of the Stock Exchange by the Bankers to the Issue or the SCSBs do not match with PAN, the DP ID and Client ID available in the Depository database, the Application Form is liable to be rejected.

METHOD AND PROCESS OF APPLICATIONS

1. Applicants are required to submit their applications during the Issue Period only through the following Application Collecting intermediary
   - *i)* an SCSB, with whom the bank account to be blocked, is maintained
   - *ii)* a syndicate member (or sub-syndicate member)
   - *iii)* a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker')
   - *iv)* a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
   - *v)* a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)

2. The Issue Period shall be for a minimum of three Working Days and shall not exceed 10 Working Days. The Issue Period may be extended, if required, by an additional three Working Days, subject to the total Issue Period not exceeding 10 Working Days.
3. The Intermediaries shall accept applications from all Applicants and they shall have the right to vet the applications during the Issue Period in accordance with the terms of the Prospectus.
4. The Applicant cannot apply on another Application Form after applications on one Application Form have been submitted to Application Collecting intermediaries Submission of a second Application Form to either the same or to another Application Collecting Intermediary will be treated as multiple applications and is liable to be rejected either before entering the application into the electronic collecting system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue.
5. The intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The upload of the details in the electronic bidding system of stock exchange and post that blocking of funds will be done by as given below

For applications submitted by investors to SCSB:	After accepting the form, SCSB shall capture and upload the relevant details in the electronic bidding system as specified by the stock exchange(s) and may begin blocking funds available in the bank account specified in the form, to the extent of the application money specified.
For applications submitted by investors to intermediaries other than SCSBs:	After accepting the application form, respective intermediary shall capture and upload the relevant details in the electronic bidding system of stock exchange(s). Post uploading, they shall forward a schedule as per prescribed format along with the application forms to designated branches of the respective SCSBs for blocking of funds within one day of closure of Issue.

6. Upon receipt of the Application Form directly or through other intermediary, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form, and If sufficient funds are not available in the ASBA Account the application will be rejected.
7. If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Application Amount mentioned in the Application Form and will enter each application option into the electronic collecting system as a separate application and

generate a TRS for each price and demand option. The TRS shall be furnished to the ASBA Applicant on request.

8. The Application Amount shall remain blocked in the aforesaid ASBA Account until finalization of the Basis of Allotment and consequent transfer of the Application Amount against the Allotted Equity Shares to the Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the Application Form, as the case may be. 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 ASBA Accounts and for transferring the amount allocable to the successful Applicants to the Public Issue Account. In case of withdrawal / failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the Registrar to the Issue.

TERMS OF PAYMENT

The entire Issue price of Rs. 10/- per share is payable on application. In case of allotment of lesser number of Equity Shares than the number applied, The Registrar shall instruct the SCSBs to unblock the excess amount paid on Application to the Applicants.

SCSBs will transfer the amount as per the instruction received by the Registrar to the Public Issue Bank Account. The balance amount after transfer to the Public Issue Account shall be unblocked by the SCSBs.

The Applicants should note that the arrangement with Bankers to the Issue or the Registrar is not prescribed by SEBI and has been established as an arrangement between our Company, the Bankers to the Issue and the Registrar to the Issue to facilitate collections from the Applicants.

Payment mechanism for Applicants

The Applicants shall specify the bank account number in the Application Form and the SCSBs shall block an amount equivalent to the Application Amount in the bank account specified in the Application Form. The SCSB shall keep the Application Amount in the relevant bank account blocked until withdrawal/ rejection of the application or receipt of instructions from the Registrar to unblock the Application Amount. However, Non Retail Applicants shall neither withdraw nor lower the size of their applications at any stage. In the event of withdrawal or rejection of the Application Form or for unsuccessful Application Forms, the Registrar to the Issue shall give instructions to the SCSBs to unblock the application money in the relevant bank account within one day of receipt of such instruction. The Application Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Application Amount to the Public Issue Account, or until withdrawal/ failure of the Issue or until rejection of the application by the ASBA Applicant, as the case may be.

Please note that pursuant to the applicability of the directions issued by SEBI vide its circular bearing number CIR/CFD/POLICYCELL/11/2015 dated November 10, 2015, all Investors are applying in this Issue shall mandatorily make use of ASBA facility.

ELECTRONIC REGISTRATION OF APPLICATIONS

1. The Application Collecting Intermediary will register the applications using the on-line facilities of the Stock Exchange.

2. The Application Collecting Intermediary will undertake modification of selected fields in the application details already uploaded before 1.00 p.m of the next Working day from the Issue Closing Date.
3. The Application collecting Intermediary shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by them, (ii) the applications uploaded by them, (iii) the applications accepted but not uploaded by them or (iv) In case the applications accepted and uploaded by any Application Collecting Intermediary other than SCSBs, the Application form along with relevant schedules shall be sent to the SCSBs or the Designated Branch of the relevant SCSBs for blocking of funds and they will be responsible for blocking the necessary amounts in the ASBA Accounts. In case of Application accepted and Uploaded by SCSBs, the SCSBs or the Designated Branch of the relevant SCSBs will be re will be responsible for blocking the necessary amounts in the ASBA Accounts.
4. Neither the Lead Managers nor our Company, shall be responsible for any acts, mistakes or errors or omission and commissions in relation to, (i) the applications accepted by any Application Collecting Intermediaries, (ii) the applications uploaded by any Application Collecting Intermediaries or (iii) the applications accepted but not uploaded by the Application Collecting Intermediaries.
5. The Stock Exchange will offer an electronic facility for registering applications for the Issue. This facility will be available at the terminals of the Application Collecting Intermediaries and their authorized agents during the Issue Period. The Designated Branches or the Agents of the Application Collecting Intermediaries can also set up facilities for off-line electronic registration of applications subject to the condition that they will subsequently upload the off-line data file into the online facilities on a regular basis. On the Issue Closing Date, the Application Collecting Intermediaries shall upload the applications till such time as may be permitted by the Stock Exchange. This information will be available with the Lead Manager on a regular basis.
6. With respect to applications by Applicants, at the time of registering such applications, the Application Collecting Intermediaries shall enter the following information pertaining to the Applicants into in the on-line system:
   - Name of the Applicant;
   - IPO Name;
   - Application Form number;
   - Investor Category;
   - PAN (of First Applicant, if more than one Applicant);
   - DP ID of the demat account of the Applicant;
   - Client Identification Number of the demat account of the Applicant;
   - Numbers of Equity Shares Applied for;
   - Location of the Banker to the Issue or Designated Branch, as applicable, and bank code of the SCSB branch where the ASBA Account is maintained; and
   - Bank account number.
7. In case of submission of the Application by an Applicant through the Electronic Mode, the Applicant shall complete the above-mentioned details and mention the bank account number, except the Electronic Application Form number which shall be system generated.
8. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively. The registration of the Application by the Application Collecting Intermediaries does not guarantee that the Equity Shares shall be allocated / allotted either by our Company.
9. Such acknowledgment will be non-negotiable and by itself will not create any obligation of any kind.

10. In case of Non Retail Applicants and Retail Individual Applicants, applications would not be rejected except on the technical grounds as mentioned in the Prospectus. The Application Collecting Intermediaries shall have no right to reject applications, except on technical grounds.
11. The permission given by the Stock Exchanges to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/or the Lead Manager are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of our Company, our Promoter, our management or any scheme or project of our Company; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the Stock Exchanges.
12. The Application Collecting Intermediaries will be given time till 1.00 P.M on the next working day after the Issue Closing Date to verify the PAN No, DP ID and Client ID uploaded in the online IPO system during the Issue Period, after which the Registrar to the Issue will receive this data from the Stock Exchange and will validate the electronic application details with Depository's records. In case no corresponding record is available with Depositories, which matches the three parameters, namely DP ID, Client ID and PAN, then such applications are liable to be rejected.
13. The details uploaded in the online IPO system shall be considered as final and Allotment will be based on such details for ASBA applications.

ALLOCATION OF EQUITY SHARES

1. The Issue is being made through the Fixed Price Process wherein 70,000 Equity Shares shall be reserved for Market Maker. 12,40,000 Equity Shares will be allocated on a proportionate basis to Retail Individual Applicants, subject to valid applications being received from Retail Individual Applicants at the Issue Price. The balance of the Net Issue will be available for allocation on a proportionate basis to Non Retail Applicants.
2. Under-subscription, if any, in any category, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the Lead Managers and the Stock Exchange.
3. Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.
4. In terms of the SEBI Regulations, Non Retail Applicants shall not be allowed to either withdraw or lower the size of their applications at any stage.
5. Allotment status details shall be available on the website of the Registrar to the Issue.

SIGNING OF UNDERWRITING AGREEMENT AND FILING OF PROSPECTUS WITH ROC

a) Our Company has entered into an Underwriting agreement dated December 30, 2015.
b) A copy of the Prospectus will be filed with the RoC in terms of Section 26 of the Companies Act.

PRE- ISSUE ADVERTISEMENT

Subject to Section 30 of the Companies Act, 2013, our Company shall, after registering the Prospectus with the RoC, publish a pre-Issue advertisement, in the form prescribed by the SEBI Regulations, in: (i) English National Newspaper; (ii) Hindi National Newspaper; and (iii) Regional Newspaper, each with wide circulation.

ISSUANCE OF ALLOTMENT ADVICE

1. Upon approval of the Basis of Allotment by the Designated Stock Exchange.
2. The Lead Managers or the Registrar to the Issue will dispatch an Allotment Advice to their Applicants who have been allocated Equity Shares in the Issue.

The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract for the Allotment to such Applicant.

GENERAL INSTRUCTIONS

Do's:

- Check if you are eligible to apply;
- Read all the instructions carefully and complete the applicable Application Form;
- Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialized form only;
- Each of the Applicants should mention their Permanent Account Number (PAN) allotted under the Income Tax Act, 1961;
- Ensure that the demographic details are updated, true and correct in all respects;
- Ensure that the name(s) given in the Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant.
- Ensure that you have funds equal to the Application Amount in your bank account maintained with the SCSB before submitting the Application Form to the respective Designated Branch of the SCSB;
- With respect to ASBA Applications ensure that the Application Form is signed by the account holder in case the applicant is not the account holder. Ensure that you have mentioned the correct bank account number in the Application Form;
- Ensure that you have requested for and receive a acknowledgement;
- All applicants should submit their applications through the ASBA process only.

Don'ts:

- Do not apply for lower than the minimum Application size;
- Do not apply at a Price Different from the Price mentioned herein or in the Application Form
- Do not apply on another Application Form after you have submitted an Application to the Banker to of the Issue.
- Do not pay the Application Price in cash, by money order or by postal order or by stock invest;
- Do not send Application Forms by post; instead submit the same to the Selected Branches / Offices of the Banker to the Issue.
- Do not fill in the Application Form such that the Equity Shares applied for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

- Do not submit the GIR number instead of the PAN as the Application is liable to be rejected on this ground.
- Do not submit incorrect details of the DP ID, beneficiary account number and PAN or provide details for a beneficiary account which is suspended or for which details cannot be verified by the Registrar to the Issue
- Do not submit Applications on plain paper or incomplete or illegible Application Forms in a colour prescribed for another category of Applicant
- Do not make Applications if you are not competent to contract under the Indian Contract Act, 1872, as amended.

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. Application Forms should bear the stamp of the Application Collecting Intermediaries. ASBA Application Forms, which do not bear the stamp of the Application Collecting Intermediaries, will be rejected.

SEBI, vide Circular No.CIR/CFD/14/2012 dated October 04, 2012 has introduced an additional mechanism for investors to submit Application forms in public issues using the stock broker (‘broker) network of Stock Exchanges, who may not be syndicate members in an issue with effect from January 01, 2013. The list of Broker Centre is available on the websites of BSE i.e. **www.bseindia.com** and NSE i.e. www.nseindia.com. With a view to broadbase the reach of Investors by substantialy enhancing the points for submission of applications, SEBI vide Circular No.CIR/CFD/POLICY CELL/11/2015 dated November 10, 2015 has permitted Registrar to the Issue and Share Transfer Agent and Depository Participants registered with SEBI to accept the Application forms in Public Issue with effect from January 01, 2016. The List of RTA and DPs centres for collecting the application shall be disclosed is available on the websites of BSE i.e. **www.bseindia.com** and NSE i.e. **www.nseindia.com**.

Applicant's Depository Account and Bank Details

Please note that, providing bank account details, PAN Nos, Client ID and DP ID 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 as entered into the Stock Exchange online system, 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 Demographic Details would be used for all correspondence with the Applicants including mailing of the Allotment Advice. 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.

SUBMISSION OF APPLICATION FORM

All Application Forms duly completed shall be submitted to the Application Collecting Intermediaries. The aforesaid intermediaries shall, at the time of receipt of application, give an acknowledgement to investor, by giving the counter foil or specifying the application number to the investor, as a proof of having accepted the application form, in physical or electronic mode, respectively.

COMMUNICATIONS

All future communications in connection with 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 Application Collecting Intermediary where the Application was submitted 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, etc.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, 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.

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 6 working days from Issue Closing Date.

In accordance with the Companies Act, the requirements of the Stock Exchange and the SEBI Regulations, the Company further undertakes that:

1. Allotment and Listing of Equity Shares shall be made within 6 (Six) days of the Issue Closing Date;
2. The Company will provide adequate funds required for dispatch of Allotment Advice to the Registrar to the Issue.

IMPERSONATION

Attention of the Applicants is specifically drawn to the provisions of sub-section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:
"Any person who—

(a) makes or abets making of an application in a fictitious name to a company for acquiring, or subscribing for, its securities; or
(b) makes or abets making of multiple applications to a company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or
(c) otherwise induces directly or indirectly a company to allot, or register any transfer of, securities to him, or to any other person in a fictitious name,

shall be liable for action under Section 447."

UNDERTAKINGS BY THE COMPANY

We undertake as follows:

1. That the complaints received in respect of the Issue shall be attended expeditiously and satisfactorily;
2. That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the stock exchanges where the Equity Shares are proposed to be listed on sixth day from issue closure date. Working Days from the Issue Closing Date;
3. That the funds required for making refunds as per the modes disclosed or dispatch of allotment advice by registered post or speed post shall be made available to the Registrar to the Issue by us;
4. That our Promoter's contribution in full has already been brought in;
5. That no further issue of Equity Shares shall be made till the Equity Shares offered through the Prospectus are listed or until the Application monies are refunded on account of non-listing, under-subscription etc.;

UTILIZATION OF THE ISSUE PROCEEDS

The Board of Directors of our Company certifies that:

1. all monies received out of the Issue shall be transferred to a separate Bank Account other than the bank account referred to in Sub-Section (3) of Section 40 of the Companies Act, 2013;
2. details of all monies utilized out of the Issue referred above shall be disclosed and continue to be disclosed till the time any part of the Issue Proceeds remains unutilised, under an appropriate separate head in the balance sheet of our Company indicating the purpose for which such monies have been utilized;
3. details of all unutilized monies out of the Issue, if any, shall be disclosed under an appropriate separate head in the balance sheet of our Company indicating the form in which such unutilized monies have been invested; and
4. Our Company shall comply with the requirements of the SEBI Listing Regulations in relation to the disclosure and monitoring of the utilisation of the proceeds of the Issue.

Our Company shall not have recourse to the Issue Proceeds until the approval for listing and trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

The Lead manager undertakes that the complaints or comments received in respect of the Issue shall be attended by our Company expeditiously and satisfactory.

EQUITY SHARES IN DEMATERIALSED FORM WITH NSDL OR CDSL

To enable all shareholders of the Company to have their shareholding in electronic form, the Company is in the process of signing the following tripartite agreements with the Depositories and the Registrar and Share Transfer Agent:

a. Agreement dated April 8, 2015 among NSDL, the Company and the Registrar to the Issue;
b. Agreement dated November 24, 2015 among CDSL, the Company and the Registrar to the Issue;

The Company's shares bear ISIN no INE564S01019.

PART B

GENERAL INFORMATION DOCUMENT FOR INVESTING IN PUBLIC ISSUES

This General Information Document highlights the key rules, processes and procedures applicable to public issues in accordance with the provisions of the Companies Act, 2013 (to the extent notified and in effect), the Companies Act, 1956 (without reference to the provisions thereof that have ceased to have effect upon the notification of the Companies Act, 2013), the Securities Contracts (Regulation) Act, 1956, the Securities Contracts (Regulation) Rules, 1957 and the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. Bidders/Applicants should not construe the contents of this General Information Document as legal advice and should consult their own legal counsel and other advisors in relation to the legal matters concerning the Issue. For taking an investment decision, the Bidders/Applicants should rely on their own examination of the Issuer and the Issue, and should carefully read the Draft Prospectus/Prospectus before investing in the Issue.

SECTION 1: PURPOSE OF THE GENERAL INFORMATION DOCUMENT (GID)

This document is applicable to the public issues undertaken *inter-alia* through Fixed Price Issues. The purpose of the "General Information Document for Investing in Public Issues" is to provide general guidance to potential Applicants in IPOs, on the processes and procedures governing IPOs, undertaken in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 **("SEBI ICDR Regulations, 2009").**

Applicants should note that investment in equity and equity related securities involves risk and Applicant should not invest any funds in the Issue unless they can afford to take the risk of losing their investment. The specific terms relating to securities and/or for subscribing to securities in an Issue and the relevant information about the Issuer undertaking the Issue; are set out in the Prospectus filed by the Issuer with the Registrar of Companies **("RoC")**. Applicants should carefully read the entire Prospectus and the Application Form and the Abridged Prospectus of the Issuer in which they are proposing to invest through the Issue. In case of any difference in interpretation or conflict and/or overlap between the disclosure included in this document and the Prospectus, the disclosures in the Prospectus shall prevail. The Prospectus of the Issuer is available on the websites of stock exchanges, on the website(s) of the **LM(s)** to the Issue and on the website of Securities and Exchange Board of India **("SEBI")** at www.sebi.gov.in.

For the definitions of capitalized terms and abbreviations used herein Applicants may refer to the section "Glossary and Abbreviations".

SECTION 2: BRIEF INTRODUCTION TO IPOs ON SME EXCHANGE

2.1 INITIAL PUBLIC OFFER (IPO)

An IPO means an offer of specified securities by an unlisted Issuer to the public for subscription and may include an Offer for Sale of specified securities to the public by any existing holder of such securities in an unlisted Issuer.
For undertaking an IPO, an Issuer is *inter-alia* required to comply with the eligibility requirements of in terms of either Regulation 26(1) or Regulation 26(2) of the SEBI ICDR Regulations, 2009, if applicable. For details of compliance with the eligibility requirements by the Issuer, Applicants may

refer to the Prospectus.

The Issuer may also undertake IPO under of chapter XB of the SEBI (ICDR) Regulations, wherein as per,

- Regulation 106M (1): An issuer whose post-issue face value capital does not exceed ten crore rupees shall issue its specified securities in accordance with provisions of this Chapter.
- Regulation 106M (2): An issuer, whose post issue face value capital, is more than ten crore rupees and upto twenty five crore rupees, may also issue specified securities in accordance with provisions of this Chapter.

The present Issue being made under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation.

2.2 OTHER ELIGIBILITY REQUIREMENTS

In addition to the eligibility requirements specified in paragraphs 2.1, an Issuer proposing to undertake an IPO is required to comply with various other requirements as specified in the SEBI ICDR Regulations, 2009, the Companies Act, 1956 (the "Companies Act"), The Securities Contracts (Regulation) Rules, 1957 (the "SCRR"), industry-specific regulations, if any, and other applicable laws for the time being in force. Following are the eligibility requirements for making an SME IPO under Regulation 106M (1) of Chapter XB of SEBI (ICDR) Regulation:

(a) In accordance with regulation 106(P) of the SEBI (ICDR) Regulations, Issue has to be 100% underwritten and the LM has to underwrite at least 15% of the total issue size.

(b) In accordance with Regulation 106(R) of the SEBI (ICDR) Regulations, total number of proposed allottees in the Issue shall be greater than or equal to fifty, otherwise, the entire application money will be refunded forthwith. If such money is not repaid within eight days from the date the company becomes liable to repay it, than the Company and every officer in default shall, on and from expiry of eight days, be liable to repay such application money, with interest as prescribed under section 73 of the Companies Act, 1956

(c) In accordance with Regulation 106(O) the SEBI (ICDR) Regulations, Company is not required to file any Offer Document with SEBI nor has SEBI issued any observations on the Offer Document. The Lead Manager shall submit the copy of Prospectus along with a Due Diligence Certificate including additional confirmations as required to SEBI at the time of filing the Prospectus with Stock Exchange and the Registrar of Companies.

(d) In accordance with Regulation 106(V) of the SEBI ICDR Regulations, the LM has to ensure compulsory market making for a minimum period of three years from the date of listing of Equity Shares offered in the Issue.

(e) The Issuer shall have Net Tangible assets of at least Rs. 3 crore as per the latest audited financial results.

(f) The Net worth (excluding revaluation reserves) of the Issuer shall be at least Rs. 3 crore as per the latest audited financial results.

(g) The Issuer should have a track record of distributable profits in terms of section 123 of Companies Act, 2013 for two out of immediately preceding three financial years or it should have net worth of at least Rs. 5 Crores.

(h) The Post-issue paid up capital of the Issuer shall be at least Rs. 3 Crore.

(i) The Issuer shall mandatorily facilitate trading in demat securities.

(j) The Issuer should not been referred to Board for Industrial and Financial Reconstruction.

(k) No petition for winding up is admitted by a court or a liquidator has not been appointed of competent jurisdiction against the Company.

(l) No material regulatory or disciplinary action should have been taken by any stock exchange or regulatory authority in the past three years against the Issuer.

(m) The Company should have a website.

(n) There has been no change in the promoter of the Company in the one year preceding the date of filing application to BSE for listing on SME segment. Issuer shall also comply 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 this Issue.

Thus Company is eligible for the Issue in accordance with regulation 106M (1) and other provisions of chapter XB of the SEBI (ICDR) Regulations as the post issue face value capital does not exceed Rs. 1,000 lakhs. Company also complies with the eligibility conditions laid by the SME Platform of BSE for listing of our Equity Shares.

2.3 TYPES OF PUBLIC ISSUES – FIXED PRICE ISSUES AND BOOK BUILT

ISSUES

In accordance with the provisions of the SEBI ICDR Regulations, 2009, an Issuer can either determine the Issue Price through the Book Building Process **("Book Built Issue")** or undertake a Fixed Price Issue **("Fixed Price Issue")**. An Issuer may mention Floor Price or Price Band in the RHP (in case of a Book Built Issue) and a Price or Price Band in the Prospectus (in case of a fixed price Issue) and determine the price at a later date before registering the Prospectus with the Registrar of Companies.

The cap on the Price Band should be less than or equal to 120% of the Floor Price. The Issuer shall announce the Price or the Floor Price or the Price Band through advertisement in all newspapers in which the pre-issue advertisement was given at least five Working Days before the Issue Opening Date, in case of an IPO and at least one Working Day before the Issue Opening Date, in case of an FPO.

The Floor Price or the Issue price cannot be lesser than the face value of the securities. Applicants should refer to the Prospectus or Issue advertisements to check whether the Issue is a Book Built Issue or a Fixed Price Issue.

2.4 ISSUE PERIOD

The Issue shall be kept open for a minimum of three Working Days (for all category of Applicants) and not more than ten Working Days. Applicants are advised to refer to the Application Form and Abridged Prospectus or Prospectus for details of the Issue Period. Details of Issue Period are also available on the website of Stock Exchange(s).

2.5 MIGRATION TO MAIN BOARD

In accordance with the BSE Circular dated November 26, 2012, our Company will have to be mandatorily listed and traded on the SME Platform of the BSE for a minimum period of two

years from the date of listing and only after that it can migrate to the Main Board of the BSE as per the guidelines specified by SEBI and as per the procedures laid down under Chapter XB of the SEBI (ICDR) Regulations. Our Company may migrate to the main board of BSE from the SME Exchange on a later date subject to the following:

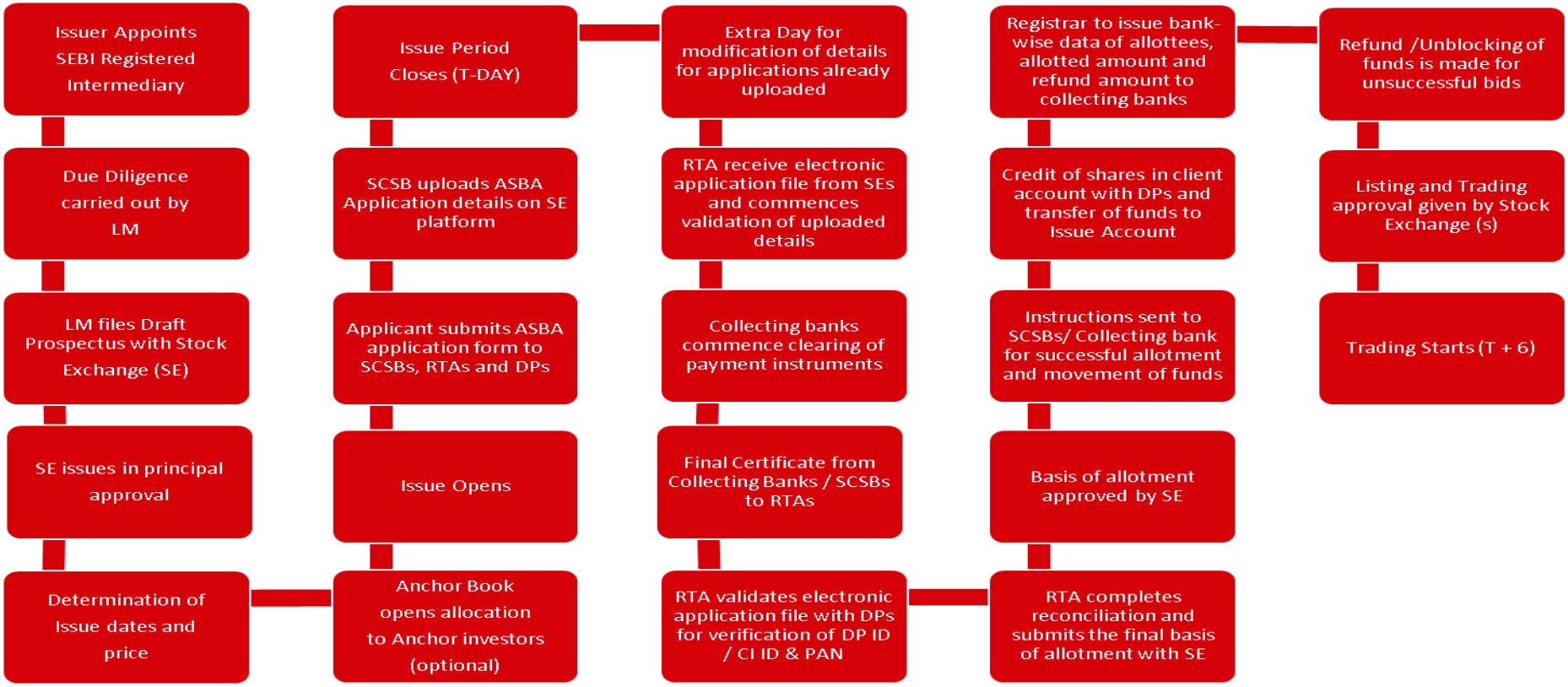
(a) If the Paid up Capital of the Company is likely to increase above Rs. 25 crores by virtue of any further issue of capital by way of rights, preferential issue, bonus issue etc. (which has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal and for which the company has obtained in-principal approval from the main board), the Company shall apply to SE for listing of its shares on its Main Board subject to the fulfilment of the eligibility criteria for listing of specified securities laid down by the Main Board.

OR

(b) If the Paid up Capital of the company is more than 10 crores but below Rs. 25 crores, the Company may still apply for migration to the main board if the same has been approved by a special resolution through postal ballot wherein the votes cast by the shareholders other than the Promoter in favour of the proposal amount to at least two times the number of votes cast by shareholders other than promoter shareholders against the proposal.

2.6 FLOWCHART OF TIMELINES

A flow chart of process flow in Fixed Price Issues is as follows



SECTION 3: CATEGORY OF INVESTORS ELIGIBLE TO PARTICIPATE IN AN ISSUE

Each Applicant should check whether it is eligible to apply under applicable law. Furthermore, certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or to hold Equity Shares, in excess of certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

Subject to the above, an illustrative list of Applicants is as follows:

1. 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;
2. 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;
3. 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;
4. Mutual Funds registered with SEBI;
5. 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;
6. 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);
7. FPIs other than Category III FPI; VCFs and FVCIs registered with SEBI
8. Limited Liability Partnerships (LLPs) registered in India and authorized to invest in equity shares;
9. State Industrial Development Corporations;
10. 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;
11. Scientific and/or Industrial Research Organizations authorized to invest in equity shares;
12. Insurance Companies registered with IRDA;
13. Provident Funds and Pension Funds with minimum corpus of Rs. 2,500 Lakhs and who are authorized under their constitution to hold and invest in equity shares;
14. Multilateral and Bilateral Development Financial Institutions;
15. 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;
16. Insurance funds set up and managed by army, navy or air force of the Union of India or by Department of Posts, India;
17. Any other person eligible to apply in this Issue, under the laws, rules, regulations, guidelines and policies applicable to them and under Indian laws

As per the existing regulations, OCBs cannot participate in this Issue.

SECTION 4: APPLYING IN THE ISSUE

Fixed Price Issue: Applicants should only use the specified Application Form either bearing the stamp of Application Collecting Intermediaries as available or downloaded from the websites of the Stock Exchanges. Application Forms are available with the Branches of Collection Banks or Designated Branches of the SCSBs, at the registered office of the Issuer and at the corporate office of LM. For further details regarding availability of Application Forms, Applicants may refer to the Prospectus.

Applicants should ensure that they apply in the appropriate category. The prescribed colour of the Application Form for various categories of Applicants is as follows:

Category	Colour of the Application
Resident Indian, Eligible NRIs applying on a non repatriation basis	White
NRIs, FVCIs, FPIs, their Sub-Accounts (other than Sub-Accounts which are foreign corporate(s) or foreign individuals applying under the QIB), on a repatriation basis	Blue
Anchor Investors (where applicable) & Applicants applying in the reserved category	Not Applicable

Securities Issued in an IPO can only be in dematerialized form in compliance with Section 29 of the Companies Act, 2013. Applicants will not have the option of getting the allotment of specified securities in physical form. However, they may get the specified securities rematerialised subsequent to allotment.

4.1 INSTRUCTIONS FOR FILING THE APPLICATION FORM (FIXED PRICE ISSUE)

Applicants may note that forms not filled completely or correctly as per instructions provided in this GID, the Prospectus and the Application Form are liable to be rejected.

Instructions to fill each field of the Application Form can be found on the reverse side of the Application Form. Specific instructions for filling various fields of the Resident Application Form and Non-Resident Application Form and samples are provided below.

The samples of the Application Form for resident Applicants and the Application Form for non-resident Applicants are reproduced below:

R Application Form

COMMON APPLICATION FORM | VIDLI RESTAURANTS LIMITED - PUBLIC ISSUE - R | FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

TEAR HERE

VIDLI kamats

To,
The Board of Directors
VIDLI RESTAURANTS LIMITED
Address: Office No.26, Building No.1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai-400059. Contact Details: Telefax: 022 - 6697 8736. CIN : U55101MH2007PLC173446

FIXED PRICE SME ISSUE

INE564S01019

Application Form No.

Date : _____

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms. _____

Age _____

Address _____

Email _____

Tel. No (with STD code) / Mobile _____

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS

No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 10/- per share [1 & 2]

(In Figures) _____ (In Words) _____

[1] Please note that applications must be made in minimum of 10,000 shares and further multiples of 10,000 shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. INVESTOR STATUS

- ☐ Individual(s) - IND
- ☐ Non-Resident Indians (Non-Repatriation Basis) - NRI
- ☐ Hindu Undivided Family* - HUF
- ☐ Bodies Corporate - CO
- ☐ Banks & Financial Institutions - FI
- ☐ Mutual Funds - MF
- ☐ National Investment Funds - NIF
- ☐ Insurance Funds - IF
- ☐ Insurance Companies - IC
- ☐ Venture Capital Funds - VCF
- ☐ Alternative Investment Funds - AIF
- ☐ Others (Please Specify) - OTH

_____

* HUF Should apply only through Karta (Application by HUF would be treated on par with individual)

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS | PAYMENT OPTION : Full Payment

Amount Paid (Rs. in Figures) _____ (Rs. in words) _____

ASBA Bank A/c No. _____

Bank Name & Branch _____

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

VIDLI kamats | VIDLI RESTAURANTS LIMITED - PUBLIC ISSUE - R | Acknowledgement Slip for Broker /SCSB / DP / RTA

Application Form No.

DPID / CLID _____ PAN _____

Received from Mr./Ms. _____

Address _____

Telephone / Mobile _____ E-mail _____

No. of Equity Shares applied for	
in Figures	
in words	
Amount Paid (₹ in figures)	

SCSB Branch Stamp & Signature

ASBA Bank A/c No.	Drawn on (Name of Bank & Branch)

TEAR HERE

VIDLI RESTAURANTS LIMITED - PUBLIC ISSUE - R

	In Figures	In Words
No.of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of Broker /SCSB / DP / RTA

ASBA Bank A/c No.: _____

Bank & Branch: _____

Name of Sole / First Applicant

Acknowledgement Slip for Applicant

Application Form No.

TEAR HERE

NR Application Form

COMMON APPLICATION FORM | VIDLI RESTAURANTS LIMITED - NR | FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS

TEAR HERE

VIDLI kamats

To,
The Board of Directors
VIDLI RESTAURANTS LIMITED
Address: Office No.26, Building No.1, Ajay Mittal Industrial Premises Limited, Marol, AndheriEast, Mumbai–400059. Contact Details: 022 – 66978736. CIN : U55101MH2007PLC173446

FIXED PRICE SME ISSUE

INE564S01019

Application Form No.

Date : _____

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Address

Email

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 Digit DP ID followed by 8 Digit Client ID / For CDSL enter 16 Digit Client ID.

4. APPLICATION DETAILS

No. of Equity Shares of Rs.10/- each applied at the Issue Price i.e. at Rs. 10/- per share [1 & 2]

(In Figures) (In Words)

[1] Please note that applications must be made in minimum of 10000 shares and further multiples of 10000 shares accordingly.
[2] Please note that the trading of equity shares will be only in dematerialised mode on the SME Platform of BSE.

5. CATEGORY

☐ Retail Individual
☐ Non-Institutional
☐ QIB

6. Investor Status

☐	Non-Resident Indians (Repatriation basis)	NRI
☐	Foreign Institutional Investor	FII
☐	Foreign Venture Capital Investor	FVCI
☐	FII Sub Account Corporate/ Individual	FII SA
☐	Others (Please Specify)	OTH

PLEASE FILL IN BLOCK LETTERS

7. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Amount Paid (Rs. in Figures) (Rs. in words)

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

8 A. SIGNATURE OF SOLE / FIRST APPLICANT	8 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

VIDLI kamats | VIDLI RESTAURANTS LIMITED - NR | Acknowledgement Slip for SCSB | Application Form No.

DPID / CLID | PAN

Received from Mr./Ms.

Address

Telephone / Mobile E-mail

No. of Equity Shares applied for	
in Figures	
in words	
Amount Paid (₹ in figures)	

SCSB Branch Stamp & Signature

ASBA Bank A/c No.: | Drawn on (Name of Bank & Branch)

TEAR HERE

VIDLI RESTAURANTS LIMITED - NR

	In Figures	In words
No.of Equity Shares		
Amount Paid (Rs.)		

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

ASBA Bank A/c No.:

Bank & Branch:

Application Form No.

TEAR HERE

4.1.1 FIELD NUMBER 1: NAME AND CONTACT DETAILS OF THE SOLE/ FIRST APPLICANT

Applicants should ensure that the name provided in this field is exactly the same as the name in which the Depository Account is held.

(a) **Mandatory Fields:** Applicants should note that the name and address fields are compulsory and e-mail and/or telephone number/ mobile number fields are optional. Applicants should note that the contact details mentioned in the Application Form may be used to dispatch communications(including letters notifying the unblocking of the bank accounts of ASBA Applicants) in case the communication sent to the address available with the Depositories are returned undelivered or are not available. The contact details provided in the Application Form may be used by the Issuer, the members of the Syndicate, the Registered Broker and the Registrar to the Issue only for correspondence(s) related to an Issue and for no other purposes.

(b) **Joint Applications:** In the case of Joint Applications, the Applications should be made in the name of the Applicant whose name appears first in the Depository account. The name so entered should be the same as it appears in the Depository records. The signature of only such first Applicant would be required in the Application Form and such first Applicant would be deemed to have signed on behalf of the joint holders. All payments may be made out in favour of the Applicant whose name appears in the Application Form or the Revision Form and all communications may be addressed to such Applicant and may be dispatched to his or her address as per the Demographic Details received from the Depositories.

(c) **Impersonation:** Attention of the Applicants is specifically drawn to the provisions of sub section (1) of Section 38 of the Companies Act, 2013 which is reproduced below:

'Any person who:

- **makes or abets making of an application in a fictitious name to a Company for acquiring, or subscribing for, its securities; or**
- **makes or abets making of multiple applications to a Company in different names or in different combinations of his name or surname for acquiring or subscribing for its securities; or**
- **otherwise induces directly or indirectly a Company to allot, or register any transfer of securities to him, or to any other person in a fictitious name,**

Shall be liable for action under section 447 of the said Act.'

(d) **Nomination Facility to Applicant:** Nomination facility is available in accordance with the provisions of Section 109A of the Companies Act. In case of allotment of the Equity Shares in dematerialized form, there is no need to make a separate nomination as the nomination registered with the Depository may prevail. For changing nominations, the Applicants should inform their respective DP.

4.1.2 FIELD NUMBER 2: PAN NUMBER OF SOLE /FIRST APPLICANT

(a) PAN (of the sole/ first Applicant) provided in the Application Form should be exactly the same as the PAN of the person(s) in whose name the relevant beneficiary account is held as per the Depositories' records.

(b) PAN is the sole identification number for participants transacting in the securities market irrespective of the amount of transaction except for Applications on behalf of the Central or State Government, Applications by officials appointed by the courts and Applications by Applicants residing in Sikkim ("PAN Exempted Applicants"). Consequently, all Applicants, other than the PAN Exempted Applicants, are required to disclose their PAN in the Application Form, irrespective of the Application Amount. An Application Form without PAN, except in case of Exempted Applicants, is liable to be rejected. Applications by the Applicants whose PAN is not available as per the Demographic Details available in their Depository records, are liable to be rejected.

(c) The exemption for the PAN Exempted Applicants is subject to (a) the Demographic

Details received from the respective Depositories confirming the exemption granted to the beneficiary owner by a suitable description in the PAN field and the beneficiary account remaining in "active status"; and (b) in the case of residents of Sikkim, the address as per the Demographic Details evidencing the same.

(d) Application Forms which provide the General Index Register Number instead of PAN may be rejected.

(e) Applications by Applicants whose demat accounts have been 'suspended for credit' are liable to be rejected pursuant to the circular issued by SEBI on July 29, 2010, bearing number CIR/MRD/DP/22/2010. Such accounts are classified as "Inactive demat accounts" and demographic details are not provided by depositories.

4.1.3 FIELD NUMBER 3: APPLICANTS DEPOSITORY ACCOUNT DETAILS

(a) Applicants should ensure that DP ID and the Client ID are correctly filled in the Application Form. The DP ID and Client ID provided in the Application Form should match with the DP ID and Client ID available in the Depository database, **otherwise, the Application Form is liable to be rejected**.

(b) Applicants should ensure that the beneficiary account provided in the Application Form is active.

(c) Applicants should note that on the basis of DP ID and Client ID as provided in the Application Form, the Applicant may be deemed to have authorized the Depositories to provide to the Registrar to the Issue, any requested Demographic Details of the Applicant as available on the records of the depositories. These Demographic Details may be used, among other things, for sending allocation advice and for other correspondence(s) related to an Issue.

(d) Applicants are, advised to update any changes to their Demographic Details as available in the records of the Depository Participant to ensure accuracy of records. Any delay resulting from failure to update the Demographic Details would be at the Applicants' sole risk.

4.1.4 FIELD NUMBER 4: APPLICATION DETAILS

(a) The Issuer may mention Price in the draft Prospectus. However a prospectus registered with RoC contains one price.

(b) Minimum And Maximum Application Size

i. For Retail Individual Applicants

The Application must be for a minimum of 10,000 Equity Shares. As the Application Price payable by the Retail Individual Applicants cannot exceed Rs. 2,00,000, they can make Application for only minimum Application size i.e. for 10,000 Equity Shares.

ii. 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 10,000 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 the Prospectus.

(c) **Multiple Applications:** An Applicant should submit only one Application Form. Submission of a second Application Form to either the same or to Application Collecting Intermediary and duplicate copies of Application Forms bearing the same application

number shall be treated as multiple applications and are liable to be rejected.

(d) Applicants are requested to note the following procedures may be followed by the Registrar to the Issue to detect multiple applications:

i. All applications may be checked for common PAN as per the records of the Depository. For Applicants other than Mutual Funds and FPI sub-accounts, Applications bearing the same PAN may be treated as multiple applications by an Applicant and may be rejected.

ii. For applications from Mutual Funds and FPI sub-accounts, submitted under the same PAN, as well as Applications on behalf of the PAN Exempted Applicants, the Application Forms may be checked for common DP ID and Client ID. In any such applications which have the same DP ID and Client ID, these may be treated as multiple applications and may be rejected.

(e) The following applications may not be treated as multiple Applications:

i. Applications by Reserved Categories in their respective reservation portion as well as that made by them in the Net Issue portion in public category.

ii. Separate applications by Mutual Funds in respect of more than one scheme of the Mutual Fund provided that the Applications clearly indicate the scheme for which the Application has been made.

iii. Applications by Mutual Funds, and sub-accounts of FPIs (or FPIs and its sub-accounts) submitted with the same PAN but with different beneficiary account numbers, Client IDs and DP IDs.

4.1.5 FIELD NUMBER 5: CATEGORY OF APPLICANTS

i. The categories of applicants identified as per the SEBI ICDR Regulations, 2009 for the purpose of Application, allocation and allotment in the Issue are RIIs, individual applicants other than RII's and other investors (including corporate bodies or institutions, irrespective of the number of specified securities applied for).

ii. An Issuer can make reservation for certain categories of Applicants permitted under the SEBI ICDR Regulations, 2009. For details of any reservations made in the Issue, applicants may refer to the Prospectus.

iii. The SEBI ICDR Regulations, 2009 specify the allocation or allotment that may be made to various categories of applicants in an Issue depending upon compliance with the eligibility conditions. For details pertaining to allocation and Issue specific details in relation to allocation, applicant may refer to the Prospectus.

4.1.6 FIELD NUMBER 6: INVESTOR STATUS

(a) Each Applicant should check whether it is eligible to apply under applicable law and ensure that any prospective allotment to it in the Issue is in compliance with the investment restrictions under applicable law.

(b) Certain categories of Applicants, such as NRIs, FPIs and FVCIs may not be allowed to apply in the Issue or hold Equity Shares exceeding certain limits specified under applicable law. Applicants are requested to refer to the Prospectus for more details.

(c) Applicants should check whether they are eligible to apply on non-repatriation basis or repatriation basis and should accordingly provide the investor status. Details regarding investor status are different in the Resident Application Form and Non-Resident Application Form.

(d) Applicants should ensure that their investor status is updated in the Depository records.

4.1.7 FIELD 7: PAYMENT DETAILS

(a) 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.

4.1.7.1 Payment instructions for Applicants

(a) Applicants may submit the Application Form in physical mode to the Application Collecting Intermediaries.
(b) Applicants should specify the Bank Account number in the Application Form.
(c) Applicants should ensure that the Application Form is also signed by the ASBA Account holder(s) if the Applicant is not the ASBA Account holder;
(d) Applicants shall note that that for the purpose of blocking funds under ASBA facility clearly demarcated funds shall be available in the account.
(e) From one Bank Account, a maximum of five Application Forms can be submitted.
(f) Applicants applying directly through the SCSBs should ensure that the Application Form is submitted to a Designated Branch of a SCSB where the ASBA Account is maintained.
(g) Upon receipt of the Application Form, the Designated Branch of the SCSB may verify if sufficient funds equal to the Application Amount are available in the ASBA Account, as mentioned in the Application Form.
(h) If sufficient funds are available in the ASBA Account, the SCSB may block an amount equivalent to the Application Amount mentioned in the Application Form and may upload the details on the Stock Exchange Platform.
(i) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB may not upload such Applications on the Stock Exchange platform and such Applications are liable to be rejected.
(j) Upon submission of a completed Application Form each ASBA Applicant may be deemed to have agreed to block the entire Application Amount and authorized the Designated Branch of the SCSB to block the Application Amount specified in the Application Form in the ASBA Account maintained with the SCSBs.
(k) The Application Amount may remain blocked in the aforesaid ASBA Account until finalisation of the Basis of allotment and subsequent transfer of the Application Amount against the Allotted Equity Shares, if any, to the Public Issue Account, or until withdrawal or failure of the Issue, or until withdrawal or rejection of the Application, as the case may be.
(l) SCSBs applying in the Issue must apply through an ASBA Account maintained with any other SCSB; else their Applications are liable to be rejected.

4.1.8 Unblocking of ASBA Account

(a) Once the Basis of Allotment is approved by the Designated Stock Exchange, the Registrar to the Issue may provide the following details to the controlling branches of each SCSB, along with instructions to unblock the relevant bank accounts and for successful applications transfer the requisite money to the Public Issue Account designated for this purpose, within the specified timelines: (i) the number of Equity Shares to be Allotted against each Application, (ii) the amount to be transferred from the relevant bank account to the Public Issue Account, for each Application, (iii) the date by which funds referred to in (ii) above may be transferred to the Public Issue Account, and (iv) details of rejected/ partial/ non allotment ASBA Applications, if any, along with reasons for rejection and details of withdrawn or unsuccessful Applications, if any, to enable the SCSBs to unblock the respective bank accounts.
(b) On the basis of instructions from the Registrar to the Issue, the SCSBs may transfer the requisite amount against each successful ASBA Application to the Public Issue Account and may unblock the excess amount, if any, in the ASBA Account.
(c) In the event of withdrawal or rejection of the Application Form and for unsuccessful Applications, the Registrar to the Issue may give instructions to the SCSB to unblock the Application Amount in the relevant ASBA Account within 12 Working Days of the Issue Closing Date.

4.1.8.1 Discount (if applicable)

(a) The Discount is stated in absolute rupee terms.
(b) RIIs, Employees and Retail Individual Shareholders are only eligible for discount. For Discounts offered in the Issue, applicants may refer to the Prospectus.
(c) The Applicants entitled to the applicable Discount in the Issue may make payment for an amount i.e. the Application Amount less Discount (if applicable).

4.1.8.2 Additional Payment Instructions for NRIs

The Non-Resident Indians who intend to block funds in their Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians (non-repatriation basis). In the case of applications by NRIs applying on a repatriation basis, payment shall not be accepted out of NRO Account.

4.1.9 FIELD NUMBER 8: SIGNATURES AND OTHER AUTHORISATIONS

(a) Only the First Applicant is required to sign the Application Form. Applicants should ensure that signatures are in one of the languages specified in the Eighth Schedule to the Constitution of India.
(b) If the ASBA Account is held by a person or persons other than the ASBA Applicant., then the Signature of the ASBA Account holder(s) is also required.
(c) In relation to the ASBA Applications, signature has to be correctly affixed in the authorization/undertaking box in the Application Form, or an authorisation has to be provided to the SCSB via the electronic mode, for blocking funds in the ASBA Account equivalent to the application amount mentioned in the Application Form.
(d) Applicants must note that Application Form without signature of Applicant and /or ASBA Account holder is liable to be rejected.

4.1.10 ACKNOWLEDGEMENT AND FUTURE COMMUNICATION

Applicants should ensure that they receive the acknowledgment duly signed and stamped by Application Collecting Intermediaries, as applicable, for submission of the Application Form.

(a) All communications in connection with Applications made in the Issue should be addressed as under:
   i. In case of queries related to Allotment, non-receipt of Allotment Advice, credit of allotted equity shares, unblocking of ASBA Account the Applicants should contact the Registrar to the Issue.
   ii. In case of ASBA applications submitted to the Designated Branches of the SCSBs, the Applicants should contact the relevant Designated Branch of the SCSB.
   iii. Applicant may contact the Company Secretary and Compliance Officer or LM(s) in case of any other complaints in relation to the Issue.
(b) The following details (as applicable) should be quoted while making any queries -
   i. full name of the sole or First Applicant, Application Form number, Applicants' DP ID, Client ID, PAN, number of Equity Shares applied for, amount blocked on application.
   ii. In case of ASBA applications, ASBA Account number in which the amount equivalent to the application amount was blocked.

   For further details, Applicant may refer to the Prospectus and the Application Form.

4.2 INSTRUCTIONS FOR FILING THE REVISION FORM

(a) During the Issue Period, any Applicant (other than QIBs and NIIs, who can only revise their application amount upwards) who has registered his or her interest in the Equity Shares for a particular number of shares is free to revise number of shares applied using revision forms available separately.
(b) RII may revise their applications till closure of the Issue period or withdraw their applications until finalization of allotment.
(c) Revisions can be made only in the desired number of Equity Shares by using the Revision

Form.

(d) The Applicant can make this revision any number of times during the Issue Period. However, for any revision(s) in the Application, the Applicants will have to use the services of the SCSB through which such Applicant had placed the original Application.

A sample Revision form is reproduced below:

Other than instructions already highlighted at paragraph 4.1 above, point wise instructions regarding filling up various fields of the Revision Form are provided below:

Revision Form – R

COMMON REVISION FORM | VIDLI RESTAURANTS LIMITED - R | FOR RESIDENT INDIANS & QIBs, ELIGIBLE NRIs APPLYING ON NON-REPATRIATION BASIS

VIDLI kamats

To,
The Board of Directors
VIDLI RESTAURANTS LIMITED
Registered Office : Office No. 26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai–400059.

FIXED PRICE SME ISSUE

INE564S01019

Application Form No.

Date : _____

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

Options	No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

5. TO (Revised Application)

Options	No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures) Issue Price	Discount, if any	Net Price
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

6. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Amount Paid (₹ in Figures) | (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST APPLICANT	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

VIDLI kamats | VIDLI RESTAURANTS LIMITED - R | Acknowledgement Slip for SCSB

Application Form No.

DPID / CLID | PAN

Additional Amount Paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

SCSB Branch Stamp & Signature

TEAR HERE

VIDLI RESTAURANTS LIMITED - R

	Option 1	Option 2	Option 3
No.of Equity Shares			
Issue Price		NOT APPLICABLE	
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

ASBA Bank A/c No.: _____

Bank & Branch:

Application Form No.

TEAR HERE

PLEASE FILL IN BLOCK LETTERS

Original Family Restaurant
Achha Hai. Sachha Hai.

Revision Form – NR

TEAR HERE

COMMON REVISION FORM | **VIDLI RESTAURANTS LIMITED - NR** | **FOR NRIs, FIIs, FVCI ETC. APPLYING ON A REPATRIATION BASIS**

VIDLI

To,
The Board of Directors
VIDLI RESTAURANTS LIMITED
Registered Office : Office No. 26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai–400059.

FIXED PRICE SME ISSUE

INE564S01019

Application Form No.

Date : _____

BROKER'S / SCSB / DP / RTA STAMP & CODE	SUB-BROKER'S / SUB-AGENT'S STAMP & CODE
SCSB / BANK BRANCH STAMP & CODE	**SCSB / BANK BRANCH SERIAL NO.**

1. NAME & CONTACT DETAILS OF SOLE/FIRST APPLICANT

Mr. / Ms.

Tel. No (with STD code) / Mobile

2. PAN OF SOLE/FIRST APPLICANT

3. INVESTOR'S DEPOSITORY ACCOUNT DETAILS ☐ NSDL ☐ CDSL

For NSDL enter 8 digit DP ID followed by 8 digit Client ID / For CDSL enter 16 digit Client ID

PLEASE CHANGE MY APPLICATION ☐ PHYSICAL

4. FROM (as per last Application or Revision)

Options	No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures) Issue Price	Discount, if any	Net Price
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

5. TO (Revised Application)

Options	No. of Equity Shares applied (Application must be in multiples of 10000 equity shares) (In Figures)	Price per Equity Share (₹) (In Figures) Issue Price	Discount, if any	Net Price
	7 6 5 4 3 2 1	4 3 2 1	4 3 2 1	4 3 2 1
Option 1				
(OR) Option 2	NOT APPLICABLE		NOT APPLICABLE	
(OR) Option 3	NOT APPLICABLE		NOT APPLICABLE	

PLEASE FILL IN BLOCK LETTERS

6. PAYMENT DETAILS | **PAYMENT OPTION : Full Payment**

Amount Paid (₹ in Figures) | (₹ in words) _____

ASBA Bank A/c No.

Bank Name & Branch

I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY), HEREBY CONFIRM THAT I/WE HAVE READ AND UNDERSTOOD THE TERMS AND CONDITIONS OF THIS APPLICATION FORM AND THE ATTACHED FORM 2A AND THE GENERAL INFORMATION DOCUMENT FOR INVESTING IN THE PUBLIC ISSUE ("GID") AND HEREBY AGREE AND CONFIRM THE "INVESTOR UNDERTAKING" AS GIVEN OVERLEAF. I/WE (ON BEHALF OF JOINT APPLICANTS, IF ANY) HEREBY CONFIRM THAT I/WE HAVE READ THE INSTRUCTIONS FOR FILLING UP THE APPLICATION FORM GIVEN OVERLEAF.

7 A. SIGNATURE OF SOLE / FIRST APPLICANT	7 B. SIGNATURE OF ASBA BANK ACCOUNT HOLDER(s) (AS PER BANK RECORDS)	BROKER / SCSB / DP / RTA STAMP (Acknowledging upload of Application in Stock Exchange System)
Date: ....., 2016	I/We authorize the SCSB to do all acts as are necessary to make the Application in the issue 1) 2) 3)	

TEAR HERE

VIDLI

VIDLI RESTAURANTS LIMITED - NR | **Acknowledgement of SCSB**

Application Form No.

DPID / CLID | PAN

Additional Amount Paid (₹ in figures) | Bank & Branch

ASBA Bank A/c No.

Received from Mr./Ms.

Telephone / Mobile | Email

SCSB Branch Stamp & Signature

TEAR HERE

VIDLI RESTAURANTS LIMITED - NR

	Option 1	Option 2	Option 3
No.of Equity Shares			
Issue Price		NOT APPLICABLE	
Additional Amount Paid (₹)			

Stamp & Signature of Broker / SCSB / DP / RTA

Name of Sole / First Applicant

Acknowledgment Slip for Applicant

ASBA Bank A/c No.: _____

Bank & Branch:

Application Form No.

TEAR HERE

4.2.1 FIELDS 1, 2 AND 3: NAME AND CONTACT DETAILS OF SOLE/FIRST APPLICANT, PAN OF SOLE/FIRST APPLICANT & DEPOSITORY ACCOUNT DETAILS OF THE APPLICANT

Applicants should refer to instructions contained in paragraphs 4.1.1, 4.1.2 and 4.1.3.

4.2.2 FIELD 4 & 5: APPLICATION REVISION 'FROM' AND 'TO'

(a) Apart from mentioning the revised number of shares in the Revision Form, the Applicant must also mention the details of shares applied for given in his or her Application Form or earlier Revision Form.

(b) In case of revision of applications by RIIs, Employees and Retail Individual Shareholders, such Applicants should ensure that the application amount should exceed Rs. 2,00,000/- due to revision and the application may be considered, subject to eligibility, for allocation under the Non-Institutional Category.

4.2.3 FIELD 6: PAYMENT DETAILS

(a) Applicant may Issue instructions to block the revised amount in the ASBA Account, to Designated Branch through whom such Applicant had placed the original application to enable the relevant SCSB to block the additional application amount, if any.

4.2.4 FIELDS 7: SIGNATURES AND ACKNOWLEDGEMENTS

Applicants may refer to instructions contained at paragraphs 4.1.8 and 4.1.9 for this purpose.

4.3 SUBMISSION OF REVISION FORM/ APPLICATION FORM

4.3.1 Applicants may submit completed application form / Revision Form in the following manner:-

Mode of Application	Submission of Application Form
All Investors Application	To the Application Collecting Intermediaries

SECTION 5: ISSUE PROCEDURE IN FIXED PRICE ISSUE

5.1 APPLICANTS MAY NOTE THAT THERE IS NO BID CUM APPLICATION FORM IN A FIXED PRICE ISSUE

As the Issue Price is mentioned in the Fixed Price Issue therefore on filing of the Prospectus with the RoC, the Application so submitted is considered as the application form.

Applicants may only use the specified Application Form for the purpose of making an Application in terms of the Prospectus which may be submitted through Application Collecting Intermediaries and apply only through ASBA facility.

ASBA Applicants may submit an Application Form either in physical/electronic form to the Application Collecting Intermediaries authorising blocking of funds that are available in the bank account specified in the Application Form only ("ASBA Account"). The Application Form is also made available on the websites of the Stock Exchanges at least one day prior to the Issue Opening Date.

In a fixed price Issue, allocation in the net offer to the public category is made as follows: minimum fifty per cent to Retail Individual Investors; and remaining to (i) individual investors other than Retail Individual Investors; and (ii) other Applicants including corporate

bodies or institutions, irrespective of the number of specified securities applied for. The unsubscribed portion in either of the categories specified above may be allocated to the Applicants in the other category.

5.2 GROUNDS OF REJECTIONS

Applicants are advised to note that Applications are liable to be rejected inter alia on the following technical grounds:

- Amount blocked does not tally with the amount payable for the Equity Shares applied for;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- 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 10,000;
- Category not ticked;
- Multiple Applications as defined in the 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/ cheque/ demand draft/ pay order;
- 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 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/ first Applicant;
- Applications by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Applications that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Applications by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;

- Applications by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Applications or revisions thereof by QIB Applicants, Non Institutional Applicants where the Application Amount is in excess of Rs. 2,00,000, received after 3.00 pm on the Issue Closing Date , unless the extended time is permitted by BSE.
- Details of ASBA Account not provided in the Application form

For details of instructions in relation to the Application Form, Applicants may refer to the relevant section the GID.

APPLICANTS SHOULD NOTE THAT IN CASE THE PAN, THE DP ID AND CLIENT ID MENTIONED IN THE APPLICATION FORM AND ENTERED INTO THE ELECTRONIC APPLICATION SYSTEM OF THE STOCK EXCHANGES BY THE APPLICATION COLLECTING INTERMEDIARIES DO NOT MATCH WITH PAN, THE DP ID AND CLIENT ID AVAILABLE IN THE DEPOSITORY DATABASE, THE APPLICATION FORM IS LIABLE TO BE REJECTED.

SECTION 6: ISSUE PROCEDURE IN BOOK BUILT ISSUE

This being Fixed Price Issue, this section is not applicable for this Issue.

SECTION 7: ALLOTMENT PROCEDURE AND BASIS OF ALLOTMENT

7.1 BASIS OF ALLOTMENT

Allotment will be made in consultation with the SME Platform of BSE (The Designated Stock Exchange). In the event of oversubscription, the allotment will be made on a proportionate basis in marketable lots as set forth hereunder:

(a) The total number of Shares to be allocated to each category as a whole shall be arrived at on a proportionate basis i.e. the total number of Shares applied for in that category multiplied by the inverse of the over subscription ratio (number of Applicants in the category x number of Shares applied for).

(b) 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).

(c) For applications where the proportionate allotment works out to less than 10,000 equity shares the allotment will be made as follows:

i. Each successful Applicant shall be allotted 10,000 equity shares; and

ii. 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.

(d) If the proportionate allotment to an Applicant works out to a number that is not a multiple of 10,000 equity shares, the Applicant would be allotted Shares by rounding off to the nearest multiple of 10,000 equity shares subject to a minimum allotment of 10,000 equity shares.

(e) 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 or allocation shall be first adjusted against any category, where the allotted Shares are not sufficient for proportionate allotment to the successful Applicants in that category, the balance Shares, if any, remaining after such adjustment will be added to the category comprising Applicants applying for the minimum number of Shares. If as a result of the process of rounding off to the nearest

multiple of 10,000 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.

(f) The above proportionate allotment of Shares in an Issue that is oversubscribed shall be subject to the reservation for Retail individual Applicants as described below:

i. As per Regulation 43 (4) of SEBI (ICDR), as the retail individual investor category is entitled to more than fifty per cent on proportionate basis, the retail individual investors shall be allocated that higher percentage.

ii. The balance net offer of shares to the public shall be made available for allotment to
- individual applicants other than retails individual investors and
- other investors, including corporate bodies/ institutions irrespective of number of shares applied for.

iii. 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.

7.2 DESIGNATED DATE AND ALLOTMENT OF EQUITY SHARES

(a) **Designated Date:** On the Designated Date, the SCSBs shall transfer the funds represented by allocation of Equity Shares into the Public Issue Account with the Bankers to the Issue.

(b) **Issuance of Allotment Advice:** Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar shall upload the same on its website. On the basis of the approved Basis of Allotment, the Issuer shall pass necessary corporate action to facilitate the Allotment and credit of Equity Shares. Applicants **are advised to instruct their Depository Participant to accept the Equity Shares that may be allotted to them pursuant to the Issue**.
Pursuant to confirmation of such corporate actions, the Registrar will dispatch Allotment Advice to the Applicants who have been Allotted Equity Shares in the Issue.

(c) The dispatch of Allotment Advice shall be deemed a valid, binding and irrevocable contract.

(d) Issuer will ensure that: (i) the Allotment of Equity Shares; and (ii) initiate corporate action for credit of shares to the successful Applicants Depository Account will be completed within 4 Working Days of the Issue Closing Date. The Issuer also ensures the credit of shares to the successful Applicant's depository account is completed within one Working Day from the date of Allotment, after the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date.

(e) SECTION 8: INTEREST AND REFUNDS

8.1 COMPLETION OF FORMALITIES FOR LISTING & COMMENCEMENT OF TRADING

The Issuer may ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges are taken within 6 Working Days of the

Issue Closing Date. The Registrar to the Issue may give instructions for credit to Equity Shares the beneficiary account with DPs, and dispatch the Allotment Advice within 6 Working Days of the Issue Closing Date.

8.2 GROUNDS FOR REFUND

8.2.1 NON RECEIPT OF LISTING PERMISSION

An Issuer makes an application to the Stock Exchange(s) for permission to deal in/list and for an official quotation of the Equity Shares. All the Stock Exchanges from where such permission is sought are disclosed in Prospectus. The Designated Stock Exchange may be as disclosed in the Prospectus with which the Basis of Allotment may be finalised.

If the permissions to deal in and for an official quotation of the Equity Shares are not granted by any of the Stock Exchange(s), the Issuer may forthwith repay, without interest, all moneys received from the Applicants in pursuance of the Prospectus.

If such money is not repaid within eight days after the Issuer becomes liable to repay it, then the Issuer and every director of the Issuer who is an officer in default may, on and from such expiry of eight days, be liable to repay the money, with interest at such rate, as prescribed under Section 73 of the Companies Act, and as disclosed in the Prospectus.

8.2.2 MINIMUM SUBSCRIPTION

This Issue is not restricted to any minimum subscription level. This Issue is 100% underwritten. As per Section 39 of the Companies Act, 2013, if the "stated minimum amount" has not be subscribed and the sum payable on application is not received within a period of 30 days from the date of the Prospectus, the application money has to be returned within such period as may be prescribed. If the Issuer does not receive the subscription of 100% of the Issue through this offer document including devolvement of Underwriters within sixty days from the date of closure of the Issue, the Issuer shall forthwith refund the entire subscription amount received. If there is a delay beyond eight days after the Issuer becomes liable to pay the amount, the Issuer shall pay interest prescribed under section 73 of the Companies Act, 1956 (or the Company shall follow any other substitutional or additional provisions as has been or may be notified under the Companies Act, 2013).

8.2.3 MINIMUM NUMBER OF ALLOTTEES

The Issuer may ensure that the number of prospective Allottees to whom Equity Shares may be allotted may not be less than 50 failing which the entire application monies may be refunded forthwith.

8.3 MODE OF REFUND

In case of ASBA Applications: Within 6 Working Days of the Issue Closing Date, the Registrar to the Issue may give instructions to SCSBs for unblocking the amount in ASBA Account on unsuccessful Application and also for any excess amount blocked on Application.

8.3.1 Mode of making refunds for ASBA Applicants

In case of ASBA Applicants, the Registrar to the Issue may instruct the controlling branch of the SCSB to unblock the funds in the relevant ASBA Account for any withdrawn, rejected or unsuccessful ASBA applications or in the event of withdrawal or failure of the Issue.

8.4 INTEREST IN CASE OF DELAY IN ALLOTMENT OR REFUND

The Issuer may pay interest at the rate of 15% per annum /or demat credits are not made to Applicants or instructions for unblocking of funds in the ASBA Account are not dispatched

within the 4 Working days of the Issue Closing Date.

The Issuer may pay interest at 15% per annum for any delay beyond 15 days from the Issue Closing Date, if Allotment is not made.

SECTION 9: GLOSSARY AND ABBREVIATIONS

Unless the context otherwise indicates or implies, certain definitions and abbreviations used in this document may have the meaning as provided below. References to any legislation, act or regulation may be to such legislation, act or regulation as amended from time to time.

Term	Description
Allotment/ Allot/ Allotted	Unless the context otherwise requires, issue / allotment of Equity Shares pursuant to the Issue to successful Applicants.
Allottee	An applicant to whom the Equity Shares are being / have been issued /allotted.
Allotment Advice	Note or advice or intimation of Allotment sent to the Bidders/Applicants who have been allotted Equity Shares after the Basis of Allotment has been approved by the designated Stock Exchanges.
Application	An indication to make an offer during the Issue Period by an Applicant pursuant to submission of an Application Form, to subscribe for or purchase our Equity Shares at Issue Price, including all revisions and modifications thereto, to the extent permissible under the SEBI ICDR Regulations
Application Form	The form in terms of which the Applicant shall make an application to subscribe to the Equity Shares of our Company.
Application Collecting Intermediaries	***i)*** an SCSB, with whom the bank account to be blocked, is maintained ***ii)*** a syndicate member (or sub-syndicate member) ***iii)*** a stock broker registered with a recognised stock exchange (and whose name is mentioned on the website of the stock exchange as eligible for this activity) ('broker') ***iv)*** a depository participant ('DP') (whose name is mentioned on the website of the stock exchange as eligible for this activity) ***v)*** a registrar to an issue and share transfer agent ('RTA') (whose name is mentioned on the website of the stock exchange as eligible for this activity)
Application Supported by Blocked Amount/(ASBA)/ASBA	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
ASBA Account	Account maintained by an ASBA Applicant with a SCSB which will be blocked by such SCSB to the extent of the appropriate Application Amount of the ASBA Applicant and as defined in the Application Form.
Application Amount	An application, whether physical or electronic, used by all Applicants to make application authorizing a SCSB to block the application amount in the ASBA Account maintained with such SCSB.
Banker(s) to the Issue/	The bank(s), which are clearing members and are registered with SEBI as Escrow Collection Bank, with whom the Public Issue Account for the Issue will be opened, in this case being IndusInd Bank Limited
Basis of Allotment	The basis on which the Equity Shares will be allotted as described in the section titled ***"Issue Procedure - Basis of Allotment"*** beginning

Term	Description
	on page 305 of this Prospectus.
Issue Closing Date	Friday, February 5, 2016
Issue Opening Date	Wednesday, February 3, 2016
Issue Period	The period between the Issue Opening Date and the Issue Closing Date inclusive of both days and during which prospective Applicants can submit their Applications.
Book Building Process/ Book Building Method	The book building process as provided under SEBI ICDR Regulations, 2009
Lead Manager(s)/Lead Manager/ LM	The Lead Manager for the Issue being Pantomath Capital Advisors Private Limited.
Business Day	Monday to Friday (except public holidays)
CAN/Confirmation of Allotment Note	The note or advice or intimation sent to each successful Applicant indicating the Equity Shares which will be Allotted, after approval of Basis of Allotment by the Designated Stock Exchange.
Client ID	Client Identification Number maintained with one of the Depositories in relation to demat account.
Companies Act	The Companies Act, 2013 and amendments thereto and the Companies Act, 1956, to the extent applicable
DP	Depository Participant
DP ID	Depository Participant's Identification Number
Depositories	National Securities Depository Limited and Central Depository Services (India) Limited
Demographic Details	The demographic details of the Applicants such as their Address, PAN, Occupation and Bank Account details.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Application Form from the ASBA Applicant and a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
Designated Date	The date on which funds are transferred from the ASBA Accounts to the Public Issue Account in terms of the Prospectus.
Designated Stock Exchange	The designated stock exchange as disclosed in the Draft Prospectus/Prospectus of the Issuer
Discount	Discount to the Issue Price that may be provided to Bidders/Applicants in accordance with the SEBI ICDR Regulations, 2009.
Draft Prospectus	The draft prospectus filed with the Designated stock exchange in case of Fixed Price Issues and which may mention a price or a Price Band
Employees	Employees of an Issuer as defined under SEBI ICDR Regulations, 2009 and including, in case of a new company, persons in the permanent and full time employment of the promoting companies excluding the promoter and immediate relatives of the promoter. For further details /Applicant may refer to the Prospectus
Equity Shares	Equity shares of the Issuer
FCNR Account	Foreign Currency Non-Resident Account
Applicant	The Applicant whose name appears first in the Application Form or Revision Form
FPI(s)	Foreign Portfolio Investor
Fixed Price Issue/ Fixed Price Process/Fixed Price Method	The Fixed Price process as provided under SEBI ICDR Regulations, 2009, in terms of which the Issue is being made
FPO	Further public offering

Term	Description
Foreign Venture Capital Investors or FVCIs	Foreign Venture Capital Investors as defined and registered with SEBI under the SEBI (Foreign Venture Capital Investors) Regulations, 2000
IPO	Initial public offering
Issue	Public Issue of Equity Shares of the Issuer including the Offer for Sale if applicable
Issuer/ Company	The Issuer proposing the initial public offering/further public offering as applicable
Issue Price	The final price, less discount (if applicable) at which the Equity Shares may be Allotted in terms of the Prospectus. The Issue Price may be decided by the Issuer in consultation with the Lead Manager(s)
Maximum RII Allottees	The maximum number of RIIs who can be allotted the minimum Application Lot. This is computed by dividing the total number of Equity Shares available for Allotment to RIIs by the minimum Application Lot.
MICR	Magnetic Ink Character Recognition - nine-digit code as appearing on a cheque leaf
Mutual Fund	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
NRE Account	Non-Resident External Account
NRI	NRIs from such jurisdictions outside India where it is not unlawful to make an offer or invitation under the Issue and in relation to whom the RHP/Prospectus constitutes an invitation to subscribe to or purchase the Equity Shares
NRO Account	Non-Resident Ordinary Account
Net Issue	The Issue less Market Maker Reservation Portion
Non-Institutional Investors or NIIs	All Applicants, including Category III FPIs that are not QIBs (including Anchor Investors) or Retail Individual Investors, who have apply for Equity Shares for an amount of more than Rs. 200,000 but not including NRIs other than Eligible NRIs
Non-Institutional Category	The portion of the Issue being such number of Equity Shares available for allocation to NIIs on a proportionate basis and as disclosed in the Prospectus and the Application Form
Non-Resident	A person resident outside India, as defined under FEMA and includes Eligible NRIs, FPIs registered with SEBI and FVCIs registered with SEBI
OCB/Overseas Corporate Body	Overseas Corporate Body means and includes an entity defined in clause (xi) of Regulation 2 of the Foreign Exchange Management (Withdrawal of General Permission to Overseas Corporate Bodies (OCB's) Regulations 2003 and which was in existence on the date of the commencement of these Regulations and immediately prior to such commencement was eligible to undertake transactions pursuant to the general permission granted under the Regulations. OCBs are not allowed to invest in this Issue.
Offer for Sale	Public offer of such number of Equity Shares as disclosed in the RHP/Prospectus through an offer for sale by the Selling Shareholder
Other Investors	Investors other than Retail Individual Investors in a Fixed Price Issue. These include individual applicants other than retail individual investors and other investors including corporate bodies or institutions irrespective of the number of specified securities applied for.
PAN	Permanent Account Number allotted under the Income Tax Act, 1961
Prospectus	The prospectus to be filed with the RoC in accordance with Section 60

Term	Description
	of the Companies Act 1956 read with section 26 of Companies Act 2013, containing the Issue Price, the size of the Issue and certain other information
Public Issue Account	An account opened with the Banker to the Issue to receive monies from the ASBA Accounts on the Designated Date
QIB Category or Qualified Institutional Buyers or QIBs	The portion of the Issue being such number of Equity Shares to be Allotted to QIBs on a proportionate basis As defined under SEBI ICDR Regulations, 2009
Refunds through electronic transfer of funds	Refunds through ASBA
Registrar to the Issue/RTI	The Registrar to the Issue as disclosed in the Draft Prospectus / Prospectus and Application Form
Reserved Category/ Categories	Categories of persons eligible for making application under reservation portion
Reservation Portion	The portion of the Issue reserved for category of eligible Applicants as provided under the SEBI ICDR Regulations, 2009
Retail Individual Investors / RIIs	Investors who applies or for a value of not more than Rs. 2,00,000.
Retail Individual Shareholders	Shareholders of a listed Issuer who applies for a value of not more than Rs. 2,00,000.
Retail Category	The portion of the Issue being such number of Equity Shares available for allocation to RIIs which shall not be less than the minimum bid lot, subject to availability in RII category and the remaining shares to be allotted on proportionate basis.
Revision Form	The form used by the Applicant in an issue to modify the quantity of Equity Shares in an Application Forms or any previous Revision Form(s)
RoC	The Registrar of Companies
SEBI	The Securities and Exchange Board of India constituted under the Securities and Exchange Board of India Act, 1992
SEBI ICDR Regulations, 2009	The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009
Self Certified Syndicate Bank(s) or SCSB(s)	A bank registered with SEBI, which offers the facility of ASBA and a list of which is available on http: //www.sebi.gov.in/cms/sebi_data/attachdocs/1316087201341.html
SME IPO	Initial public offering as chapter XB of SEBI (ICDR) Regulation
SME Issuer	The Company making the Issue under chapter XB of SEBI (ICDR) Regulation
Stock Exchanges/SE	The stock exchanges as disclosed in the Draft Prospectus/ Prospectus of the Issuer where the Equity Shares Allotted pursuant to the Issue are proposed to be listed
Self Certified Syndicate Bank(s) or SCSB(s)	A Bank which is registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA including blocking of bank account, a list of which is available on http://www.sebi.gov.in/sebiweb/home/detail/32791/no/List-of-Self-Certified-Syndicate-Banks-under-the-ASBA-facility
Specified Locations	Collection centres where Application Forms will be accepted, a list of which is included in the Application Form
Underwriters	The Lead Manager(s)
Underwriting	The agreement dated entered into between the Underwriters and our

Term	Description
Agreement	Company
Working Day	All days other than Sunday or a public holiday on which commercial banks are open for business, except with reference to announcement of Issue Period, where working day shall mean all days, excluding Saturdays, Sundays and public holidays, which are working days for commercial banks in India

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of the Government of India and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. The Government has from time to time made policy pronouncements on FDI through press notes and press releases. The Department of Industrial Policy and Promotion, Ministry of Commerce and Industry, Government of India ("DIPP"), issued Consolidated FDI Policy Circular of 2015 ("FDI Policy 2015"), which with effect from May 12, 2015, consolidates and supersedes all previous press notes, press releases and clarifications on FDI Policy issued by the DIPP that were in force and effect as on May 11, 2015. However, press note 4 of (2015 Series), dated April 24, 2015, regarding policy on foreign investment in pension sector, will remain effective. The Government proposes to update the consolidated circular on FDI policy once every year and therefore, FDI Policy 2015 will be valid until the DIPP issues an updated circular. The transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the FDI Policy and transfer does not attract the provisions of the Takeover Regulations; (ii) the non-resident shareholding is within the sectorial limits under the FDI Policy; and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/ RBI. As per the existing policy of the Government of India, OCBs cannot participate in this Issue and in accordance with the extant FDI guidelines on sectorial caps, pricing guidelines etc. as amended by Reserve bank of India, from time to time.

The Equity Shares have not been and will not be registered under the U.S. Securities Act of 1933, as amended ("**US Securities Act**") or any other state securities laws in the United States of America and may not be sold or offered within the United States of America, or to, or for the account or benefit of "US Persons" as defined in Regulation S, except pursuant to exemption from, or in a transaction not subject to the registration requirements of US Securities Laws. Accordingly, the equity shares are being offered and sold only outside the United States of America in an offshore transaction in reliance upon Regulation S under the US 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 Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction, The above information is given for the benefit of the Bidders.

The above information is given for the benefit of the Bidders. Our Company and the Lead Manager are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the Bids are not in violation of laws or regulations applicable to them and do not exceed the applicable limits under the laws and regulations.

SECTION VIII – MAIN PROVISIONS OF ARTICLES OF ASSOCIATION

Pursuant to Schedule II to the Companies Act and the SEBI Regulations, the main provisions of our Articles relating, inter alia, to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares or debentures and/or on their consolidation/splitting are detailed below. Please note that each provision herein below is numbered as per the corresponding article number in our Articles and capitalized/defined terms herein have the same meaning given to them in our Articles.

Sr. No	Particulars	
1.	No regulation contained in Table "F" in the First Schedule to Companies Act, 2013 shall apply to this Company but the regulations for the Management of the Company and for the observance of the Members thereof and their representatives shall be as set out in the relevant provisions of the Companies Act, 2013 and subject to any exercise of the statutory powers of the Company with reference to the repeal or alteration of or addition to its regulations by Special Resolution as prescribed by the said Companies Act, 2013 be such as are contained in these Articles unless the same are repugnant or contrary to the provisions of the Companies Act, 2013 or any amendment thereto.	**Table F Applicable.**
	Interpretation Clause	
2.	In the interpretation of these Articles the following expressions shall have the following meanings unless repugnant to the subject or context:	
	(a) "The Act" means the Companies Act, 2013 and includes any statutory modification or re-enactment thereof for the time being in force.	**Act**
	(b) "These Articles" means Articles of Association for the time being in force or as may be altered from time to time vide Special Resolution.	**Articles**
	(c) "Auditors" means and includes those persons appointed as such for the time being of the Company.	**Auditors**
	(d) "Capital" means the share capital for the time being raised or authorized to be raised for the purpose of the Company.	**Capital**
	(e) "The Company" shall mean VIDLI RESTAURANTS LIMITED	**Company**
	(f) "Executor" or "Administrator" means a person who has obtained a probate or letter of administration, as the case may be from a Court of competent jurisdiction and shall include a holder of a Succession Certificate authorizing the holder thereof to negotiate or transfer the Share or Shares of the deceased Member and shall also include the holder of a Certificate granted by the Administrator General under section 31 of the Administrator General Act, 1963.	**Executor or Administrator**

Sr. No	Particulars	
	(g) "Legal Representative" means a person who in law represents the estate of a deceased Member.	**Legal Representative**
	(h) Words importing the masculine gender also include the feminine gender.	**Gender**
	(i) "In Writing" and "Written" includes printing lithography and other modes of representing or reproducing words in a visible form.	**In Writing and Written**
	(j) The marginal notes hereto shall not affect the construction thereof.	**Marginal notes**
	(k) "Meeting" or "General Meeting" means a meeting of members.	**Meeting or General Meeting**
	(l) "Month" means a calendar month.	**Month**
	(m) "Annual General Meeting" means a General Meeting of the Members held in accordance with the provision of section 96 of the Act.	**Annual General Meeting**
	(n) "Extra-Ordinary General Meeting" means an Extraordinary General Meeting of the Members duly called and constituted and any adjourned holding thereof.	**Extra-Ordinary General Meeting**
	(o) "National Holiday" means and includes a day declared as National Holiday by the Central Government.	**National Holiday**
	(p) "Non-retiring Directors" means a director not subject to retirement by rotation.	**Non-retiring Directors**
	(q) "Office" means the registered Office for the time being of the Company.	**Office**
	(r) "Ordinary Resolution" and "Special Resolution" shall have the meanings assigned thereto by Section 114 of the Act.	**Ordinary and Special Resolution**
	(s) "Person" shall be deemed to include corporations and firms as well as individuals.	**Person**
	(t) "Proxy" means an instrument whereby any person is authorized to vote for a member at General Meeting on Poll and includes attorney duly constituted under the power of attorney.	**Proxy**
	(u) "The Register of Members" means the Register of Members to be kept pursuant to Section 88(1) (a) of the Act.	**Register of Members**
	(v) "Seal" means the common seal for the time being of the Company.	**Seal**
	(w) "Special Resolution" shall have the meanings assigned to it by Section 114of the Act.	**Special Resolution**

Sr. No	Particulars	
	(x) Words importing the Singular number include where the context admits or requires the plural number and vice versa.	**Singular number**
	(y) "The Statutes" means the Companies Act, 2013and every other Act for the time being in force affecting the Company.	**Statutes**
	(z) "These presents" means the Memorandum of Association and the Articles of Association as originally framed or as altered from time to time.	**These presents**
	(aa) "Variation" shall include abrogation; and "vary" shall include abrogate.	**Variation**
	(bb) "Year" means the calendar year and "Financial Year" shall have the meaning assigned thereto by Section 2(41) of the Act.	**Year and Financial Year**
	Save as aforesaid any words and expressions contained in these Articles shall bear the same meanings as in the Act or any statutory modifications thereof for the time being in force.	**Expressions in the Act to bear the same meaning in Articles**
	CAPITAL	
3.	a) The Authorized Share Capital of the Company shall be such amount as may be mentioned in Clause V of Memorandum of Association of the Company from time to time.	**Authorized Capital.**
	b) The minimum paid up Share capital of the Company shall be Rs.1,00,000/- or such other higher sum as may be prescribed in the Act from time to time.	
4.	The Company may in General Meeting from time to time by Ordinary Resolution increase its capital by creation of new Shares which may be unclassified and may be classified at the time of issue in one or more classes and of such amount or amounts as may be deemed expedient. The new Shares shall be issued upon such terms and conditions and with such rights and privileges annexed thereto as the resolution shall prescribe and in particular, such Shares may be issued with a preferential or qualified right to dividends and in the distribution of assets of the Company and with a right of voting at General Meeting of the Company in conformity with Section 47 of the Act. Whenever the capital of the Company has been increased under the provisions of this Article the Directors shall comply with the provisions of Section 64 of the Act.	**Increase of capital by the Company how carried into effect**
5.	Except so far as otherwise provided by the conditions of issue or by these Presents, any capital raised by the creation of new Shares shall be considered as part of the existing capital, and shall be subject to the provisions herein contained, with reference to the payment of calls and installments, forfeiture, lien, surrender,	**New Capital same as existing capital**

Sr. No	Particulars	
	transfer and transmission, voting and otherwise.	
6.	The Board shall have the power to issue a part of authorized capital by way of non-voting Shares at price(s) premia, dividends, eligibility, volume, quantum, proportion and other terms and conditions as they deem fit, subject however to provisions of law, rules, regulations, notifications and enforceable guidelines for the time being in force.	**Non Voting Shares**
7.	Subject to the provisions of the Act and these Articles, the Board of Directors may issue redeemable preference shares to such persons, on such terms and conditions and at such times as Directors think fit either at premium or at par, and with full power to give any person the option to call for or be allotted shares of the company either at premium or at par, such option being exercisable at such times and for such consideration as the Board thinks fit.	**Redeemable Preference Shares**
8.	The holder of Preference Shares shall have a right to vote only on Resolutions, which directly affect the rights attached to his Preference Shares.	**Voting rights of preference shares**
9.	On the issue of redeemable preference shares under the provisions of Article 7 hereof, the following provisions-shall take effect: (a) No such Shares shall be redeemed except out of profits of which would otherwise be available for dividend or out of proceeds of a fresh issue of shares made for the purpose of the redemption; (b) No such Shares shall be redeemed unless they are fully paid; (c) Subject to section 55(2)(d)(i) 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 Act apply as if the Capital Redemption Reserve Account were paid-up share capital of the Company; and (e) Subject to the provisions of Section 55 of the Act, the redemption of preference shares hereunder may be effected in accordance with the terms and conditions of their issue and in the absence of any specific terms and conditions in that behalf, in such manner as the Directors may think fit. The reduction of Preference Shares under the provisions by the Company shall not be taken as reducing the amount of its	**Provisions to apply on issue of Redeemable Preference Shares**

Sr. No	Particulars	
	Authorized Share Capital	
10.	The Company may (subject to the provisions of sections 52, 55, 56, 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 (c) any security premium account In any manner for the time being, authorized by law and in particular capital may be paid off on the footing that it may be called up again or otherwise. This Article is not to derogate from any power the Company would have, if it were omitted.	**Reduction of capital**
11.	Any debentures, debenture-stock or other securities may be issued at a discount, premium or otherwise and may be issued on condition that they shall be convertible into shares of any denomination and with any privileges and conditions as to redemption, surrender, drawing, allotment of shares, attending (but not voting) at the General Meeting, appointment of Directors and otherwise. Debentures with the right to conversion into or allotment of shares shall be issued only with the consent of the Company in the General Meeting by a Special Resolution.	**Debentures**
12.	The Company may exercise the powers of issuing sweat equity shares conferred by Section 54 of the Act of a class of shares already issued subject to such conditions as may be specified in that sections and rules framed thereunder.	**Issue of Sweat Equity Shares**
13.	The Company may issue shares to Employees including its Directors other than independent directors and such other persons as the rules may allow, under Employee Stock Option Scheme (ESOP) or any other scheme, if authorized by a Special Resolution of the Company in general meeting subject to the provisions of the Act, the Rules and applicable guidelines made there under, by whatever name called.	**ESOP**
14.	Notwithstanding anything contained in these articles but subject to the provisions of sections 68 to 70 and any other applicable provision of the Act or any other law for the time being in force, the company may purchase its own shares or other specified securities.	**Buy Back of shares**
15.	Subject to the provisions of Section 61 of the Act, the Company in general meeting may, from time to time, sub-divide or consolidate all or any of the share capital into shares of larger amount than its existing share or sub-divide its shares, or any of them into shares of smaller amount than is fixed by the Memorandum; subject nevertheless, to the provisions of clause (d) of sub-section (1) of Section 61; 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	**Consolidation, Sub-Division And Cancellation**

Sr. No	Particulars	
	by the amount of the shares so cancelled.	
16.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue depository receipts in any foreign country.	**Issue of Depository Receipts**
17.	Subject to compliance with applicable provision of the Act and rules framed thereunder the company shall have power to issue any kind of securities as permitted to be issued under the Act and rules framed thereunder.	**Issue of Securities**
	MODIFICATION OF CLASS RIGHTS	
18.	(a) If at any time the share capital, by reason of the issue of Preference Shares or otherwise is divided into different classes of shares, all or any of the rights privileges attached to any class (unless otherwise provided by the terms of issue of the shares of the class) may, subject to the provisions of Section 48 of the Act and whether or not the Company is being wound-up, be varied, modified or dealt, with the consent in writing of the holders of not less than three-fourths of the issued shares of that class or with the sanction of a Special Resolution passed at a separate general meeting of the holders of the shares of that class. The provisions of these Articles relating to general meetings shall mutatis mutandis apply to every such separate class of meeting. Provided that if variation by one class of shareholders affects the rights of any other class of shareholders, the consent of three-fourths of such other class of shareholders shall also be obtained and the provisions of this section shall apply to such variation.	**Modification of rights**
	(b) The rights conferred upon the holders of the Shares including Preference Share, if any of any class issued with preferred or other rights or privileges shall, unless otherwise expressly provided by the terms of the issue of shares of that class, be deemed not to be modified, commuted, affected, abrogated, dealt with or varied by the creation or issue of further shares ranking pari passu therewith.	**New Issue of Shares not to affect rights attached to existing shares of that class.**
19.	Subject to the provisions of Section 62 of the Act and these Articles, the shares in the capital of the company for the time being shall be under the control of the Directors who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions and either at a premium or at par and at such time as they may from time to time think fit and with the sanction of the company in the General Meeting to give to any person or persons the option or right to call for any shares either at par or premium during such time and for such consideration as the Directors think fit, and may issue and allot shares in the capital of the company on payment in full or part of any property sold and transferred or for any services rendered to the company in the conduct of its business and any shares which may so be allotted may be issued as fully paid up shares and if so issued, shall be deemed to be fully paid shares.	**Shares at the disposal of the Directors.**

Sr. No	Particulars	
20.	The Company may issue shares or other securities in any manner whatsoever including by way of a preferential offer, to any persons whether or not those persons include the persons referred to in clause (a) or clause (b) of sub-section (1) of section 62 subject to compliance with section 42 and 62 of the Act and rules framed thereunder.	**Power to issue shares on preferential basis.**
21.	The shares in the capital shall be numbered progressively according to their several denominations and except in the manner hereinbefore mentioned no share shall be sub-divided. Every forfeited or surrendered share shall continue to bear the number by which the same was originally distinguished.	**Shares should be Numbered progressively and no share to be subdivided.**
22.	An application signed by or on behalf of an applicant for shares in the Company, followed by an allotment of any shares therein, shall be an acceptance of shares within the meaning of these Articles, and every person who thus or otherwise accepts any shares and whose name is on the Register shall for the purposes of these Articles, be a Member.	**Acceptance of Shares.**
23.	Subject to the provisions of the Act and these Articles, the Directors may allot and issue shares in the Capital of the Company as payment or part payment for any property (including goodwill of any business) sold or transferred, goods or machinery supplied or for services rendered to the Company either in or about the formation or promotion of the Company or the conduct of its business and any shares which may be so allotted may be issued as fully paid-up or partly paid-up otherwise than in cash and if so issued, shall be deemed to be fully paid-up or partly paid-up shares as aforesaid.	**Directors may allot shares as full paid-up**
24.	The money (if any) which the Board shall on the allotment of any shares being made by them, require or direct to be paid by way of deposit, call or otherwise, in respect of any shares allotted by them shall become a debt due to and recoverable by the Company from the allottee thereof and shall be paid by him, accordingly.	**Deposit and call etc.to be a debt payable immediately.**
25.	Every Member, or his heirs, executors, administrators, or legal representatives, shall pay to the Company the portion of the Capital represented by his share or shares which may, for the time being, remain unpaid thereon, in such amounts at such time or times, and in such manner as the Board shall, from time to time in accordance with the Company's regulations, require on date fixed for the payment thereof.	**Liability of Members.**
26.	Shares may be registered in the name of any limited company or other corporate body but not in the name of a firm, an insolvent person or a person of unsound mind.	**Registration of Shares.**
	RETURN ON ALLOTMENTS TO BE MADE OR	

Sr. No	Particulars	
	RESTRICTIONS ON ALLOTMENT	
27.	The Board shall observe the restrictions as regards allotment of shares to the public and as regards return on allotments contained in Sections 39 of the Act.	
	CERTIFICATES	
28.	(a) Every member shall be entitled, without payment, to one or more certificates in marketable lots, for all the shares of each class or denomination registered in his name or if the Directors so approve (upon paying such fee as provided in the relevant laws) to several certificates, each for one or more of such shares and the company shall complete and have ready for delivery such certificates within two months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within one month of the receipt of application for registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe or approve, provided that in respect of a share or shares held jointly by several persons, the company shall not be bound to issue more than one certificate and delivery of a certificate of shares to one of several joint holders shall be sufficient delivery to all such holder. Such certificate shall be issued only in pursuance of a resolution passed by the Board and on surrender to the Company of its letter of allotment or its fractional coupons of requisite value, save in cases of issues against letter of acceptance or of renunciation or in cases of issue of bonus shares. Every such certificate shall be issued under the seal of the Company, if any, which shall be affixed in the presence of two Directors or persons acting on behalf of the Directors under a duly registered power of attorney and the Secretary or some other person appointed by the Board for the purpose and two Directors or their attorneys and the Secretary or other person shall sign the share certificate, provided that if the composition of the Board permits of it, at least one of the aforesaid two Directors shall be a person other than a Managing or whole-time Director. Particulars of every share certificate issued shall be entered in the Register of Members against the name of the person, to whom it has been issued, indicating the date of issue. (b) Any two or more joint allottees of shares shall, for the purpose of this Article, be treated as a single member, and the certificate of any shares which may be the subject of joint ownership, may be delivered to anyone of such joint owners on behalf of all of them. For any further certificate the Board shall be entitled, but shall not be bound, to	**Share Certificates.**

Sr. No	Particulars	
	prescribe a charge not exceeding Rupees Fifty. The Company shall comply with the provisions of Section 39 of the Act. (c) A Director may sign a share certificate by affixing his signature thereon by means of any machine, equipment or other mechanical means, such as engraving in metal or lithography, but not by means of a rubber stamp provided that the Director shall be responsible for the safe custody of such machine, equipment or other material used for the purpose.	
29.	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 is lost or destroyed then upon proof thereof to the satisfaction of the company and on execution of such indemnity as the company deem adequate, 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.50/- 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 Regulation or requirements of any Stock Exchange or the Rules made under the Act or the rules made under Securities Contracts (Regulation) Act, 1956, or any other Act, or rules applicable in this behalf. The provisions of this Article shall mutatis mutandis apply to debentures of the Company.	**Issue of new certificates in place of those defaced, lost or destroyed.**
30.	(a) If any share stands in the names of two or more persons, the person first named in the Register shall as regard receipts of dividends or bonus or service of notices and all or any other matter connected with the Company except voting at meetings and the transfer of the shares, be deemed sole holder thereof but the joint-holders of a share shall be severally as well as jointly liable for the payment of all calls and other payments due in respect of such share and for all incidentals thereof according to the Company's regulations.	**The first named joint holder deemed Sole holder.**
	(b) The Company shall not be bound to register more than three persons as the joint holders of any share.	**Maximum number of joint holders.**
31.	Except as ordered by a Court of competent jurisdiction or as by law required, the Company shall not be bound to recognise any equitable, contingent, future or partial interest in any share, or (except only as is by these Articles otherwise expressly provided)	**Company not bound to recognise any interest in share other than that of registered**

Sr. No	Particulars	
	any right in respect of a share other than an absolute right thereto, in accordance with these Articles, in the person from time to time registered as the holder thereof but the Board shall be at liberty at its sole discretion to register any share in the joint names of any two or more persons or the survivor or survivors of them.	**holders.**
32.	If by the conditions of allotment of any share the whole or part of the amount or issue price thereof shall be payable by installment, every such installment shall when due be paid to the Company by the person who for the time being and from time to time shall be the registered holder of the share or his legal representative.	**Installment on shares to be duly paid.**
	UNDERWRITING AND BROKERAGE	
33.	Subject to the provisions of Section 40 (6) of the Act, the Company may at any time pay a commission to any person in consideration of his subscribing or agreeing, to subscribe (whether absolutely or conditionally) for any shares or debentures in the Company, or procuring or agreeing to procure subscriptions (whether absolutely or conditionally) for any shares or debentures in the Company but so that the commission shall not exceed the maximum rates laid down by the Act and the rules made in that regard. Such commission may be satisfied by payment of cash or by allotment of fully or partly paid shares or partly in one way and partly in the other.	**Commission**
34.	The Company may pay on any issue of shares and debentures such brokerage as may be reasonable and lawful.	**Brokerage**
	CALLS	
35.	(1) The Board may, from time to time, subject to the terms on which any shares may have been issued and subject to the conditions of allotment, by a resolution passed at a meeting of the Board and not by a circular resolution, make such calls as it thinks fit, upon the Members in respect of all the moneys unpaid on the shares held by them respectively and each Member shall pay the amount of every call so made on him to the persons and at the time and places appointed by the Board. (2) A call may be revoked or postponed at the discretion of the Board. (3) A call may be made payable by installments.	**Directors may make calls**
36.	Fifteen days' notice in writing of any call shall be given by the Company specifying the time and place of payment, and the person or persons to whom such call shall be paid.	**Notice of Calls**
37.	A call shall be deemed to have been made at the time when the resolution of the Board of Directors authorising such call was passed and may be made payable by the members whose names appear on the Register of Members on such date or at the discretion of the Directors on such subsequent date as may be	**Calls to date from resolution.**

Sr. No	Particulars	
	fixed by Directors.	
38.	Whenever any calls for further share capital are made on shares, such calls shall be made on uniform basis on all shares falling under the same class. For the purposes of this Article shares of the same nominal value of which different amounts have been paid up shall not be deemed to fall under the same class.	**Calls on uniform basis.**
39.	The Board may, from time to time, at its discretion, extend the time fixed for the payment of any call and may extend such time as to all or any of the members who on account of the residence at a distance or other cause, which the Board may deem fairly entitled to such extension, but no member shall be entitled to such extension save as a matter of grace and favour.	**Directors may extend time.**
40.	If any Member fails to pay any call due from him on the day appointed for payment thereof, or any such extension thereof as aforesaid, he shall be liable to pay interest on the same from the day appointed for the payment thereof to the time of actual payment at such rate as shall from time to time be fixed by the Board not exceeding 21% per annum but nothing in this Article shall render it obligatory for the Board to demand or recover any interest from any such member.	**Calls to carry interest.**
41.	If by the terms of issue of any share or otherwise any amount is made payable at any fixed time or by installments at fixed time (whether on account of the amount of the share or by way of premium) every such amount or installment shall be payable as if it were a call duly made by the Directors and of which due notice has been given and all the provisions herein contained in respect of calls shall apply to such amount or installment accordingly.	**Sums deemed to be calls.**
42.	On the trial or hearing of any action or suit brought by the Company against any Member or his representatives for the recovery of any money claimed to be due to the Company in respect of his shares, if shall be sufficient to prove that the name of the Member in respect of whose shares the money is sought to be recovered, appears entered on the Register of Members as the holder, at or subsequent to the date at which the money is sought to be recovered is alleged to have become due on the share in respect of which such money is sought to be recovered in the Minute Books: and that notice of such call was duly given to the Member or his representatives used in pursuance of these Articles: and that it shall not be necessary to prove the appointment of the Directors who made such call, nor that a quorum of Directors was present at the Board at which any call was made was duly convened or constituted nor any other matters whatsoever, but the proof of the matters aforesaid shall be conclusive evidence of the debt.	**Proof on trial of suit for money due on shares.**
43.	Neither a judgment nor a decree in favour of the Company for calls or other moneys due in respect of any shares nor any part payment or satisfaction thereunder nor the receipt by the	**Judgment, decree, partial payment motto**

Sr. No	Particulars	
	Company of a portion of any money which shall from time to time be due from any Member of the Company in respect of his shares, either by way of principal or interest, nor any indulgence granted by the Company in respect of the payment of any such money, shall preclude the Company from thereafter proceeding to enforce forfeiture of such shares as hereinafter provided.	**proceed for forfeiture.**
44.	(a) The Board may, if it thinks fit, receive from any Member willing to advance the same, all or any part of the amounts of his respective shares beyond the sums, actually called up and upon the moneys so paid in advance or upon so much thereof, from time to time and at any time thereafter as exceeds the amount of the calls then made upon and due in respect of the shares on account of which such advances are made the Board may pay or allow interest, at such rate as the member paying the sum in advance and the Board agree upon. The Board may agree to repay at any time any amount so advanced or may at any time repay the same upon giving to the Member three months' notice in writing: provided that moneys paid in advance of calls on shares may carry interest but shall not confer a right to dividend or to participate in profits. (b) No Member paying any such sum in advance shall be entitled to voting rights in respect of the moneys so paid by him until the same would but for such payment become presently payable. The provisions of this Article shall mutatis mutandis apply to calls on debentures issued by the Company.	**Payments in Anticipation of calls may carry interest**
	LIEN	
45.	The Company shall have a first and paramount lien upon all the shares/debentures (other than fully paid-up shares/debentures) registered in the name of each member (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares/debentures and no equitable interest in any share shall be created except upon the footing and condition that this Article will have full effect. And such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares/debentures shall operate as a waiver of the Company's lien if any, on such shares/debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this clause.	**Company to have Lien on shares.**
46.	For the purpose of enforcing such lien the Directors may sell the shares subject thereto in such manner as they shall think fit, but no sale shall be made until such period as aforesaid shall have arrived and until notice in writing of the intention to sell shall have been served on such member or the person (if any) entitled by transmission to the shares and default shall have been made by	**As to enforcing lien by sale.**

Sr. No	Particulars	
	him in payment, fulfillment of discharge of such debts, liabilities or engagements for seven days after such notice. To give effect to any such sale the Board may authorise some person to transfer the shares sold to the purchaser thereof and purchaser shall be registered as the holder of the shares comprised in any such transfer. Upon any such sale as the Certificates in respect of the shares sold shall stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a new Certificate or Certificates in lieu thereof to the purchaser or purchasers concerned.	
47.	The net proceeds of any such sale shall be received by the Company and applied in or towards payment of such part of the amount in respect of which the lien exists as is presently payable and the residue, if any, shall (subject to lien for sums not presently payable as existed upon the shares before the sale) be paid to the person entitled to the shares at the date of the sale.	**Application of proceeds of sale.**
	FORFEITURE AND SURRENDER OF SHARES	
48.	If any Member fails to pay the whole or any part of any call or installment or any moneys due in respect of any shares either by way of principal or interest on or before the day appointed for the payment of the same, the Directors may, at any time thereafter, during such time as the call or installment or any part thereof or other moneys as aforesaid remains unpaid or a judgment or decree in respect thereof remains unsatisfied in whole or in part, serve a notice on such Member or on the person (if any) entitled to the shares by transmission, requiring him to pay such call or installment of such part thereof or other moneys as remain unpaid together with any interest that may have accrued and all reasonable expenses (legal or otherwise) that may have been accrued by the Company by reason of such non-payment. Provided that no such shares shall be forfeited if any moneys shall remain unpaid in respect of any call or installment or any part thereof as aforesaid by reason of the delay occasioned in payment due to the necessity of complying with the provisions contained in the relevant exchange control laws or other applicable laws of India, for the time being in force.	**If call or installment not paid, notice may be given.**
49.	The notice shall name a day (not being less than fourteen days from the date of notice) and a place or places on and at which such call or installment and such interest thereon as the Directors shall determine from the day on which such call or installment ought to have been paid and expenses as aforesaid are to be paid. The notice shall also state that, in the event of the non-payment at or before the time and at the place or places appointed, the shares in respect of which the call was made or installment is payable will be liable to be forfeited.	**Terms of notice.**

Sr. No	Particulars	
50.	If the requirements of any such notice as aforesaid shall not be complied with, every or any share in respect of which such notice has been given, may at any time thereafter but before payment of all calls or installments, interest and expenses, due in respect thereof, be forfeited by resolution of the Board to that effect. Such forfeiture shall include all dividends declared or any other moneys payable in respect of the forfeited share and not actually paid before the forfeiture.	**On default of payment, shares to be forfeited.**
51.	When any shares have been forfeited, notice of the forfeiture shall be given to the member in whose name it stood immediately prior to the forfeiture and an entry of the forfeiture, with the date thereof shall forthwith be made in the Register of Members.	**Notice of forfeiture to a Member**
52.	Any shares so forfeited, shall be deemed to be the property of the Company and may be sold, re-allotted, or otherwise disposed of, either to the original holder thereof or to any other person, upon such terms and in such manner as the Board in their absolute discretion shall think fit.	**Forfeited shares to be property of the Company and may be sold etc.**
53.	Any Member whose shares have been forfeited shall notwithstanding the forfeiture, be liable to pay and shall forthwith pay to the Company, on demand all calls, installments, interest and expenses owing upon or in respect of such shares at the time of the forfeiture, together with interest thereon from the time of the forfeiture until payment, at such rate as the Board may determine and the Board may enforce the payment of the whole or a portion thereof as if it were a new call made at the date of the forfeiture, but shall not be under any obligation to do so.	**Members still liable to pay money owing at time of forfeiture and interest.**
54.	The forfeiture shares shall involve extinction at the time of the forfeiture, of all interest in all claims and demand against the Company, in respect of the share and all other rights incidental to the share, except only such of those rights as by these Articles are expressly saved.	**Effect of forfeiture.**
55.	A declaration in writing that the declarant is a Director or Secretary of the Company and that shares in the Company have been duly forfeited in accordance with these articles on a date stated in the declaration, shall be conclusive evidence of the facts therein stated as against all persons claiming to be entitled to the shares.	**Evidence of Forfeiture.**
56.	The Company may receive the consideration, if any, given for the share on any sale, re-allotment or other disposition thereof and the person to whom such share is sold, re-allotted or disposed of may be registered as the holder of the share and he shall not be bound to see to the application of the consideration: if any, nor shall his title to the share be affected by any irregularly or invalidity in the proceedings in reference to the forfeiture, sale, re-allotment or other disposal of the shares.	**Title of purchaser and allottee of Forfeited shares.**

Sr. No	Particulars	
57.	Upon any sale, re-allotment or other disposal under the provisions of the preceding Article, the certificate or certificates originally issued in respect of the relative shares shall (unless the same shall on demand by the Company have been previously surrendered to it by the defaulting member) stand cancelled and become null and void and of no effect, and the Directors shall be entitled to issue a duplicate certificate or certificates in respect of the said shares to the person or persons entitled thereto.	**Cancellation of share certificate in respect of forfeited shares.**
58.	In the meantime and until any share so forfeited shall be sold, re-allotted, or otherwise dealt with as aforesaid, the forfeiture thereof may, at the discretion and by a resolution of the Directors, be remitted as a matter of grace and favour and not as was owing thereon to the Company at the time of forfeiture being declared with interest for the same unto the time of the actual payment thereof if the Directors shall think fit to receive the same, or on any other terms which the Director may deem reasonable.	**Forfeiture may be remitted.**
59.	Upon any sale after forfeiture or for enforcing a lien in purported exercise of the powers hereinbefore given, the Board may appoint some person to execute an instrument of transfer of the Shares sold and cause the purchaser's name to be entered in the Register of Members in respect of the Shares sold, and the purchasers shall not be bound to see to the regularity of the proceedings or to the application of the purchase money, and after his name has been entered in the Register of Members in respect of such Shares, the validity of the sale shall not be impeached by any person and the remedy of any person aggrieved by the sale shall be in damages only and against the Company exclusively.	**Validity of sale**
60.	The Directors may, subject to the provisions of the Act, accept a surrender of any share from or by any Member desirous of surrendering on such terms the Directors may think fit.	**Surrender of shares.**
	TRANSFER AND TRANSMISSION OF SHARES	
61.	(a) The instrument of transfer of any share in or debenture of the Company shall be executed by or on behalf of both the transferor and transferee. (b) The transferor shall be deemed to remain a holder of the share or debenture until the name of the transferee is entered in the Register of Members or Register of Debenture holders in respect thereof.	**Execution of the instrument of shares.**
62.	The instrument of transfer of any share or debenture shall be in writing and all the provisions of Section 56 and statutory modification thereof including other applicable provisions of the Act shall be duly complied with in respect of all transfers of shares or debenture and registration thereof. The instrument of transfer shall be in a common form approved by the Exchange;	**Transfer Form.**

Sr. No	Particulars	
63.	The Company shall not register a transfer in the Company other than the transfer between persons both of whose names are entered as holders of beneficial interest in the records of a depository, unless a proper instrument of transfer duly stamped and executed by or on behalf of the transferor and by or on behalf of the transferee and specifying the name, address and occupation if any, of the transferee, has been delivered to the Company along with the certificate relating to the shares or if no such share certificate is in existence along with the letter of allotment of the shares: Provided that where, on an application in writing made to the Company by the transferee and bearing the stamp, required for an instrument of transfer, it is proved to the satisfaction of the Board of Directors that the instrument of transfer signed by or on behalf of the transferor and by or on behalf of the transferee has been lost, the Company may register the transfer on such terms as to indemnity as the Board may think fit, provided further that nothing in this Article shall prejudice any power of the Company to register as shareholder any person to whom the right to any shares in the Company has been transmitted by operation of law.	**Transfer not to be registered except on production of instrument of transfer.**
64.	Subject to the provisions of Section 58 of the Act and Section 22A of the Securities Contracts (Regulation) Act, 1956, the Directors may, decline to register— (a) any transfer of shares on which the company has a lien. That registration of transfer shall however 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;	**Directors may refuse to register transfer.**
65.	If the Company refuses to register the transfer of any share or transmission of any right therein, the Company shall within one month from the date on which the instrument of transfer or intimation of transmission was lodged with the Company, send notice of refusal to the transferee and transferor or to the person giving intimation of the transmission, as the case may be and there upon the provisions of Section 56 of the Act or any statutory modification thereof for the time being in force shall apply.	**Notice of refusal to be given to transferor and transferee.**
66.	No fee shall be charged for registration of transfer, transmission, Probate, Succession Certificate and letter of administration, Certificate of Death or Marriage, Power of Attorney or similar other document with the Company.	**No fee on transfer.**
67.	The Board of Directors shall have power on giving not less than seven days pervious notice in accordance with section 91 and rules made thereunder close the Register of Members and/or the Register of debentures holders and/or other security holders at such time or times and for such period or periods, not exceeding thirty days at a time, and not exceeding in the aggregate forty five days at a time and not exceeding in the aggregate forty five days in each year as it may seem expedient to the Board.	**Closure of Register of Members or debentureholder or other security holders..**

Sr. No	Particulars	
68.	The instrument of transfer shall after registration be retained by the Company and shall remain in its custody. All instruments of transfer which the Directors may decline to register shall on demand be returned to the persons depositing the same. The Directors may cause to be destroyed all the transfer deeds with the Company after such period as they may determine.	**Custody of transfer Deeds.**
69.	Where an application of transfer relates to partly paid shares, the transfer shall not be registered unless the Company gives notice of the application to the transferee and the transferee makes no objection to the transfer within two weeks from the receipt of the notice.	**Application for transfer of partly paid shares.**
70.	For this purpose the notice to the transferee shall be deemed to have been duly given if it is dispatched by prepaid registered post/speed post/ courier to the transferee at the address given in the instrument of transfer and shall be deemed to have been duly delivered at the time at which it would have been delivered in the ordinary course of post.	**Notice to transferee.**
71.	(a) On the death of a Member, the survivor or survivors, where the Member was a joint holder and his nominee or nominees or legal representatives where he was a sole holder, shall be the only person recognized by the Company as having any title to his interest in the shares. (b) Before recognising any executor or administrator or legal representative, the Board may require him to obtain a Grant of Probate or Letters Administration or other legal representation as the case may be, from some competent court in India. Provided nevertheless that in any case where the Board in its absolute discretion thinks fit, it shall be lawful for the Board to dispense with the production of Probate or letter of Administration or such other legal representation upon such terms as to indemnity or otherwise, as the Board in its absolute discretion, may consider adequate (c) Nothing in clause (a) above shall release the estate of the deceased joint holder from any liability in respect of any share which had been jointly held by him with other persons.	**Recognition of legal representative.**
72.	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	**Titles of Shares of deceased Member**

Sr. No	Particulars	
	Union of India provided that in any case where the Board of Directors in its absolute discretion thinks fit, 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 of the Act.	
73.	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 Act.	**Notice of application when to be given**
74.	Subject to the provisions of the Act and these Articles, any person becoming entitled to any share in consequence of the death, lunacy, bankruptcy, insolvency of any member or by any lawful means other than by a transfer in accordance with these presents, may, with the consent of the Directors (which they shall not be under any obligation to give) upon producing such evidence that he sustains the character in respect of which he proposes to act under this Article or of this title as the Director shall require either be registered as member in respect of such shares or elect to have some person nominated by him and approved by the Directors registered as Member in respect of such shares; provided nevertheless that if such person shall elect to have his nominee registered he shall testify his election by executing in favour of his nominee an instrument of transfer in accordance so he shall not be freed from any liability in respect of such shares. This clause is hereinafter referred to as the 'Transmission Clause'.	**Registration of persons entitled to share otherwise than by transfer. (transmission clause).**
75.	Subject to the provisions of the Act and these Articles, the Directors shall have the same right to refuse or suspend register a person entitled by the transmission to any shares or his nominee as if he were the transferee named in an ordinary transfer presented for registration.	**Refusal to register nominee.**
76.	Every transmission of a share shall be verified in such manner as the Directors may require and the Company may refuse to register any such transmission until the same be so verified or until or unless an indemnity be given to the Company with regard to such registration which the Directors at their discretion shall consider sufficient, provided nevertheless that there shall not be any obligation on the Company or the Directors to accept any indemnity.	**Board may require evidence of transmission.**
77.	The Company shall incur no liability or responsibility whatsoever in consequence of its registering or giving effect to any transfer of shares made, or purporting to be made by any apparent legal owner thereof (as shown or appearing in the Register or Members) to the prejudice of persons having or claiming any equitable right, title or interest to or in the same shares notwithstanding that the	**Company not liable for disregard of a notice prohibiting registration of transfer.**

Sr. No	Particulars	
	Company may have had notice of such equitable right, title or interest or notice prohibiting registration of such transfer, and may have entered such notice or referred thereto in any book of the Company and the Company shall not be bound or require to regard or attend or give effect to any notice which may be given to them of any equitable right, title or interest, or be under any liability whatsoever for refusing or neglecting so to do though it may have been entered or referred to in some book of the Company but the Company shall nevertheless be at liberty to regard and attend to any such notice and give effect thereto, if the Directors shall so think fit.	
78.	In the case of any share registered in any register maintained outside India the instrument of transfer shall be in a form recognized by the law of the place where the register is maintained but subject thereto shall be as near to the form prescribed in Form no. SH-4 hereof as circumstances permit.	**Form of transfer Outside India.**
79.	No transfer shall be made to any minor, insolvent or person of unsound mind.	**No transfer to insolvent etc.**
	NOMINATION	
80.	i) Notwithstanding anything contained in the articles, every holder of securities of the Company may, at any time, nominate a person in whom his/her securities shall vest in the event of his/her death and the provisions of Section 72 of the Act shall apply in respect of such nomination. ii) No person shall be recognized by the Company as a nominee unless an intimation of the appointment of the said person as nominee has been given to the Company during the lifetime of the holder(s) of the securities of the Company in the manner specified under Section 72 of the Act read with Rule 19 of the Companies (Share Capital and Debentures) Rules, 2014 iii) The Company shall not be in any way responsible for transferring the securities consequent upon such nomination. iv) lf the holder(s) of the securities survive(s) nominee, then the nomination made by the holder(s) shall be of no effect and shall automatically stand revoked.	**Nomination**
81.	A nominee, upon production of such evidence as may be required by the Board and subject as hereinafter provided, elect, either- (i) to be registered himself as holder of the security, as the case may be; or (ii) to make such transfer of the security, as the case may be, as the deceased security holder, could have made; (iii) if the nominee elects to be registered as holder of the security, himself, as the case may be, he shall deliver or send to the Company, a notice in writing signed by him stating	**Transmission of Securities by nominee**

Sr. No	Particulars	
	that he so elects and such notice shall be accompanied with the death certificate of the deceased security holder as the case may be; (iv) a nominee shall be entitled to the same dividends and other advantages to which he would be entitled to, if he were the registered holder of the security except that he shall not, before being registered as a member in respect of his security, be entitled in respect of it to exercise any right conferred by membership in relation to meetings of the Company. Provided further that the Board may, at any time, give notice requiring any such person to elect either to be registered himself or to transfer the share or debenture, and if the notice is not complied with within ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other moneys payable or rights accruing in respect of the share or debenture, until the requirements of the notice have been complied with.	
	DEMATERIALISATION OF SHARES	
82.	Subject to the provisions of the Act and Rules made thereunder the Company may offer its members facility to hold securities issued by it in dematerialized form.	**Dematerialisation of Securities**
	JOINT HOLDER	
83.	Where two or more persons are registered as the holders of any share they shall be deemed to hold the same as joint Shareholders with benefits of survivorship subject to the following and other provisions contained in these Articles.	**Joint Holders**
84.	(a) The Joint holders of any share shall be liable severally as well as jointly for and in respect of all calls and other payments which ought to be made in respect of such share.	**Joint and several liabilities for all payments in respect of shares.**
	(b) on the death of any such joint holders the survivor or survivors shall be the only person recognized by the Company as having any title to the share but the Board may require such evidence of death as it may deem fit and nothing herein contained shall be taken to release the estate of a deceased joint holder from any liability of shares held by them jointly with any other person;	**Title of survivors.**
	(c) Any one of two or more joint holders of a share may give effectual receipts of any dividends or other moneys payable in respect of share; and	**Receipts of one sufficient.**
	(d) only the person whose name stands first in the Register of Members as one of the joint holders of any share shall be entitled to delivery of the certificate relating to such share or	**Delivery of certificate and giving of notices to first named**

Sr. No	Particulars	
	to receive documents from the Company and any such document served on or sent to such person shall deemed to be service on all the holders.	**holders.**
	SHARE WARRANTS	
85.	The Company may issue warrants subject to and in accordance with provisions of the Act and accordingly the Board may in its discretion with respect to any Share which is fully paid upon application in writing signed by the persons registered as holder of the Share and authenticated by such evidence (if any) as the Board may, from time to time, require as to the identity of the persons signing the application and on receiving the certificate (if any) of the Share and the amount of the stamp duty on the warrant and such fee as the Board may, from time to time, require, issue a share warrant.	**Power to issue share warrants**
86.	(a) The bearer of a share warrant may at any time deposit the warrant at the Office of the Company and so long as the warrant remains so deposited, the depositor shall have the same right of signing a requisition for call in a meeting of the Company and of attending and voting and exercising the other privileges of a Member at any meeting held after the expiry of two clear days from the time of deposit, as if his name were inserted in the Register of Members as the holder of the Share included in the deposit warrant. (b) Not more than one person shall be recognized as depositor of the Share warrant. (c) The Company shall, on two day's written notice, return the deposited share warrant to the depositor.	**Deposit of share warrants**
87.	(a) Subject as herein otherwise expressly provided, no person, being a bearer of a share warrant, shall sign a requisition for calling a meeting of the Company or attend or vote or exercise any other privileges of a Member at a meeting of the Company, or be entitled to receive any notice from the Company. (b) The bearer of a share warrant shall be entitled in all other respects to the same privileges and advantages as if he were named in the Register of Members as the holder of the Share included in the warrant, and he shall be a Member of the Company.	**Privileges and disabilities of the holders of share warrant**
88.	The Board may, from time to time, make bye-laws as to terms on which (if it shall think fit), a new share warrant or coupon may be issued by way of renewal in case of defacement, loss or destruction.	**Issue of new share warrant coupons**
	CONVERSION OF SHARES INTO STOCK	
89.	The Company may, by ordinary resolution in General Meeting.	**Conversion of shares into stock or**

Sr. No	Particulars	
	a) convert any fully paid-up shares into stock; and b) re-convert any stock into fully paid-up shares of any denomination.	**reconversion.**
90.	The holders of stock may transfer the same or any part thereof in the same manner as and subject to the same regulation under which the shares from which the stock arose might before the conversion have been transferred or as near thereto as circumstances admit, provided that, the Board may, from time to time, fix the minimum amount of stock transferable so however that such minimum shall not exceed the nominal amount of the shares from which the stock arose.	**Transfer of stock.**
91.	The holders of stock shall, according to the amount of stock held by them, have the same rights, privileges and advantages as regards dividends, participation in profits, voting at meetings of the Company, and other matters, as if they hold the shares for which the stock arose but no such privilege or advantage shall be conferred by an amount of stock which would not, if existing in shares , have conferred that privilege or advantage.	**Rights of stock holders.**
92.	Such of the regulations of the Company (other than those relating to share warrants), as are applicable to paid up share shall apply to stock and the words "share" and "shareholders" in those regulations shall include "stock" and "stockholders" respectively.	**Regulations.**
	BORROWING POWERS	
93.	Subject to the provisions of the Act and these Articles, the Board may, from time to time at its discretion, by a resolution passed at a meeting of the Board generally raise or borrow money by way of deposits, loans, overdrafts, cash credit or by issue of bonds, debentures or debenture-stock (perpetual or otherwise) or in any other manner or from any person, firm, company, co-operative society, any body corporate, bank, institution, whether incorporated in India or abroad, Government or any authority or any other body for the purpose of the Company and may secure the payment of any sums of money so received, raised or borrowed; provided that the total amount borrowed by the Company (apart from temporary loans obtained from the Company's Bankers in the ordinary course of business) shall not without the consent of the Company in General Meeting exceed the aggregate of the paid up capital of the Company and its free reserves that is to say reserves not set apart for any specified purpose.	**Power to borrow.**
94.	Subject to the provisions of the Act and these Articles, any bonds, debentures, debenture-stock or any other securities may be issued at a discount, premium or otherwise and with any special privileges and conditions as to redemption, surrender, allotment of shares, appointment of Directors or otherwise; provided that debentures with the right to allotment of or conversion into shares	**Issue of discount etc. or with special privileges.**

Sr. No	Particulars	
	shall not be issued except with the sanction of the Company in General Meeting.	
95.	The payment and/or repayment of moneys borrowed or raised as aforesaid or any moneys owing otherwise or debts due from the Company may be secured in such manner and upon such terms and conditions in all respects as the Board may think fit and in particular by mortgage, charter, lien or any other security upon all or any of the assets or property (both present and future) or the undertaking of the Company including its uncalled capital for the time being, or by a guarantee by any Director, Government or third party, and the bonds, debentures and debenture stocks and other securities may be made assignable, free from equities between the Company and the person to whom the same may be issued and also by a similar mortgage, charge or lien to secure and guarantee, the performance by the Company or any other person or company of any obligation undertaken by the Company or any person or Company as the case may be.	**Securing payment or repayment of Moneys borrowed.**
96.	Any bonds, debentures, debenture-stock or their securities issued or to be issued by the Company shall be under the control of the Board who may issue them upon such terms and conditions, and in such manner and for such consideration as they shall consider to be for the benefit of the Company.	**Bonds, Debentures etc. to be under the control of the Directors.**
97.	If any uncalled capital of the Company is included in or charged by any mortgage or other security the Directors shall subject to the provisions of the Act and these Articles make calls on the members in respect of such uncalled capital in trust for the person in whose favour such mortgage or security is executed.	**Mortgage of uncalled Capital.**
98.	Subject to the provisions of the Act and these Articles if the Directors or any of them or any other person shall incur or be about to incur any liability whether as principal or surely for the payment of any sum primarily due from the Company, the Directors may execute or cause to be executed any mortgage, charge or security over or affecting the whole or any part of the assets of the Company by way of indemnity to secure the Directors or person so becoming liable as aforesaid from any loss in respect of such liability.	**Indemnity may be given.**
	MEETINGS OF MEMBERS	
99.	All the General Meetings of the Company other than Annual General Meetings shall be called Extra-ordinary General Meetings.	**Distinction between AGM & EGM.**
100.	(a) The Directors may, whenever they think fit, convene an Extra-Ordinary General Meeting and they shall on requisition of Members made in compliance with Section 100 of the Act, forthwith proceed to convene Extra-Ordinary General Meeting of the members	**Extra-Ordinary General Meeting by Board and by requisition**

Sr. No	Particulars	
	(b) If at any time there are not within India sufficient Directors capable of acting to form a quorum, or if the number of Directors be reduced in number to less than the minimum number of Directors prescribed by these Articles and the continuing Directors fail or neglect to increase the number of Directors to that number or to convene a General Meeting, any Director or any two or more Members of the Company holding not less than one-tenth of the total paid up share capital of the Company may call for an Extra-Ordinary General Meeting in the same manner as nearly as possible as that in which meeting may be called by the Directors.	**When a Director or any two Members may call an Extra Ordinary General Meeting**
101.	No General Meeting, Annual or Extraordinary shall be competent to enter upon, discuss or transfer any business which has not been mentioned in the notice or notices upon which it was convened.	**Meeting not to transact business not mentioned in notice.**
102.	The Chairman (if any) of the Board of Directors shall be entitled to take the chair at every General Meeting, whether Annual or Extraordinary. If there is no such Chairman of the Board of Directors, or if at any meeting he is not present within fifteen minutes of the time appointed for holding such meeting or if he is unable or unwilling to take the chair, then the Members present shall elect another Director as Chairman and if no Director be present or if all the Directors present decline to take the chair then the Members present shall elect one of the members to be the Chairman of the meeting.	**Chairman of General Meeting**
103.	No business, except the election of a Chairman, shall be discussed at any General Meeting whilst the Chair is vacant.	**Business confined to election of Chairman whilst chair is vacant.**
104.	a) The Chairperson may, with the consent of any meeting at which a quorum is present, and shall, if so directed by the meeting, adjourn the meeting from time to time and from place to place. 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, and as provided in section 103 of the Act, it shall not be necessary to give any notice of an adjournment or of the business to be transacted at an adjourned meeting.	**Chairman with consent may adjourn meeting.**
105.	In the case of an equality of votes the Chairman shall both on a show of hands, on a poll (if any) and e-voting, have casting vote in addition to the vote or votes to which he may be entitled as a Member.	**Chairman's casting vote.**
106.	Any poll duly demanded on the election of Chairman of the	**In what case poll**

Sr. No	Particulars	
	meeting or any question of adjournment shall be taken at the meeting forthwith.	**taken without adjournment.**
107.	The demand for a poll except on the question of the election of the Chairman and of an adjournment shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll has been demanded.	**Demand for poll not to prevent transaction of other business.**
	VOTES OF MEMBERS	
108.	No Member shall be entitled to vote either personally or by proxy at any General Meeting or Meeting of a class of shareholders either upon a show of hands, upon a poll or electronically, or be reckoned in a quorum in respect of any shares registered in his name on which any calls or other sums presently payable by him have not been paid or in regard to which the Company has exercised, any right or lien.	**Members in arrears not to vote.**
109.	Subject to the provision of these Articles and without prejudice to any special privileges, or restrictions as to voting for the time being attached to any class of shares for the time being forming part of the capital of the company, every Member, not disqualified by the last preceding Article shall be entitled to be present, and to speak and to vote at such meeting, and on a show of hands every member present in person shall have one vote and upon a poll the voting right of every Member present in person or by proxy shall be in proportion to his share of the paid-up equity share capital of the Company, Provided, however, if any preference shareholder is present at any meeting of the Company, save as provided in sub-section (2) of Section 47 of the Act, he shall have a right to vote only on resolution placed before the meeting which directly affect the rights attached to his preference shares.	**Number of votes each member entitled.**
110.	On a poll taken at a meeting of the Company a member entitled to more than one vote or his proxy or other person entitled to vote for him, as the case may be, need not, if he votes, use all his votes or cast in the same way all the votes he uses.	**Casting of votes by a member entitled to more than one vote.**
111.	A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, or a minor 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.	**Vote of member of unsound mind and of minor**
112.	Notwithstanding anything contained in the provisions of the Companies Act, 2013, and the Rules made there under, the Company may and in the case of resolutions relating to such business as may be prescribed by such authorities from time to time, declare to be conducted only by postal ballot, shall, get any such business/ resolutions passed by means of postal ballot, instead of transacting the business in the General Meeting of the	**Postal Ballot**

Sr. No	Particulars	
	Company.	
113.	A member may exercise his vote at a meeting by electronic means in accordance with section 108 and shall vote only once.	**E-Voting**
114.	a) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders. If more than one of the said persons remain present than the senior shall alone be entitled to speak and to vote in respect of such shares, but the other or others of the joint holders shall be entitled to be present at the meeting. Several executors or administrators of a deceased Member in whose name share stands shall for the purpose of these Articles be deemed joints holders thereof. b) For this purpose, seniority shall be determined by the order in which the names stand in the register of members.	**Votes of joint members.**
115.	Votes may be given either personally or by attorney or by proxy or in case of a company, by a representative duly Authorised as mentioned in Articles and as per provisions of the Act.	**Votes may be given by proxy or by representative**
116.	A body corporate (whether a company within the meaning of the Act or not) may, if it is member or creditor of the Company (including being a holder of debentures) authorise such person by resolution of its Board of Directors, as it thinks fit, in accordance with the provisions of Section 113 of the Act to act as its representative at any Meeting of the members or creditors of the Company or debentures holders of the Company. A person authorised by resolution as aforesaid shall be entitled to exercise the same rights and powers (including the right to vote by proxy) on behalf of the body corporate as if it were an individual member, creditor or holder of debentures of the Company.	**Representation of a body corporate.**
117.	(a) A member paying the whole or a part of the amount remaining unpaid on any share held by him although no part of that amount has been called up, shall not be entitled to any voting rights in respect of the moneys paid until the same would, but for this payment, become presently payable.	**Members paying money in advance.**
	(b) A member is not prohibited from exercising his voting rights on the ground that he has not held his shares or interest in the Company for any specified period preceding the date on which the vote was taken.	**Members not prohibited if share not held for any specified period.**
118.	Any person entitled under Article 73 (transmission clause) to transfer any share may vote at any General Meeting in respect thereof in the same manner as if he were the registered holder of such shares, provided that at least forty-eight hours before the time of holding the meeting or adjourned meeting, as the case may	**Votes in respect of shares of deceased or insolvent members.**

Sr. No	Particulars	
	be at which he proposes to vote he shall satisfy the Directors of his right to transfer such shares and give such indemnify (if any) as the Directors may require or the directors shall have previously admitted his right to vote at such meeting in respect thereof.	
119.	No Member shall be entitled to vote on a show of hands unless such member is present personally or by attorney or is a body Corporate present by a representative duly Authorised under the provisions of the Act in which case such members, attorney or representative may vote on a show of hands as if he were a Member of the Company. In the case of a Body Corporate the production at the meeting of a copy of such resolution duly signed by a Director or Secretary of such Body Corporate and certified by him as being a true copy of the resolution shall be accepted by the Company as sufficient evidence of the authority of the appointment.	**No votes by proxy on show of hands.**
120.	The instrument appointing a proxy and the power-of-attorney or other authority, if any, under which it is signed or a notarised copy of that power or authority, shall be deposited at the registered office of the company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote, or, in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll; and in default the instrument of proxy shall not be treated as valid.	**Appointment of a Proxy.**
121.	An instrument appointing a proxy shall be in the form as prescribed in the rules made under section 105.	**Form of proxy.**
122.	A vote given in accordance with the terms of an instrument of proxy shall be valid notwithstanding the previous death or insanity of the Member, or revocation of the proxy or of any power of attorney which such proxy signed, or the transfer of the share in respect of which the vote is given, provided that no intimation in writing of the death or insanity, revocation or transfer shall have been received at the office before the meeting or adjourned meeting at which the proxy is used.	**Validity of votes given by proxy notwithstanding death of a member.**
123.	No objection shall be raised to the qualification of any voter except at the meeting or adjourned meeting at which the vote objected to is given or tendered and every vote not disallowed at such meeting shall be valid for all purposes.	**Time for objections to votes.**
124.	Any such objection raised to the qualification of any voter in due time shall be referred to the Chairperson of the meeting, whose decision shall be final and conclusive.	**Chairperson of the Meeting to be the judge of validity of any vote.**
	DIRECTORS	
125.	Until otherwise determined by a General Meeting of the Company and subject to the provisions of Section 149 of the Act, the	**Number of Directors**

Sr. No	Particulars	
	number of Directors (including Debenture and Alternate Directors) shall not be less than three and not more than fifteen. Provided that a company may appoint more than fifteen directors after passing a special resolution	
126.	A Director of the Company shall not be bound to hold any Qualification Shares in the Company.	**Qualification shares.**
127.	(a) Subject to the provisions of the Companies Act, 2013 and notwithstanding anything to the contrary contained in these Articles, the Board may appoint any person as a director nominated by any institution in pursuance of the provisions of any law for the time being in force or of any agreement. (b) The Nominee Director/s so appointed shall not be required to hold any qualification shares in the Company nor shall be liable to retire by rotation. The Board of Directors of the Company shall have no power to remove from office the Nominee Director/s so appointed. The said Nominee Director/s shall be entitled to the same rights and privileges including receiving of notices, copies of the minutes, sitting fees, etc. as any other Director of the Company is entitled. (c) If the Nominee Director/s is an officer of any of the financial institution the sitting fees in relation to such nominee Directors shall accrue to such financial institution and the same accordingly be paid by the Company to them. The Financial Institution shall be entitled to depute observer to attend the meetings of the Board or any other Committee constituted by the Board. (d) The Nominee Director/s shall, notwithstanding anything to the Contrary contained in these Articles, be at liberty to disclose any information obtained by him/them to the Financial Institution appointing him/them as such Director/s.	**Nominee Directors.**
128.	The Board may appoint an Alternate Director to act for a Director (hereinafter called "The Original Director") during his absence for a period of not less than three months from India. An Alternate Director appointed under this Article shall not hold office for period longer than that permissible to the Original Director in whose place he has been appointed and shall vacate office if and when the Original Director returns to India. If the term of Office of the Original Director is determined before he so returns to India, any provision in the Act or in these Articles for the automatic re-appointment of retiring Director in default of another appointment shall apply to the Original Director and not to the Alternate Director.	**Appointment of alternate Director.**
129.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint any other person to be an Additional Director. Any such Additional Director shall hold office only upto the date of the next Annual General Meeting.	**Additional Director**

Sr. No	Particulars	
130.	Subject to the provisions of the Act, the Board shall have power at any time and from time to time to appoint a Director, if the office of any director appointed by the company in general meeting is vacated before his term of office expires in the normal course, who shall hold office only upto the date upto which the Director in whose place he is appointed would have held office if it had not been vacated by him.	**Directors power to fill casual vacancies.**
131.	Until otherwise determined by the Company in General Meeting, each Director other than the Managing/Whole-time Director (unless otherwise specifically provided for) shall be entitled to sitting fees not exceeding a sum prescribed in the Act (as may be amended from time to time) for attending meetings of the Board or Committees thereof.	**Sitting Fees.**
132.	The Board of Directors may subject to the limitations provided in the Act allow and pay to any Director who attends a meeting at a place other than his usual place of residence for the purpose of attending a meeting, such sum as the Board may consider fair, compensation for travelling, hotel and other incidental expenses properly incurred by him, in addition to his fee for attending such meeting as above specified.	**Travelling expenses Incurred by Director on Company's business.**
	PROCEEDING OF THE BOARD OF DIRECTORS	
133.	(a) The Board of Directors may meet for the conduct of business, adjourn and otherwise regulate its meetings as it thinks fit. (b) A director may and the manager or secretary on the requisition of a director shall, at any time, summon a meeting of the Board.	**Meetings of Directors.**
134.	a) The Directors may from time to time elect from among their members a Chairperson of the Board and determine the period for which he is to hold office. If at any meeting of the Board, the Chairman is not present within five minutes after the time appointed for holding the same, the Directors present may choose one of the Directors then present to preside at the meeting. b) Subject to Section 203 of the Act and rules made there under, one person can act as the Chairman as well as the Managing Director or Chief Executive Officer at the same time.	**Chairperson**
135.	Questions arising at any meeting of the Board of Directors shall be decided by a majority of votes and in the case of an equality of votes, the Chairman will have a second or casting vote.	**Questions at Board meeting how decided.**
136.	The continuing directors may act notwithstanding any vacancy in the Board; but, if and so long as their number is reduced below the quorum fixed by the Act for a meeting of the Board, the continuing directors or director may act for the purpose of increasing the number of directors to that fixed for the quorum, or of summoning a general meeting of the company, but for no other	**Continuing directors may act notwithstanding any vacancy in the Board**

Sr. No	Particulars	
	purpose.	
137.	Subject to the provisions of the Act, the Board may delegate any of their powers to a Committee consisting of such member or members of its body as it thinks fit, and it may from time to time revoke and discharge any such committee either wholly or in part and either as to person, or purposes, but every Committee so formed shall in the exercise of the powers so delegated conform to any regulations that may from time to time be imposed on it by the Board. All acts done by any such Committee in conformity with such regulations and in fulfillment of the purposes of their appointment but not otherwise, shall have the like force and effect as if done by the Board.	**Delegation of Powers to committee.**
138.	The Meetings and proceedings of any such Committee of the Board consisting of two or more members shall be governed by the provisions herein contained for regulating the meetings and proceedings of the Directors so far as the same are applicable thereto and are not superseded by any regulations made by the Directors under the last preceding Article.	**Committee Meetings how to be governed.**
139.	a) A committee may elect a Chairperson of its meetings. b) If no such Chairperson is elected, or if at any meeting the Chairperson is not present within five minutes after the time appointed for holding the meeting, the members present may choose one of their members to be Chairperson of the meeting.	**Chairperson of Committee Meetings**
140.	a) A committee may meet and adjourn as it thinks fit. b) Questions arising at any meeting of a committee shall be determined by a majority of votes of the members present, and in case of an equality of votes, the Chairperson shall have a second or casting vote.	**Meetings of the Committee**
141.	Subject to the provisions of the Act, all acts done by any meeting of the Board or by a Committee of the Board, or by any person acting as a Director shall notwithstanding that it shall afterwards be discovered that there was some defect in the appointment of such Director or persons acting as aforesaid, or that they or any of them were disqualified or had vacated office or that the appointment of any of them had been terminated by virtue of any provisions contained in the Act or in these Articles, be as valid as if every such person had been duly appointed, and was qualified to be a Director.	**Acts of Board or Committee shall be valid notwithstanding defect in appointment.**
	RETIREMENT AND ROTATION OF DIRECTORS	
142.	Subject to the provisions of Section 161 of the Act, if the office of any Director appointed by the Company in General Meeting vacated before his term of office will expire in the normal course, the resulting casual vacancy may in default of and subject to any regulation in the Articles of the Company be filled by the Board of	**Power to fill casual vacancy**

Sr. No	Particulars	
	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.	
	POWERS OF THE BOARD	
143.	The business of the Company shall be managed by the Board who may exercise all such powers of the Company and do all such acts and things as may be necessary, unless otherwise restricted by the Act or by any other law or by the Memorandum or by the Articles required to be exercised by the Company in General Meeting. However no regulation made by the Company in General Meeting shall invalidate any prior act of the Board which would have been valid if that regulation had not been made.	**Powers of the Board**
144.	Without prejudice to the general powers conferred by the Articles and so as not in any way to limit or restrict these powers, and without prejudice to the other powers conferred by these Articles, but subject to the restrictions contained in the Articles, it is hereby, declared that the Directors shall have the following powers, that is to say	**Certain powers of the Board**
	(1) Subject to the provisions of the Act, to purchase or otherwise acquire any lands, buildings, machinery, premises, property, effects, assets, rights, creditors, royalties, business and goodwill of any person firm or company carrying on the business which this Company is authorised to carry on, in any part of India.	**To acquire any property , rights etc.**
	(2) Subject to the provisions of the Act to purchase, take on lease for any term or terms of years, or otherwise acquire any land or lands, with or without buildings and out-houses thereon, situate in any part of India, at such conditions as the Directors may think fit, and in any such purchase, lease or acquisition to accept such title as the Directors may believe, or may be advised to be reasonably satisfy.	**To take on Lease.**
	(3) To erect and construct, on the said land or lands, buildings, houses, warehouses and sheds and to alter, extend and improve the same, to let or lease the property of the company, in part or in whole for such rent and subject to such conditions, as may be thought advisable; to sell such portions of the land or buildings of the Company as may not be required for the company; to mortgage the whole or any portion of the property of the company for the purposes of the Company; to sell all or any portion of the machinery or stores belonging to the Company.	**To erect & construct.**
	(4) At their discretion and subject to the provisions of the Act, the Directors may pay property rights or privileges acquired by, or services rendered to the Company, either wholly or partially in cash or in shares, bonds, debentures or other	**To pay for property.**

Sr. No	Particulars	
	securities of the Company, and any such share may be issued either as fully paid up or with such amount credited as paid up thereon as may be agreed upon; and any such bonds, debentures or other securities may be either specifically charged upon all or any part of the property of the Company and its uncalled capital or not so charged.	
	(5) To insure and keep insured against loss or damage by fire or otherwise for such period and to such extent as they may think proper all or any part of the buildings, machinery, goods, stores, produce and other moveable property of the Company either separately or co-jointly; also to insure all or any portion of the goods, produce, machinery and other articles imported or exported by the Company and to sell, assign, surrender or discontinue any policies of assurance effected in pursuance of this power.	**To insure properties of the Company.**
	(6) To open accounts with any Bank or Bankers and to pay money into and draw money from any such account from time to time as the Directors may think fit.	**To open Bank accounts.**
	(7) To secure the fulfillment of any contracts or engagement entered into by the Company by mortgage or charge on all or any of the property of the Company including its whole or part of its undertaking as a going concern and its uncalled capital for the time being or in such manner as they think fit.	**To secure contracts by way of mortgage.**
	(8) To accept from any member, so far as may be permissible by law, a surrender of the shares or any part thereof, on such terms and conditions as shall be agreed upon.	**To accept surrender of shares.**
	(9) To appoint any person to accept and hold in trust, for the Company property belonging to the Company, or in which it is interested or for any other purposes and to execute and to do all such deeds and things as may be required in relation to any such trust, and to provide for the remuneration of such trustee or trustees.	**To appoint trustees for the Company.**
	(10) To institute, conduct, defend, compound or abandon any legal proceeding by or against the Company or its Officer, or otherwise concerning the affairs and also to compound and allow time for payment or satisfaction of any debts, due, and of any claims or demands by or against the Company and to refer any difference to arbitration, either according to Indian or Foreign law and either in India or abroad and observe and perform or challenge any award thereon.	**To conduct legal proceedings.**
	(11) To act on behalf of the Company in all matters relating to bankruptcy insolvency.	**Bankruptcy &Insolvency**
	(12) To make and give receipts, release and give discharge for moneys payable to the Company and for the claims and demands of the Company.	**To issue receipts & give discharge.**

Sr. No	Particulars	
	(13) Subject to the provisions of the Act, and these Articles to invest and deal with any moneys of the Company not immediately required for the purpose thereof, upon such authority (not being the shares of this Company) or without security and in such manner as they may think fit and from time to time to vary or realise such investments. Save as provided in Section 187 of the Act, all investments shall be made and held in the Company's own name.	**To invest and deal with money of the Company.**
	(14) To execute in the name and on behalf of the Company in favour of any Director or other person who may incur or be about to incur any personal liability whether as principal or as surety, for the benefit of the Company, such mortgage of the Company's property (present or future) as they think fit, and any such mortgage may contain a power of sale and other powers, provisions, covenants and agreements as shall be agreed upon;	**To give Security by way of indemnity.**
	(15) To determine from time to time persons who shall be entitled to sign on Company's behalf, bills, notes, receipts, acceptances, endorsements, cheques, dividend warrants, releases, contracts and documents and to give the necessary authority for such purpose, whether by way of a resolution of the Board or by way of a power of attorney or otherwise.	**To determine signing powers.**
	(16) To give to any Director, Officer, or other persons employed by the Company, a commission on the profits of any particular business or transaction, or a share in the general profits of the company; and such commission or share of profits shall be treated as part of the working expenses of the Company.	**Commission or share in profits.**
	(17) To give, award or allow any bonus, pension, gratuity or compensation to any employee of the Company, or his widow, children, dependents, that may appear just or proper, whether such employee, his widow, children or dependents have or have not a legal claim on the Company.	**Bonus etc. to employees.**
	(18) To set aside out of the profits of the Company such sums as they may think proper for depreciation or the depreciation funds or to insurance fund or to an export fund, or to a Reserve Fund, or Sinking Fund or any special fund to meet contingencies or repay debentures or debenture-stock or for equalizing dividends or for repairing, improving, extending and maintaining any of the properties of the Company and for such other purposes (including the purpose referred to in the preceding clause) as the Board may, in the absolute discretion think conducive to the interests of the Company, and subject to Section 179 of the Act, to invest the several sums so set aside or so much thereof as may be required to be invested, upon such investments (other than shares of this Company) as they may think fit and from time to time deal	**Transfer to Reserve Funds.**

Sr. No	Particulars	
	with and vary such investments and dispose of and apply and extend all or any part thereof for the benefit of the Company notwithstanding the matters to which the Board apply or upon which the capital moneys of the Company might rightly be applied or expended and divide the reserve fund into such special funds as the Board may think fit; with full powers to transfer the whole or any portion of a reserve fund or division of a reserve fund to another fund and with the full power to employ the assets constituting all or any of the above funds, including the depredation fund, in the business of the company or in the purchase or repayment of debentures or debenture-stocks and without being bound to keep the same separate from the other assets and without being bound to pay interest on the same with the power to the Board at their discretion to pay or allow to the credit of such funds, interest at such rate as the Board may think proper.	
	(19) To appoint, and at their discretion remove or suspend such general manager, managers, secretaries, assistants, supervisors, scientists, technicians, engineers, consultants, legal, medical or economic advisers, research workers, labourers, clerks, agents and servants, for permanent, temporary or special services as they may from time to time think fit, and to determine their powers and duties and to fix their salaries or emoluments or remuneration and to require security in such instances and for such amounts they may think fit and also from time to time to provide for the management and transaction of the affairs of the Company in any specified locality in India or elsewhere in such manner as they think fit and the provisions contained in the next following clauses shall be without prejudice to the general powers conferred by this clause.	**To appoint and remove officers and other employees.**
	(20) At any time and from time to time by power of attorney under the seal of the Company, to appoint any person or persons to be the Attorney or attorneys of the Company, for such purposes and with such powers, authorities and discretions (not exceeding those vested in or exercisable by the Board under these presents and excluding the power to make calls and excluding also except in their limits authorised by the Board the power to make loans and borrow moneys) and for such period and subject to such conditions as the Board may from time to time think fit, and such appointments may (if the Board think fit) be made in favour of the members or any of the members of any local Board established as aforesaid or in favour of any Company, or the shareholders, directors, nominees or manager of any Company or firm or otherwise in favour of any fluctuating body of persons whether nominated directly or indirectly by the Board and any such powers of attorney may contain such powers for the protection or convenience for dealing with	**To appoint Attorneys.**

Sr. No	Particulars	
	such Attorneys as the Board may think fit, and may contain powers enabling any such delegated Attorneys as aforesaid to sub-delegate all or any of the powers, authorities and discretion for the time being vested in them.	
	(21) Subject to Sections 188 of the Act, for or in relation to any of the matters aforesaid or otherwise for the purpose of the Company to enter into all such negotiations and contracts and rescind and vary all such contracts, and execute and do all such acts, deeds and things in the name and on behalf of the Company as they may consider expedient.	**To enter into contracts.**
	(22) From time to time to make, vary and repeal rules for the regulations of the business of the Company its Officers and employees.	**To make rules.**
	(23) To effect, make and enter into on behalf of the Company all transactions, agreements and other contracts within the scope of the business of the Company.	**To effect contracts etc.**
	(24) To apply for, promote and obtain any act, charter, privilege, concession, license, authorization, if any, Government, State or municipality, provisional order or license of any authority for enabling the Company to carry any of this objects into effect, or for extending and any of the powers of the Company or for effecting any modification of the Company's constitution, or for any other purpose, which may seem expedient and to oppose any proceedings or applications which may seem calculated, directly or indirectly to prejudice the Company's interests.	**To apply & obtain concessions licenses etc.**
	(25) To pay and charge to the capital account of the Company any commission or interest lawfully payable there out under the provisions of Sections 40 of the Act and of the provisions contained in these presents.	**To pay commissions or interest.**
	(26) To redeem preference shares.	**To redeem preference shares.**
	(27) To subscribe, incur expenditure or otherwise to assist or to guarantee money to charitable, benevolent, religious, scientific, national or any other institutions or subjects which shall have any moral or other claim to support or aid by the Company, either by reason of locality or operation or of public and general utility or otherwise.	**To assist charitable or benevolent institutions.**
	(28) To pay the cost, charges and expenses preliminary and incidental to the promotion, formation, establishment and registration of the Company. (29) To pay and charge to the capital account of the Company any commission or interest lawfully payable thereon under the provisions of Sections 40 of the Act.	

Sr. No	Particulars	
	(30) To provide for the welfare of Directors or ex-Directors or employees or ex-employees of the Company and their wives, widows and families or the dependents or connections of such persons, by building or contributing to the building of houses, dwelling or chawls, or by grants of moneys, pension, gratuities, allowances, bonus or other payments, or by creating and from time to time subscribing or contributing, to provide other associations, institutions, funds or trusts and by providing or subscribing or contributing towards place of instruction and recreation, hospitals and dispensaries, medical and other attendance and other assistance as the Board shall think fit and subject to the provision of Section 181 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.	
	(31) 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. (32) 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. (33) 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. (34) To undertake on behalf of the Company any payment of rents and the performance of the covenants, conditions and agreements contained in or reserved by any lease that may be granted or assigned to or otherwise acquired by the Company and to purchase the reversion or reversions, and otherwise to acquire on free hold sample of all or any of the lands of the Company for the time being held under lease or for an estate less than freehold estate. (35) 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. (36) To let, sell or otherwise dispose of subject to the provisions of Section 180 of the Act and of the other Articles any	

Sr. No	Particulars	
	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. (37) Generally subject to the provisions of the Act and these Articles, to delegate the powers/authorities and discretions vested in the Directors to any person(s), firm, company or fluctuating body of persons as aforesaid. (38) 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.	
	MANAGING AND WHOLE-TIME DIRECTORS	
145.	a) Subject to the provisions of the Act and of these Articles, the Directors may from time to time in Board Meetings appoint one or more of their body to be a Managing Director or Managing Directors or whole-time Director or whole-time Directors of the Company for such term not exceeding five years at a time as they may think fit to manage the affairs and business of the Company, and may from time to time (subject to the provisions of any contract between him or them and the Company) remove or dismiss him or them from office and appoint another or others in his or their place or places. b) The Managing Director or Managing Directors or whole-time Director or whole-time Directors so appointed shall be liable to retire by rotation. A Managing Director or Whole-time Director who is appointed as Director immediately on the retirement by rotation shall continue to hold his office as Managing Director or Whole-time Director and such re-appointment as such Director shall not be deemed to constitute a break in his appointment as Managing Director or Whole-time Director.	**Powers to appoint Managing/ Wholetime Directors.**
146.	The remuneration of a Managing Director or a Whole-time Director (subject to the provisions of the Act and of these Articles and of any contract between him and the Company) shall from time to time be fixed by the Directors and may be, by way of fixed salary, or commission on profits of the Company, or by participation in any such profits, or by any, or all of these modes.	**Remuneration of Managing or Wholetime Director.**
147.	(1) Subject to control, direction and supervision of the Board of Directors, the day-to-day management of the company will be in the hands of the Managing Director or Whole-time Director appointed in accordance with regulations of these Articles of Association with powers to the Directors to distribute such day-to-day management functions among such Directors and in any manner as may be directed by the Board. (2) The Directors may from time to time entrust to and confer upon the Managing Director or Whole-time Director for the	**Powers and duties of Managing Director or Whole-time Director.**

Sr. No	Particulars	
	time being save as prohibited in the Act, such of the powers exercisable under these presents by the Directors as they may think fit, and may confer such objects and purposes, and upon such terms and conditions, and with such restrictions as they think expedient; and they may subject to the provisions of the Act and these Articles confer such powers, either collaterally with or to the exclusion of, and in substitution for, all or any of the powers of the Directors in that behalf, and may from time to time revoke, withdraw, alter or vary all or any such powers. (3) The Company's General Meeting may also from time to time appoint any Managing Director or Managing Directors or Wholetime Director or Wholetime Directors of the Company and may exercise all the powers referred to in these Articles. (4) The Managing Director shall be entitled to sub-delegate (with the sanction of the Directors where necessary) all or any of the powers, authorities and discretions for the time being vested in him in particular from time to time by the appointment of any attorney or attorneys for the management and transaction of the affairs of the Company in any specified locality in such manner as they may think fit. (5) Notwithstanding anything contained in these Articles, the Managing Director is expressly allowed generally to work for and contract with the Company and especially to do the work of Managing Director and also to do any work for the Company upon such terms and conditions and for such remuneration (subject to the provisions of the Act) as may from time to time be agreed between him and the Directors of the Company.	
	Chief Executive Officer, Manager, Company Secretary or Chief Financial Officer	
148.	a) Subject to the provisions of the Act,— i. A chief executive officer, manager, company secretary or chief financial officer may be appointed by the Board for such term, at such remuneration and upon such conditions as it may thinks fit; and any chief executive officer, manager, company secretary or chief financial officer so appointed may be removed by means of a resolution of the Board; ii. A director may be appointed as chief executive officer, manager, company secretary or chief financial officer. **b)** A provision of the Act or these regulations requiring or authorising a thing to be done by or to a director and chief executive officer, manager, company secretary or chief financial officer shall not be satisfied by its being done by or to the same person acting both as director and as, or in place	**Board to appoint Chief Executive Officer/ Manager/ Company Secretary/ Chief Financial Officer**

Sr. No	Particulars	
	of, chief executive officer, manager, company secretary or chief financial officer.	
	THE SEAL	
149.	(a) The Board, if so resolved, may or may not provide a Common Seal for the purposes of the Company and if provided have power from time to time to destroy the same and substitute a new Seal in lieu thereof and the Board shall provide for the safe custody of the Seal for the time being and the Seal shall never be used except by the authority of the Board or a Committee of the Board previously given. (b) The Company shall also be at liberty to have an Official Seal in accordance with of the Act, for use in any territory, district or place outside India.	**The seal, its custody and use.**
150.	The seal of the company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf and except in the presence of any one directors and of the secretary or such other person as the Board may appoint for the purpose; and those director and the secretary or other person aforesaid shall sign every instrument to which the seal of the company is so affixed in their presence.	**Deeds how executed.**
	Dividend and Reserves	
151.	(1) Subject to the rights of persons, if any, entitled to shares with special rights as to dividends, all dividends shall be declared and paid according to the amounts paid or credited as paid on the shares in respect whereof the dividend is paid, but if and so long as nothing is paid upon any of the shares in the Company, dividends may be declared and paid according to the amounts of the shares. (2) No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this regulation as paid on the share. (3) All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid; but if any share is issued on terms providing that it shall rank for dividend as from a particular date such share shall rank for dividend accordingly.	**Division of profits.**
152.	The Company in General Meeting may declare dividends, to be paid to members according to their respective rights and interests in the profits and may fix the time for payment and the Company shall comply with the provisions of Section 127 of the Act, but no dividends shall exceed the amount recommended by the Board of Directors, but the Company may declare a smaller dividend in general meeting.	**The company in General Meeting may declare Dividends.**

Sr. No	Particulars	
153.	a) The Board may, before recommending any dividend, set aside out of the profits of the company such sums as it thinks fit as a reserve or reserves which shall, at the discretion of the Board, be applicable for any purpose to which the profits of the company may be properly applied, including provision for meeting contingencies or for equalizing dividends; and pending such application, may, at the like discretion, either be employed in the business of the company or be invested in such investments (other than shares of the company) as the Board may, from time to time, thinks fit. b) The Board may also carry forward any profits which it may consider necessary not to divide, without setting them aside as a reserve.	**Transfer to reserves**
154.	Subject to the provisions of section 123, the Board may from time to time pay to the members such interim dividends as appear to it to be justified by the profits of the company.	**Interim Dividend.**
155.	The Directors may retain any dividends on which the Company has a lien and may apply the same in or towards the satisfaction of the debts, liabilities or engagements in respect of which the lien exists.	**Debts may be deducted.**
156.	No amount paid or credited as paid on a share in advance of calls shall be treated for the purposes of this articles as paid on the share.	**Capital paid up in advance not to earn dividend.**
157.	All dividends shall be apportioned and paid proportionately to the amounts paid or credited as paid on the shares during any portion or portions of the period in respect of which the dividend is paid but if any share is issued on terms providing that it shall rank for dividends as from a particular date such share shall rank for dividend accordingly.	**1. Dividends in proportion to amount paid-up.**
158.	The Board of Directors may retain the dividend payable upon shares in respect of which any person under Articles has become entitled to be a member, or any person under that Article is entitled to transfer, until such person becomes a member, in respect of such shares or shall duly transfer the same.	**Retention of dividends until completion of transfer under Articles .**
159.	No member shall be entitled to receive payment of any interest or dividend or bonus in respect of his share or shares, whilst any money may be due or owing from him to the Company in respect of such share or shares (or otherwise however, either alone or jointly with any other person or persons) and the Board of Directors may deduct from the interest or dividend payable to any member all such sums of money so due from him to the Company.	**No Member to receive dividend whilst indebted to the company and the Company's right of reimbursement thereof.**
160.	A transfer of shares does not pass the right to any dividend declared thereon before the registration of the transfer.	**Effect of transfer of shares.**

Sr. No	Particulars	
161.	Any one of several persons who are registered as joint holders of any share may give effectual receipts for all dividends or bonus and payments on account of dividends in respect of such share.	**Dividend to joint holders.**
162.	a) Any dividend, interest or other monies payable in cash in respect of shares may be paid by cheque or warrant sent through the post directed to the registered address of the holder or, in the case of joint holders, to the registered address of that one of the joint holders who is first named on the register of members, or to such person and to such address as the holder or joint holders may in writing direct. b) Every such cheque or warrant shall be made payable to the order of the person to whom it is sent.	**Dividends how remitted.**
163.	Notice of any dividend that may have been declared shall be given to the persons entitled to share therein in the manner mentioned in the Act.	**Notice of dividend.**
164.	No unclaimed dividend shall be forfeited before the claim becomes barred by law and no unpaid dividend shall bear interest as against the Company.	**No interest on Dividends.**
	CAPITALIZATION	
165.	(1) The Company in General Meeting may, upon the recommendation of the Board, resolve: (a) that it is desirable to capitalize any part of the amount for the time being standing to the credit of any of the Company's reserve accounts, or to the credit of the Profit and Loss account, or otherwise available for distribution; and (b) that such sum be accordingly set free for distribution in the manner specified in clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions. (2) The sums aforesaid shall not be paid in cash but shall be applied subject to the provisions contained in clause (3) either in or towards: (i) paying up any amounts for the time being unpaid on any shares held by such members respectively; (ii) paying up in full, unissued shares of the Company to be allotted and distributed, credited as fully paid up, to and amongst such members in the proportions aforesaid; or (iii) partly in the way specified in sub-clause (i) and partly in that specified in sub-clause (ii). (3) A Securities Premium Account and Capital Redemption Reserve Account may, for the purposes of this regulation, only be applied in the paying up of unissued shares to be	**Capitalization.**

Sr. No	Particulars	
	issued to members of the Company and fully paid bonus shares. (4) The Board shall give effect to the resolution passed by the Company in pursuance of this regulation.	
166.	(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 capitalized thereby and all allotments and issues of fully paid shares, if any, and (b) generally to 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 certificates or by payment in cash or otherwise as it thinks fit, in case of shares becoming distributable in fractions; and also (b) to authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the Company providing for the allotment to them respectively, credited as fully paid up, of any further shares to which they may be entitled upon such capitalization, or (as the case may require) for the payment by the Company on their behalf, by the application thereto of their respective proportions, of the profits resolved to be capitalized, of the amounts or any part of the amounts remaining unpaid on their existing shares. (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 questions or difficulties that may arise in regard to any issue including distribution of new equity shares and fractional certificates as they think fit.	**Fractional Certificates.**
167.	(1) The books containing the minutes of the proceedings of any General Meetings of the Company shall be open to inspection of members without charge on such days and during such business hours as may consistently with the provisions of Section 119 of the Act be determined by the Company in General Meeting and the members will also be entitled to be furnished with copies thereof on payment of regulated charges. (2) Any member of the Company shall be entitled to be furnished within seven days after he has made a request in that behalf to the Company with a copy of any minutes referred to in sub-clause (1) hereof on payment of Rs. 10 per page or any part thereof.	**Inspection of Minutes Books of General Meetings.**

Sr. No	Particulars	
168.	a) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being directors. b) No member (not being a director) shall have any right of inspecting any account or book or document of the company except as conferred by law or authorised by the Board or by the company in general meeting.	**Inspection of Accounts**
	FOREIGN REGISTER	
169.	The Company may exercise the powers conferred on it by the provisions of the Act with regard to the keeping of Foreign Register of its Members or Debenture holders, and the Board may, subject to the provisions of the Act, make and vary such regulations as it may think fit in regard to the keeping of any such Registers.	**Foreign Register.**
	DOCUMENTS AND SERVICE OF NOTICES	
170.	Any document or notice to be served or given by the Company be signed by a Director or such person duly authorised by the Board for such purpose and the signature may be written or printed or lithographed.	**Signing of documents & notices to be served or given.**
171.	Save as otherwise expressly provided in the Act, a document or proceeding requiring authentication by the company may be signed by a Director, the Manager, or Secretary or other Authorised Officer of the Company and need not be under the Common Seal of the Company.	**Authentication of documents and proceedings.**
	WINDING UP	
172.	Subject to the provisions of Chapter XX of the Act and rules made thereunder— (i) If the company shall be wound up, the liquidator may, with the sanction of a special resolution of the company and any other sanction required by the Act, divide amongst the members, in specie or kind, the whole or any part of the assets of the company, whether they shall consist of property of the same kind or not. (ii) For the purpose aforesaid, the liquidator may set such value as he deems fair upon any property to be divided as aforesaid and may determine how such division shall be carried out as between the members or different classes of members. (iii) The liquidator may, with the like sanction, vest the whole or any part of such assets in trustees upon such trusts for the benefit of the contributories if he considers necessary, but so that no member shall be compelled to accept any shares or other securities whereon there is any liability.	

Sr. No	Particulars	
	INDEMNITY	
173.	Subject to provisions of the Act, every Director, or Officer or Servant of the Company or any person (whether an Officer of the Company or not) employed by the Company as Auditor, shall be indemnified by the Company against and it shall be the duty of the Directors to pay, out of the funds of the Company, all costs, charges, losses and damages which any such person may incur or become liable to, by reason of any contract entered into or act or thing done, concurred in or omitted to be done by him in any way in or about the execution or discharge of his duties or supposed duties (except such if any as he shall incur or sustain through or by his own wrongful act neglect or default) including expenses, and in particular and so as not to limit the generality of the foregoing provisions, against all liabilities incurred by him as such Director, Officer or Auditor or other officer of the Company in defending any proceedings whether civil or criminal in which judgment is given in his favor, or in which he is acquitted or in connection with any application under Section 463 of the Act on which relief is granted to him by the Court.	**Directors' and others right to indemnity.**
174.	Subject to the provisions of the Act, no Director, Managing Director or other officer of the Company shall be liable for the acts, receipts, neglects or defaults of any other Directors or Officer, or for joining in any receipt or other act for conformity, or for any loss or expense happening to the Company through insufficiency or deficiency of title to any property acquired by order of the Directors for or on behalf of the Company or for the insufficiency or deficiency of any security in or upon which any of the moneys of the Company shall be invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person, company or corporation, with whom any moneys, securities or effects shall be entrusted or deposited, or for any loss occasioned by any error of judgment or oversight on his part, or for any other loss or damage or misfortune whatever which shall happen in the execution of the duties of his office or in relation thereto, unless the same happens through his own dishonesty.	**Not responsible for acts of others**
	SECRECY	
175.	(a) Every Director, Manager, Auditor, Treasurer, Trustee, Member of a Committee, Officer, Servant, Agent, Accountant or other person employed in the business of the company shall, if so required by the Directors, before entering upon his duties, sign a declaration pleading himself to observe strict secrecy respecting all transactions and affairs of the Company with the customers and the state of the accounts with individuals and in matters relating thereto, and shall by such declaration pledge himself not to reveal any of the matter which may come to his knowledge in the discharge of his duties except when required so to do by the Directors or by any meeting or by a Court of Law and except	**Secrecy**

Sr. No	Particulars	
	so far as may be necessary in order to comply with any of the provisions in these presents contained.	
	(b) No member or other person (other than a Director) shall be entitled to enter the property of the Company or to inspect or examine the Company's premises or properties or the books of accounts of the Company without the permission of the Board of Directors of the Company for the time being or to require discovery of or any information in respect of any detail of the Company's trading or any matter which is or may be in the nature of trade secret, mystery of trade or secret process or of any matter whatsoever which may relate to the conduct of the business of the Company and which in the opinion of the Board it will be inexpedient in the interest of the Company to disclose or to communicate.	**Access to property information etc.**

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 the Prospectus will 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 Office No.26, Building No. 1, Ajay Mittal Industrial Premises Limited, Marol, Andheri East, Mumbai – 400059 India from date of filing this Prospectus with RoC to Issue Closing Date on working days from 10.00 a.m. to 5.00 p.m.

Material Contracts

1. Issue Agreement dated December 30, 2015 between our Company and the Lead Manager.
2. Agreement dated December 30, 2015 between our Company and Bigshare Services Private Limited, Registrar to the Issue.
3. Underwriting Agreement dated December 30, 2015 between our Company and Underwriter viz. Lead Manager.
4. Market Making Agreement dated December 30, 2015 between our Company, Market Maker and the Lead Manager.
5. Banker to the Issue Agreement dated January 21, 2016 amongst our Company, the Lead Manager, Banker to the Issue and the Registrar to the Issue.
6. Tripartite agreement among the NSDL, our Company and Registrar to the Issue dated April 8, 2015.
7. Tripartite agreement among the CDSL, our Company and Registrar to the Issue dated November 24, 2015.

Material Documents

1. Certified true copy of the Memorandum and Articles of Association of our Company including certificates of incorporation.
2. Resolution of the Board dated December 28, 2015 authorizing the Issue
3. Special Resolution of the shareholders passed at the EGM dated December 28, 2015 authorizing the Issue.
4. Statement of Tax Benefits dated December 29, 2015 issued by our Peer Reviewed Auditor M/s. R T Jain & Co., Chartered Accountants.
5. Report of the Peer Reviewed Auditor, M/s. R T Jain & Co., Chartered Accountants, dated December 29, 2015 on the Restated Financial Statements for the period ended September 30, 2015 and for the financial year ended as on March 31, 2015, 2014, 2013, 2012 & 2011 of our Company.
6. Consents of Promoters, Directors, Company Secretary and Compliance Officer, Statutory Auditors, Peer Reviewed Auditors, Legal Advisor to the Issue, the Lead Manager, Registrar to the Issue, Underwriter, Market Maker, Bankers to the Issue to act in their respective capacities.
7. Copy of approval from BSE Limited *vide* letter dated January 27, 2016, to use the name of BSE in this offer document for listing of Equity Shares on SME Platform of BSE Limited.
8. Due Diligence Certificate dated January 4, 2016 from Lead Manager to BSE Limited.

None of the contracts or documents mentioned in this Prospectus may be amended or modified at any time without reference to the shareholders, subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

We, the under signed, hereby certify and declare that, all relevant provisions of the Companies Act and the rules, regulations and guidelines issued by the Government of India or the regulations / guidelines issued by SEBI, 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, the Securities and Exchange Board of India Act, 1992 or rules made there under or regulations / guidelines issued, as the case may be. We further certify that all the disclosures and statements made in the Prospectus are true and correct.

Signed by all the Directors of our Company

Name and designation	Signature
Mr. Ramnath J Pradeep *Chairman & Non Executive Independent Director*	Sd/-
Ms. Vidhi V Kamat *Managing Director*	Sd/-
Mr. Vaibhav V Rathi *Independent Director*	Sd/-
Mr. Arun S Jain *Additional Independent Director*	Sd/-

Signed by Chief Financial Officer and Company Secretary & Compliance Officer of the Company

Sd/-

Mr. Ravindra Shinde

Chief Financial Officer

Sd/-

Ms. Payal Barai

Company Secretary & Compliance Officer

Place: Mumbai
Date: January 28, 2016

Annexure A

DISCLOSURE OF PRICE INFORMATION OF PAST ISSUES HANDLED BY PANTOMATH CAPITAL ADVISORS PRIVATE LIMITED

Sr. No	Issue Name	Issue Size (Cr)	Issue Price (Rs.)	Listing date	Opening price on listing date	+/- % change in closing price, [+/- % change in closing benchmark]- 30th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 90th calendar days from listing	+/- % change in closing price, [+/- % change in closing benchmark]- 180th calendar days from listing
1.	Jet Infraventure Limited	4.50	125.00	November 25, 2014	130.00	2.40% (-3.87%)	1.60% (2.25%)	1.60% (-5.30%)
2.	Supreme (India) Impex Limited	7.87	60.00	March 31, 2015	62.00	4.17% (-3.65%)	15.83% (-2.03%)	16.33% (-3.69%)
3.	Filtra Consultants and Engineers Limited	3.11	42.00	April 15, 2015	42.80	2.38% (-5.12%)	1.19% (-3.01%)	-8.93% (-4.61%)
4.	Ambition Mica Limited	4.29	40.00	July 14, 2015	45.00	11.25% (-1.37%)	42.50% (-3.68%)	43.75% (-11.12%)
5.	Jiya Eco-Products Limited	4.58	19.00	July 16, 2015	21.75	46.84% (-2.00%)	30.00% (-5.86%)	26.58% (-13.23%)
6.	M.D. Inducto Cast Limited	17.23	27.00	July 16, 2015	28.10	48.33% (-2.00%)	85.19% (-5.86%)	68.15% (-13.23%)
7.	Majestic Research Services and Solutions Limited	1.428	12.75	July 16, 2015	14.00	225.10% (-2.00%)	274.90% (-5.86%)	622.75% (-13.23%)
8.	Mangalam Seeds Limited	5.70	50.00	August 12, 2015	55.00	15.20% (-6.87%)	65.10% (-5.98%)	NA
9.	Sri Krishna Constructions (India) Limited	11.34	45.00	October 01, 2015	39.90	-2.22% (1.66%)	-0.89% (-1.00%)	NA
10.	Patdiam Jewellery Limited	5.0046	38.00	October 16, 2015	43.00	61.84% (-5.34%)	63.03% (-8.97%)	NA

Sources: All share price data is from www.bseindia.com and/or www.nseindia.com

Note:-

1. The BSE Sensex and CNX Nifty are considered as the Benchmark Index
2. Prices on BSE/NSE are considered for all of the above calculations
3. In case 30th/90th/180th day is not a trading day, closing price on BSE/NSE of the next trading day has been considered
4. In case on the 30th/90th/180th day, scrips are not traded then last trading price has been considered
5. As per SEBI Circular No. CIR/CFD/DIL/7/2015 dated October 30, 2015, the above table should reflect maximum 10 issues (initial public offerings) managed by the lead manager. Hence, disclosures pertaining to recent 10 issues handled by the lead manager are provided

SUMMARY STATEMENT OF DISCLOSURE

Financial year	Total no. of IPO	Total funds raised (Rs. Cr)	Nos of IPOs trading at discount on 30th Calendar day from listing date			Nos of IPOs trading at premium on 30th Calendar day from listing date			Nos of IPOs trading at discount on 180th Calendar day from listing date			Nos of IPOs trading at premium on 180th Calendar day from listing date		
			Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%	Over 50%	Between 25-50%	Less than 25%
13-14	1	6.855	-	-	-	-	1	-	-	-	-	-	1	-
14-15	**5	56.844	-	-	-	-	-	5	-	-	-	-	2	3
15-16	***8	52.70	-	-	1	2	2	3	-	-	1#	2	2	-

*The scripts of Si. Vi. Shipping Corporation Limited was listed on March 6, 2014.
**The scripts of Women's Next Loungeries Limited, Ultracab (India) Limited, Momai Apparels Limited, Jet Infraventure Limited and Supreme(India) Impex Limited were listed on April 21, 2014, October 10, 2014, October 16, 2014, November 25, 2014, and March 31, 2015.
***The Scripts of Filtra Consultants and Engineers Limited, Ambition Mica Limited, Jiya Eco Products Limited, M.D. Inducto Cast Limited, Majestic Research Services and Solutions Limited, Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited and Patdiam Jewellery Limited were listed on April 15, 2015, July 14, 2015, July 16, 2015, July 16, 2015, July 16, 2015,August 12, 2015,October 01, 2015 and October 16, 2015 respectively.
The Scripts of Mangalam Seeds Limited, Sri Krishna Constructions (India) Limited and Patdiam Jewellery Limited have not completed 180 Days from calendar day.